

Company Registration No. 08188507 (England and Wales)

NUNTHORPE MULTI-ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Members

A Mansfield
A Shield
L Brown
I Fuller
A Brundall

Trustees

A Mansfield (Chair of Trustees (until 31 May 2021))
K Brentall
J Liddle (Resigned 31 August 2021)
L Brown (Executive Principal and Accounting Officer)
N Rhodes (Resigned 10 November 2020)
A Tickle (Chair of Trustees (from 1 June 2021))
J Bieda (Resigned 31 October 2020)
M Demoily (Chair of Audit Committee) (Resigned 10 November 2021)
J Charnock (Appointed 7 July 2021 and resigned 2 August 2021)
P Thwaites (Appointed 11 December 2020)
A Bashir (Appointed 13 March 2021)
L Fletcher (Appointed 17 March 2021)
M Welch (Appointed 7 July 2021)
J H Thomas (Appointed 7 July 2021)
I Wolstencroft (Appointed 18 November 2020 and resigned 14 January 2021)

Senior management team

- Executive Principal
- Head of School (Nunthorpe)

L Brown
K Kell

Company registration number

08188507 (England and Wales)

Principal and registered office

Nunthorpe Academy
Guisborough Road
Nunthorpe
TS7 0LA

Academies operated

Nunthorpe Academy
Rye Hills Academy

Location

Nunthorpe, Middlesbrough
Redcar

Head Of School

K Kell
C Waugh

Independent auditor

RSM UK Audit LLP
1 St. James' Gate
Newcastle upon Tyne
United Kingdom
NE1 4AD

Bankers

HSBC plc
60 Albert Road
Middlesbrough
TS1 1RS

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors

Weightmans (previously Watson Burton LLP)
1 St James' Gate
Newcastle upon Tyne
NE1 4AD

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During this period, the Trust operated two secondary academies being Nunthorpe Academy and Rye Hills Academy. On the 1st June 2021, Rye Hills Academy transferred to North East Learning Trust. Nunthorpe Academy had a pupil roll of 1,684.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The charitable company is known as Nunthorpe Multi-Academy Trust Limited ('NMAT').

The trustees of Nunthorpe Multi-Academy Trust Limited are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these financial statements are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Companies Act 2006 s236 requires disclosure concerning qualifying third party indemnity provisions. As required in the Academy's Articles of Association indemnity insurance with Zurich Insurance PLC has been taken out to cover the liabilities of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default, breach of trust or breach of duty of which they may be guilty in relation to the Trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard of whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity of Trustees.

Method of recruitment and appointment or election of Trustees

As set out in the articles and funding agreement which are published on the NMAT website, (www.nmat.co.uk), the multi-academy trust (MAT) will comprise of not less than a minimum of three members, none of which can be an employee of the Trust. These members are responsible for the appointment of trustees.

The number of trustees shall not be less than three at any time, and shall not exceed nine at any time. Providing that the Executive Principal agrees, the Members may appoint the Executive Principal as a trustee.

The total number of Trustees, including the Executive Principal, who are employees of the Trust must not exceed one third of the total number of Trustees.

The Trustees may also appoint Co-opted Trustees. Co-opted Trustees are sought and approached following consultation between the Executive Principal and Chair of Trustees. A 'Co-opted Trustee means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Trust would exceed one third of the total number of Trustees (including the Executive Principal).

The term of office for any Trustee is four years, save that this limit will not apply to any post which is held "ex-officio", such as the Executive Principal. However, subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at a General Meeting.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Policies and procedures adopted for the induction and training of Trustees

The Trust takes its responsibility to train new Trustees very seriously and therefore have developed an induction procedure to follow. This induction process includes:

- A tour of a MAT academy by a member of the senior team to include a briefing on our core purpose and values. Meet staff and students on the tour.
- Allocation of a Trustee 'buddy' so that all questions can be answered before a Trustee meeting via a telephone call or afterwards by checking if any questions remain unanswered.
- Induction training programme delivered via the Clerk to the Board of Trustees.
- Meet with the Executive Principal, Chair of Trustees and if appropriate other MAT senior staff.

Documentation supplied will include the NMAT Growth Strategy, the NMAT SEF and Development Plan, the latest Ofsted Reports, previous minutes of relevant committee meetings, list of Trustees and local Governors, list of sub committees (and terms of reference/membership), and a calendar of NMAT governance meetings.

Organisational structure

The Executive Principal is the Trust's Accounting Officer. Their main task is to execute the policies agreed by the Multi-Academy Trust (MAT) in relation to its education functions and to bring forward for approval, proposals for further improving the quality of educational experience of the Trust's students. The Board of Trustees has delegated to the Executive Principal extensive powers to make decisions quickly and efficiently in respect of the Executive Principal's responsibilities. Up until 31 May 2021 the MAT Leadership Team consisted of:

- One Executive Principal
- Two Heads of School
- Two Vice Principals
- Seven Assistant Vice Principals

From 1st June 2021 the MAT Leadership Team consisted of:

- One Executive Principal
- One Head of School
- One Vice Principal
- Five Assistant Vice Principals

The Board of Trustees ensure good governance of the multi-academy trust and set policy. The Board of Trustees also fulfils the functions of an Audit/Finance committee. It can also question implementation of policy where relevant. The Board of Trustees has established a Local Governing Body (LGB) for each academy in the Trust, with specific duties relating to their function. Full details of these delegated powers are published on the NMAT website (www.nmat.co.uk).

Arrangements for setting pay and remuneration of key management personnel

The Trust's Pay and Progression for Senior Leaders Policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document. The policy aims to promote high standards of educational achievement in the Trust by:

- Supporting the recruitment and retention of a high quality senior leadership team;
- Enabling the MAT to recognise and reward senior leaders appropriately for their contributions at the MAT; and
- Helping to ensure that decisions on pay are managed in a fair and transparent way.

Pay bands and progression decisions are made, in conjunction with the Executive Principal and Heads of School, by a Salary Review Committee which is made up of a minimum of three (non staff) Trustees. Progression is assessed against annual performance targets which are assessed at regular performance review meetings, and in the case of the Executive Principal, an external advisor supports this assessment.

No Member, Trustee or LGB Governor, other than elected staff representatives, receive any remuneration from the Trust.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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Related parties and co-operation with other organisations

During the year applications were made to strike off the two subsidiary companies.

Nunthorpe Academy gained Teaching School status in 2014 and formed an alliance – known as the North East Schools Teaching Alliance - with local Primary and Secondary schools. During this period there were 8 Primary partners and 2 Secondary partners. The work of the alliance has mainly focussed on Initial Teacher Training (ITT), working as a School Direct Lead School in partnership with Northumbria University. There has also been some Continued Professional and Leadership Development (CPLD) in the form of our 'Inspiring Women' project funded by the Equality & Diversity Fund.

The seventh cohort of initial teacher trainees started the School Direct course in September 2021. There are 9 Secondary trainees (1 English, 2 Maths, 1 Chemistry, 1 Geography, 1 History, 1 MFL, 1 DT and 1 Art & Design), and 8 Primary trainees. The course leads to Qualified Teacher Status (QTS) and PGCE qualifications. Recruitment has grown over the years and retention / employment rates are strong.

Engagement with employees

The Trust works with employee trade unions and professional associations across both of its academies and engages in consultations, as required, to ensure that all aspects of the Trust affecting its employees, including financial and economic factors, are discussed, conveyed and consulted with them.

The Trust is committed to ensuring equality for all who learn and work in its academies. We respect and value differences in race, gender, sexual orientation, ability, class and age. We strive to remove conditions which place people at a disadvantage and we actively address bigotry and discrimination.

The Trust considers all applications from disabled persons, bearing in mind the aptitudes of the individuals concerned. Where an existing employee becomes disabled, every effort is made to ensure that employment within the Trust continues. The Trust's policy is to provide training, career development and opportunities for promotion, which are, as far as possible, identical to those for other employees.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust continues to work and communicate with suppliers on a regular basis to ensure we build a strong and sustainable relationship. The Trust has engaged with suppliers throughout the year in order to move towards a more digital environment. All invoices are now received electronically and uploaded to the SAGE accounting system, this has allowed a more sophisticated process and reduced the delays found with hardcopy documents.

The Covid crisis and the subsequent government procurement policy note (PPN) has assisted the Trust in working with suppliers and where necessary supported them through what has been a very difficult period. To support suppliers the Trust has attempted to bring forward credit days with suppliers from 30 days to paying all suppliers regardless of due date, without compromising any of the policies that the Trust has in place for checking and authorising invoices. This has been with the sole purpose of helping suppliers with cash flow issues that they have incurred during the Covid-19 pandemic.

In most instances, the Trust defines its commercial customer base as those that use its lettings facilities. The Trust has implemented a school hire system that allows customers to book facilities online and pay for the hire all in one transaction, simplifying the management of the operation. The Trust can communicate to its customers through the system and there are links to this through the trust website. As well as this, the Trust has engaged with its stakeholders through the Covid-19 pandemic to keep customers informed of school and lettings closures.

OBJECTIVES AND ACTIVITIES

Objects and aims

The Multi-Academy Trust exists to ensure that standards of education provision at its academies are high and that the leadership and management of the academies develop them further still. There is an obligation on the Trust to support improvement elsewhere across the county providing that there is no detrimental effect on the quality of education provision at any of its academies.

The Board of Trustees meets half termly and has established Local Governing Bodies and other committees which support the detail of its work at each of its academies.

Objectives and aims

The Academy Trust's object is specifically restricted to the following: 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.

Covid-19

The impact of the pandemic was evident at the Trust. Detailed risk assessments were introduced and regularly communicated with staff to ensure both academies remained safe environments. Masks were introduced as a mandatory requirement, students were taught in bubbles and the physical layout of classrooms, break and lunchtime arrangements and site movement including start and finish times were all reviewed. Meetings were conducted virtually and the Trust adapted in order to provide online learning for students where possible.

Financially the Trust performed well and although generated income was negatively affected, opportunities for savings arose as a result of the site closures.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Objectives, strategies and activities

Our objectives

The MAT's objectives are detailed in its Development Plan. During 2020-2021, the main objectives were:

- To ensure that VA at KS5 continues to be above 0
- To achieve at least Progress 8 of 0 in all NMAT Academies.
- Ensure that the achievement gap of vulnerable students versus all students narrows
- Use the North East Schools Teaching Alliance to train ITT students to respond to national shortage of teachers of core subjects to enable us to appoint high quality, newly qualified teachers
- Ensure that Governance in all Academies in the MAT are strategic and able to hold staff to account. Leadership and Management across all Academies in the MAT is evaluated as Good/Outstanding in their SEFs
- Ensure that Senior Leadership in all Academies in the MAT are strategic and able to hold staff to account. Leadership and Management across all Academies in the MAT is evaluated as Good/Outstanding in their SEFs
- Drive continuous improvement in teaching and learning ensuring that students are challenged and that their high aspirations are met.
- Ensure that all Academies in the MAT meet their statutory responsibilities for all staff and young people

Raising standards for all students across the MAT ensuring that they fulfil their potential achieving recognised qualifications that enable them to progress to the next stage of the education/training

Our strategies

Our strategies for delivering on our strategic objectives are many and varied. These are detailed in the NMAT Development Plan as well as the individual Academy Development Plans.

Our activities

Our activities in delivering on our strategic objectives are also many and varied. These are also detailed in the NMAT Development Plan as well as the individual Academy Development Plans.

Public benefit

A public benefit entity is defined by the Financial Reporting Standard (FRS) 102 as 'an entity whose primary objective is to provide goods or services for the general public, community or social benefit and where any equity is provided with a view to supporting the entity's primary objectives rather than with a view to providing a financial return to equity providers, shareholders or members'.

The Trustees have therefore referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our Aims and Objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The MAT has provided a fully comprehensive education to all students in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

STRATEGIC REPORT

Achievements and performance

Nunthorpe Multi Academy Trust will strive to ensure that our academies respond to the context of their local community, maintain their own unique character and deliver the best possible outcomes for young people.

All of our students have an entitlement to be provided with opportunities that allow them to achieve their potential, and ensure that they make a valuable contribution as members of their community. All of our staff must demonstrate high expectations in a climate of challenge and support based upon Quality Assured accountability.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Nunthorpe Academy

Nunthorpe Academy's KS5 achievement – Summer 2021

- Key targets have been achieved however due to TAGs being used we will not be able to compare our progress measure to National;
- Our Year 13 students achieved an overall pass rate of 100%

Nunthorpe Academy's KS4 achievement – Summer 2021;

- In English, 90.5% achieved a pass with 82.1% securing a 'good pass';
- In Maths, 83.6% achieved a pass with 62% securing a 'good pass';
- These results are further enhanced by the spectacular individual achievements of some of our Year 11 students.

Promoting the success of the charitable company

Under section 172(1)(a) to (f) of the Companies Act 2006, directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company.

These requirements are strongly aligned with the ethos and vision of the Multi Academy Trust. Although we do not really have customers as such, the educational success of our pupils, in a fair environment in which nobody is left behind, is the overarching focus of our endeavours. With regards to the other points listed, a number are addressed in other paragraphs of this report. In summary they can be considered as follows:

- Long term consequences: Prudent management of any enterprise requires addressing both short and long term needs. The Trust routinely addresses long term considerations regarding, inter alia, its educational operations, infrastructure provisions, staff retention and recruiting and financial matters taking account of foreseeable risks.
- Employees: The Trust's employees are fundamental to our success. Due care of their welfare, motivation and development is key to our future. The need for care is particularly acute in this period of the Covid 19 pandemic.
- Business relationships: A proper business-like relationship with suppliers is in the Trust's interests as a going concern.
- Community and environment: The academies' roles within their communities are a fundamental part of the success of their function. All our school leaders are very conscious of this role and both the Trust management and the Trustees encourage this emphasis. Again, the Covid 19 question has increased the acuteness of this continuing need.
- The academies, as such, have a relatively limited environmental impact. However, the teaching in the schools encourages environmental awareness and the schools in their normal activities, encouraged by the children, actively seek to operate in an environmentally conscious way
- Act fairly: The Trust believes fair behaviour is part of our basic values and in our long term interest.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Financial review

Most of the MATs income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2021, total expenditure of £22,053,901 (2020: £15,583,928) was more than the total grant funding received from the ESFA together with other incoming resources. The excess expenditure over total income for the year (prior to gains/losses) was £8,328,340 (2020: £594,324). Expenditure for the year includes £7,960,254 relating to the transfer of Rye Hills Academy out of the MAT. Excluding this expenditure, the excess expenditure over total income for the year was £368,086.

Excluding the restricted fixed asset funds there is a total carried forward deficit of £4,734,243 (2020: £6,969,255) of which £5,253,000 (2020: £6,916,000) relates to the pension deficit. The closing funds excluding the restricted fixed asset fund and the pension deficit are therefore a surplus of £518,757 (2020: £53,255 deficit).

As at 31 August 2021 the net book value of fixed assets was £8,532,709 (2020: £18,574,060) and movements in tangible fixed assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of NMAT. Cash balances are £924,403 (2020: £399,710).

Financial and risk management objective and policies

The Trust manages its risks appropriately. We consider that risks such as the uncertainty over the LGPS deficit and future recurrent funding provision, will feature in the financial risk register as the main areas of concern.

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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. They continue to adopt the going concern basis of accounting in preparing the financial statements.

The impact of the pandemic was evident at the Trust and continues to be challenging, however additional costs linked to Covid 19 were easily accommodated, through sound financial management, DFE grants and internal resources. Financially the trust performed well and although generated income was negatively affected, opportunities for savings arose as a result of the site closures. Further budget pressures are expected and forecasts have been adjusted to ensure these factors are reflected.

Reserves policy

The Trustees review the reserve levels of the MAT annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of free reserves should be a set amount of approximately £600,000. The reason for this is to provide sufficient working capital to cover one month's staff salaries including NI and pension. The MATs current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is a deficit of £21k. The work of the newly formed NMAT Finance and Risk Management Committee, along with the Executive principal will hold the NMAT Leadership team to account. The key focus for the Trust moving forward is to maintain the reserves position at £600,000 in order to reflect the uncertainties in the future funding formulae in education and the increasing age and condition of the site and the economic pressures generally seen.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Investment policy

The objectives of this policy are to ensure that the MAT:

- maintains sufficient cash balances in its current account to meet its day to day commitments.
- invests surplus cash when appropriate to earn an acceptable rate of return without undue risk.
- consider spreading risk between differing types of investment and institutions to reduce credit risk.

The MAT operates an interest bearing account with a bank approved by the Board of Trustees (HSBC) and will maintain sufficient balances to ensure there are adequate liquid funds to cover all immediate and forthcoming financial commitments, including maintaining a sufficient contingency for unexpected payments.

The MAT will not take out any long term investments until reliable cash flow pattern have been established, and monies will only be paid into term deposits not exceeding six months.

Key performance indicators

These include:

	2021	2020
Wages and salaries (excluding pension) as a percentage of GAG	78%	83%
Liquidity ratio (current asset/ current liabilities)	2.01	-0.93
Cash balance	£924,403	£399,710

Plans for future periods

In line with the MATs Development plan, our plans for the future are:

- To ensure that VA at KS5 continues to be above 0
- For all departments in the MAT academy to positively contribute towards a positive Progress 8 score
- Ensure that the achievement gap of vulnerable students versus all students narrows
- To continue to train ITT students to respond to national shortage of teachers of core subjects to enable us to appoint high quality, newly qualified teachers

In addition to the above, the MAT will investigate

- Restructuring staffing levels across the MAT in order to ensure that the organisation is both financially stable (noting the financial pressures in the education sector), and as efficient as possible, providing strong 'value for money' outcomes.
- To ensure that the actions and strategies identified in the Trust's Growth Strategy are delivered.
- To maintain at least an OFSTED grading of good at Nunthorpe Academy.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

TRUSTEES' REPORT (CONTINUED)

Principal risks and uncertainties

The MAT undertakes a regular review of the strategic risks it faces by way of maintaining a 'risk register' which is updated and reviewed termly at the Board of Trustees meeting. This considers risks under the following broad headings: Strategic Risk; Organisational Risk; Information Risk; Human Resource Risk; Legal Risk; and Financial Risk.

The education sector continues to face financial uncertainties, with 'unfunded' salary costs/increases being a particular concern. Annually the MAT undertakes a full review of its staffing structure to ensure that it remains financially stable, whilst still being able to provide the best education possible to its students.

In line with similar education organisations, the MAT also faces a potential future recruitment issue, particularly in recruiting good quality teachers for the sciences, maths and modern foreign languages.

As the Nunthorpe Academy buildings increase in age, keeping all areas in a clean, fit for purpose and safe environment for students, staff, parents/carers and visitors presents an ongoing challenge.

Regular site Health & Safety assessments are undertaken, and a comprehensive rolling programme of maintenance and repair is in place. Sources of external capital funding are explored throughout the year, with bids for funding streams placed wherever appropriate and possible.

Fundraising

The Trust does not work with third party fundraising organisations. Fundraising is restricted to school events such as non-uniform days, school fairs and school performances where donations are encouraged but not expected and proceeds are either donated to a named charity or accepted into the School Fund.

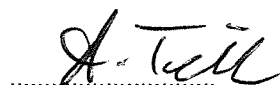
AUDITOR

Following a tender process, Waltons Clark Whitehill will be appointed as auditors after the end of 2021 year end audit process is complete.

Statement as to disclosure of information to auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 8.12.21 and signed on its behalf by:



A Tickle

Chair of Trustees (from 1 June 2021)

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Nunthorpe Multi-Academy Trust Limited 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 Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Nunthorpe Multi-Academy Trust Limited and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
A Mansfield (Chair of Trustees (until 31 May 2021))	6	6
K Brentall	5	6
J Little (Resigned 31 August 2021)	5	6
L Brown (Executive Principal and Accounting Officer)	6	6
N Rhodes (Resigned 10 November 2020)	1	1
A Tickle (Chair of Trustees (from 1 June 2021))	5	6
J Bieda (Resigned 31 October 2020)	1	1
M Demoily (Chair of Audit Committee) (Resigned 10 November 2021)	5	6
J Charnock (Appointed 7 July 2021 and resigned 2 August 2021)	1	1
P Thwaites (Appointed 11 December 2020)	4	4
A Bashir (Appointed 13 March 2021)	2	3
L Fletcher (Appointed 17 March 2021)	2	3
M Welch (Appointed 7 July 2021)	1	1
J H Thomas (Appointed 7 July 2021)	1	1
I Wolstencroft (Appointed 18 November 2020 and resigned 14 January 2021)	0	1

Due to Covid-19 and the mitigations identified in the Trust's Covid-19 Risk Assessment, the Board of Trustees met via video conferencing software throughout this period. The amendment to the role and responsibilities of the Trust's Finance Committee with the newly formed half termly Finance and Risk Management meetings helped to ensure that Financial and Risk Management were a key and frequent discussion for Trustees as part of their core business. This also enabled the Trust to use the half termly Board of Trustees meetings to focus on 'other' areas of the Trust's work.

The Board also utilised the skills and expertise of the Trust's Improvement partner, as well as taking appropriate legal advice to review the structure and work of the Board and the Trust's central team post rebrokerage of Rye Hills Academy.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

Governance reviews

As noted above, a review of the Trust's governance and leadership structures was completed in Spring 2021. Trustees have identified that one of the areas of Internal Assurance for 2021/22 will be an external review of Governance. This is scheduled to be completed Summer 2022.

As noted above, the Trust determined that an additional 'Board of Trustees' meeting every half term be established. This meeting is entitled the Finance and Risk Management Meeting. This replaced the Finance Committee that was previously in place.

Attendance at the Finance and Audit Committee (1.9.20 to 31.12.20) and the Finance and Risk Management (1.1.21 to 31.8.21) meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Mansfield (Chair of Trustees (until 31 May 2021))	6	6
K Brentall	4	6
J Liddle (Resigned 31 August 2021)	6	6
L Brown (Executive Principal and Accounting Officer)	3	3
A Tickle (Chair of Trustees (from 1 June 2021))	5	6
J Bieda (Resigned 31 October 2020)	0	1
M Demoily (Chair of Audit Committee) (Resigned 10 November 2021)	3	6
P Thwaites (Appointed 11 December 2020)	3	4
A Bashir (Appointed 13 March 2021)	2	2
L Fletcher (Appointed 17 March 2021)	3	3
I Wolstencroft (Appointed 18 November 2020 and resigned 14 January 2021)	1	1

The audit committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Identify and regularly challenge progress against key performance indicators.
- Challenge and review the adequacy and effectiveness of control processes in responding to risks within the organisation's governance, operations, compliance and information systems. By;
 - a. Evaluating the suitability of, and level of compliance with, financial and non-financial controls.
 - b. Ensuring that all categories of risk are identified, reported and managed.
- Appointment of an appropriately qualified, independent and objective provider to complete annual Internal assurance.
- Identify areas to be reviewed in the Internal assurance and receive their feedback.
- Monitor and challenge areas of concern identified by Internal Assurance.
- Receive feedback from External Auditors.
- Monitor and challenge leaders' response to the findings and actions identified by External Auditors

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
A Mansfield (Chair of Trustees (until 31 May 2021))	3	3
J Liddle (Resigned 31 August 2021)	3	3
M Demoily (Chair of Audit Committee) (Resigned 10 November 2021)	3	3

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

Nunthorpe Academy

- The Academy continues to promote a cashless environment which is constantly improving.
- The teaching school is helping the MAT 'grow its own' next generation of teachers to address potential future recruitment issues, particularly in Sciences, Maths and MFL. The aim is to help the MAT partners, as well as the wider region, address this potential staffing shortfall.
- The Trust regularly reviews its contracts with a view to seeking best value return. This is however, not just in respect of cash costs, but includes 'intangible' factors such as quality of service, reliability, etc. During the year a contracts register has been implemented which allows greater control over contract management.
- A focus on staffing continues. Rigorous reviews take place for all resignations and appointments in order to ensure financial stability and effective staffing levels remain in place.

Rye Hills Academy

- The Trust regularly reviewed its contracts with a view to seeking best value return. This was however, not just in respect of cash costs, but includes 'intangible' factors such as quality of service, reliability, etc.
- A focus on staffing continued until 31st May 2021. Rigorous reviews took place for all resignations and appointments in order to ensure financial stability and effective staffing levels.

The purpose of the system of internal control

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

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees at the dedicated Finance and Risk Management half termly meetings.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and decided to appoint Schudio as Internal auditor. They have performed additional reviews in the following areas:

The reviews undertaken covered the following areas:

- Nunthorpe Academy website compliance
- NMAT website compliance.

The website was deemed to be compliant but was difficult to source all of the statutory requirements and consequently a re-design of the website was completed.

The work was completed to plan with no material issues identified.

During 2020/21, additional external reviews of the Trust's GDPR compliance was completed by Veritau and of the Trust's IT infrastructure by Strictly Education.

Review of effectiveness

As Accounting Officer the Head Of School 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 internal reviewers;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of Trustees on 8/12/2021 and signed on its behalf by:



L Brown



A Tickle

Executive Principal and Accounting Officer Chair of Trustees (from 1 June 2021)

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

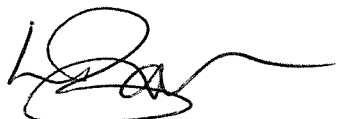
As accounting officer of Nunthorpe Multi-Academy Trust Limited, I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the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

I confirm that I and the Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2020.

I confirm that the following instance of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

Financial issue

- A financial issue occurred in September 2021. In accordance with the Academy Trust Handbook, the CEO and the CFO notified all relevant bodies including the ESFA, as well as the Board of Trustees, of a cyber incident which impacted a supplier payment of £53,935.32



L Brown
Accounting Officer

8/12/2021

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Nunthorpe Multi-Academy Trust Limited for the purposes of company law) are responsible for preparing the Trustees' report (including the strategic report) and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2020 to 2021;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 9/12/2021... and signed on its behalf by:



A Tickle

Chair of Trustees (from 1 June 2021)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUNTHORPE MULTI-ACADEMY TRUST LIMITED

Opinion

We have audited the financial statements of Nunthorpe Multi-Academy Trust Limited (the "charitable company") for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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 charitable company'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 Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUNTHORPE MULTI-ACADEMY TRUST LIMITED (CONTINUED)

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, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report and the Strategic Report, included within the Trustees' Report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 17, the Trustees (who act as trustees for the charitable activities of the charitable company are also the directors of the charitable company 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 group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NUNTHORPE MULTI-ACADEMY TRUST LIMITED (CONTINUED)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the charitable company operates in and how the charitable company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Education and Skills Funding Agency's Academies Financial Handbook and Annual Accounts Direction. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report and evaluating relevant advice received from internal/external advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the charitable company is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

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

Claire Leece (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
1 St. James' Gate
Newcastle upon Tyne
United Kingdom, NE1 4AD

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NUNTHORPE MULTI-ACADEMY TRUST LIMITED

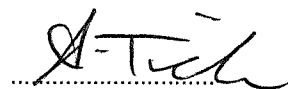
STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2021

		Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2021	Total 2020
	Notes	£	£	£	£	£
Income and endowments from:						
Donations and capital grants	3	8,819	33,549	149,979	192,347	62,424
Charitable activities:						
- Funding for educational operations	4	-	13,278,820	-	13,278,820	14,563,125
- Funding for teaching school	26	-	40,000	-	40,000	40,000
Other trading activities	5	214,394	-	-	214,394	324,055
Total		223,213	13,352,369	149,979	13,725,561	14,989,604
Expenditure on:						
Raising funds	6	600	-	-	600	96,450
Charitable activities:						
- Educational operations	7	-	13,560,121	492,926	14,053,047	15,447,478
- Teaching School	26	-	40,000	-	40,000	40,000
Charitable expenditure - transfer of existing academy out of the trust		-	(1,864,000)	9,824,254	7,960,254	-
Total	6	600	11,736,121	10,317,180	22,053,901	15,583,928
Net income/(expenditure)		222,613	1,616,248	(10,167,201)	(8,328,340)	(594,324)
Transfers between funds	17	-	(125,849)	125,849	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit obligations	23	-	522,000	-	522,000	(2,287,000)
Net movement in funds		222,613	2,012,399	(10,041,352)	(7,806,340)	(2,881,324)
Reconciliation of funds						
Total funds brought forward		(243,178)	(6,726,077)	18,574,061	11,604,806	14,486,130
Total funds carried forward		(20,565)	(4,713,678)	8,532,709	3,798,466	11,604,806

NUNTHORPE MULTI-ACADEMY TRUST LIMITED**BALANCE SHEET****AS AT 31 AUGUST 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	8,532,709		18,574,060	
Investments	13	-		1	
		<u>8,532,709</u>		<u>18,574,061</u>	
Current assets					
Debtors	14	105,478		274,721	
Cash at bank and in hand		924,403		399,204	
		<u>1,029,881</u>		<u>673,925</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(511,124)		(727,180)	
Net current assets/(liabilities)		<u>518,757</u>		<u>(53,255)</u>	
Net assets excluding pension liability		<u>9,051,466</u>		<u>18,520,806</u>	
Defined benefit pension scheme liability	23	(5,253,000)		(6,916,000)	
Total net assets		<u><u>3,798,466</u></u>		<u><u>11,604,806</u></u>	
Funds of the Trust:					
Restricted funds	17				
- Restricted fixed asset funds		8,532,709		18,574,061	
- Restricted income funds		539,322		189,923	
- Pension reserve		(5,253,000)		(6,916,000)	
Total restricted funds		<u>3,819,031</u>		<u>11,847,984</u>	
Unrestricted income funds	17	<u>(20,565)</u>		<u>(243,178)</u>	
Total funds		<u><u>3,798,466</u></u>		<u><u>11,604,806</u></u>	

The financial statements on pages 21 to 46 were approved by the Board of Trustees and authorised for issue on 8/12/2021 and are signed on their behalf by:



A Tickle

Chair of Trustees (from 1 June 2021)

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Net cash provided by operating activities	20		617,498		240,132
Cash flows from investing activities					
Capital grants from DfE Group		183,528		51,295	
Purchase of tangible fixed assets		(275,827)		(67,763)	
Net cash used in investing activities			(92,299)		(16,468)
Net increase in cash and cash equivalents in the reporting period			525,199		223,664
Cash and cash equivalents at beginning of the year			399,204		175,540
Cash and cash equivalents at end of the year			924,403		399,204

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

General information

Nunthorpe Multi-Academy Trust Limited is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

Basis of preparation

The financial statements of the Trust 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 financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern. They continue to adopt the going concern basis of accounting in preparing the financial statements.

The impact of the pandemic was evident at the Trust and continues to be challenging, however additional costs linked to Covid 19 were easily accommodated, through sound financial management, DFE grants and internal resources. Financially the trust performed well and although generated income was negatively affected, opportunities for savings arose as a result of the site closures. Further budget pressures are expected and forecasts have been adjusted to ensure these factors are reflected.

Income

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

Grants

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

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.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

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

Sponsorship income

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

Donations

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

Other income

Other income including hire of facilities is recognised in the period it is receivable and to the extent the goods have been provided or the completion of the service.

Interest receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the 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 Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Tangible fixed assets and depreciation

Assets costing £1,000 or more (fixtures, fittings and equipment and motor vehicles) and £10,000 or more (land and buildings) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities as incurred.

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

Depreciation is provided on all tangible fixed assets other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Land and buildings	straight line over 50 years
Fixtures, fittings and equipment	straight line over 3 - 5 years
Motor vehicles	straight line over 7 years

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

Leased assets

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

Investments

Fixed asset investments are carried at historical cost less any provision for impairment in value.

Financial instruments

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Taxation

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

Pensions benefits

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently there is insufficient information to use defined benefit accounting, it is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies (Continued)

The LGPS is a funded multi-employer scheme and the assets are held separately. 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 reporting date. The amounts charged to net income are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are other comprehensive income.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

Termination benefits

Termination benefits to encourage employees to leave service voluntarily are recognised when employees accept the Academy trust's offer to those benefits. Termination benefits provided as a result of the Academy terminating employment are recognised when the Academy Trust has communicated its plan of termination to the affected employees.

Agency arrangements

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

Transfer of existing academies out of the trust

The transfer of an existing academy out of the multi-academy trust involved the transfer of identifiable assets and liabilities and the operation of the academy for £nil consideration. The substance of the transfer is that of a cost and it has been accounted for on the that basis as set out below.

the assets and liabilities transferred from Rye Hills Academy out of the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in costs in the Statement of Financial Activities, and analysed under restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 27.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Capital grants	-	183,528	183,528	51,295
Other donations	8,819	-	8,819	11,129
	<u>8,819</u>	<u>183,528</u>	<u>192,347</u>	<u>62,424</u>

The income from donations and capital grants was £192,347 (2020: £62,424) of which £8,819 was unrestricted (2020: £11,129), £33,549 was restricted (2020: £51,295) and £149,979 was restricted fixed assets (2020: £nil).

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

4 Funding for the Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
DfE / ESFA grants				
General annual grant (GAG)	-	11,648,351	11,648,351	12,364,610
Other DfE / ESFA grants:				
- Universal infant free school meals	-	31,050	31,050	43,120
- Pupil premium	-	507,867	507,867	628,259
- Teachers pay grant	-	657,001	657,001	908,433
- Others	-	83,680	83,680	46,744
	-	12,927,949	12,927,949	13,991,166
Other government grants				
Local authority grants	-	153,861	153,861	532,046
COVID-19 additional funding (DfE / ESFA)				
Other DfE / ESFA COVID-19 funding	-	153,010	153,010	39,913
COVID-19 additional funding (non-DfE / ESFA)				
Other non-DfE / ESFA COVID-19 funding	-	44,000	44,000	-
Teaching School income	-	40,000	40,000	40,000
	-	13,318,820	13,318,820	14,603,125

The income from funding for educational operations was £13,318,820 (2020: £14,603,125) of which £13,318,820 was restricted (2020: £14,603,125).

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

Other DfE group grants are made up of summer school income and year 7 catch up grants. Local authority grants are made up of school sports partnership funding, looked after children funding and individual pupil support. There are no unfulfilled conditions or contingencies for grants recognised in the period.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
School Fund	7,126	-	7,126	69,279
Hire of facilities	-	-	-	39,998
Other income	207,268	-	207,268	214,778
	<u>214,394</u>	<u>-</u>	<u>214,394</u>	<u>324,055</u>

The income from other trading activities was £214,394 (2020: £324,055) of which £214,394 was unrestricted (2020: £324,055).

6 Expenditure

	Staff costs £	Non Pay Premises £	Expenditure Other £	Total 2021 £	Total 2020 £
Expenditure on raising funds					
- Direct costs	-	-	600	600	96,450
Academy's educational operations					
- Direct costs	8,202,279	492,926	908,569	9,603,774	10,502,077
- Allocated support costs	3,422,775	602,181	424,317	4,449,273	4,945,401
Teaching School					
- Direct costs	-	-	40,000	40,000	40,000
	<u>11,625,054</u>	<u>1,095,107</u>	<u>1,373,486</u>	<u>14,093,647</u>	<u>15,583,928</u>

The expenditure on raising funds was £600 (2020: £96,450) of which £600 was unrestricted (2020: £96,450).

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Depreciation of tangible fixed assets	491,626	492,744
Loss on disposal of fixed assets	1,300	-
Net interest on defined benefit pension liability	107,000	73,000
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	16,400	16,500
- Other services	7,050	4,950

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

7 Charitable activities

	2021	2020
	£	£
All from restricted funds:		
Direct costs		
Educational operations	9,603,774	10,502,077
Teaching School	40,000	40,000
Support costs		
Educational operations	4,449,273	4,945,401
	<u>14,093,047</u>	<u>15,487,478</u>

The expenditure on charitable activities was £14,053,047 (2020: £15,447,478) of which £13,560,121 was restricted (2020: £14,954,734) and £492,926 was restricted fixed assets (2020: £492,744).

The expenditure on teaching school was £40,000 (2020: £40,000) of which £40,000 was restricted (2020: £40,000).

	Teaching School	Educational operations	Total 2021	Total 2020
	£	£	£	£
Analysis of support costs				
Support staff costs	-	3,422,775	3,422,775	3,862,371
Premises costs	-	602,181	602,181	664,431
Legal costs	-	18,483	18,483	5,311
Other support costs	-	372,884	372,884	393,938
Governance costs	-	32,950	32,950	19,350
	<u>-</u>	<u>4,449,273</u>	<u>4,449,273</u>	<u>4,945,401</u>

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

8 Staff

Staff costs

Staff costs during the year were:

	2021 £	2020 £
Wages and salaries	8,270,601	9,376,679
Social security costs	784,991	847,468
Pension costs	2,382,161	2,480,425
Staff costs - employees	11,437,753	12,704,572
Agency staff costs	187,301	146,991
Staff restructuring costs	-	68,753
Total staff expenditure	11,625,054	12,920,316

Staff restructuring costs comprise:

Severance payments	-	68,753
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Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2020: £32,500).

Staff numbers

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

	2021 Number	2020 Number
Teachers	147	171
Administration and support	123	155
Management	14	8
	284	334

The number of persons employed, expressed as a full time equivalent, was as follows:

	2021 Number	2020 Number
Teachers	92	156
Administration and support	86	116
Management	9	8
	187	280

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

8 Staff (Continued)

Higher paid staff

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

	2021 Number	2020 Number
£60,001 - £70,000	5	5
£70,001 - £80,000	-	2
£80,001 - £90,000	1	-
£110,001 - £120,000	1	1

Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the Trust was £347,500 (2020: £365,330).

9 Central services

No central services were provided by the Trust to its academies during the year and no central charges arose.

10 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The head of school and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of head of school and staff members under their contracts of employment, and not in respect of their services as Trustees. Other trustees did not receive any payments from the Trust in respect of their role as trustees.

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

The annual amount of the Executive Principal's remuneration was £118,221 (2020: £113,392). The Executive Principal is accruing retirement benefits under the Teachers' Pension Scheme and contributions paid in the year amounted to £27,995 (2020: £26,851).

During the year ended 31 August 2021, travel and subsistence expenses totalling £nil (2020: £nil) were reimbursed to trustees.

Related party transactions involving the trustees are set out in note 24.

11 Trustees and officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £250,000 on any one claim and the cost for the year ended 31 August 2021 was £265 (2020: £896). The cost of this insurance is included in the total insurance cost.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2020	20,715,000	1,042,678	14,414	21,772,092
Transfer out of Trust	(10,700,000)	(61,621)	-	(10,761,621)
Additions	149,460	126,367	-	275,827
Disposals	-	(28,510)	-	(28,510)
At 31 August 2021	10,164,460	1,078,914	14,414	11,257,788
Depreciation				
At 1 September 2020	2,330,157	853,765	14,110	3,198,032
Transfer out of Trust	(909,500)	(27,869)	-	(937,369)
On disposals	-	(27,210)	-	(27,210)
Charge for the year	361,209	130,113	304	491,626
At 31 August 2021	1,781,866	928,799	14,414	2,725,079
Net book value				
At 31 August 2021	8,382,594	150,115	-	8,532,709
At 31 August 2020	18,384,843	188,913	304	18,574,060

13 Investment in subsidiaries

The Academy Trust had two wholly owned subsidiaries, Nunthorpe Learning and Leisure Limited and Nunthorpe Learning and Leisure 2015 Ltd.

The wholly owned subsidiaries pay their profits to the Trust via a gift aid payment. Neither subsidiary was trading during the year, Nunthorpe Learning and Leisure 2015 Ltd ceased trading in December 2019 and was dissolved on 14 September 2021. Nunthorpe Learning and Leisure Limited was dissolved on 6 July 2021.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

14 Debtors

	2021 £	2020 £
Trade debtors	7,129	17,124
VAT recoverable	54,023	49,974
Prepayments and accrued income	44,326	207,623
	<u>105,478</u>	<u>274,721</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	148,575	215,298
Amounts owed to group undertakings	-	4,715
Other taxation and social security	136,191	214,915
Other creditors	186,457	243,565
Accruals and deferred income (see note 16)	39,901	48,687
	<u>511,124</u>	<u>727,180</u>

16 Deferred income

	2021 £	2020 £
Deferred income is included within:		
Creditors due within one year	<u>1,410</u>	<u>-</u>
Deferred income at 1 September 2020	-	-
Resources deferred in the year	<u>1,410</u>	<u>-</u>
Deferred income at 31 August 2021	<u>1,410</u>	<u>-</u>

At the balance sheet date the Trust was holding funds received in advance in relation to Colour run postponement.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

17 Funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	189,923	11,648,351	(11,173,103)	(125,849)	539,322
Other DfE / ESFA grants:					
- Universal infant free school meals	-	31,050	(31,050)	-	-
- Pupil premium	-	507,867	(507,867)	-	-
- Teachers pay grant	-	657,001	(657,001)	-	-
- Others	-	83,680	(83,680)	-	-
Other DfE group grants	-	33,549	(33,549)	-	-
Other DfE / ESFA COVID-19 funding	-	153,010	(153,010)	-	-
Other non-DfE / ESFA COVID-19 funding	-	44,000	(44,000)	-	-
Other government grants	-	153,861	(153,861)	-	-
Teaching School	-	40,000	(40,000)	-	-
Pension reserve	(6,916,000)	-	1,141,000	522,000	(5,253,000)
	<u>(6,726,077)</u>	<u>13,352,369</u>	<u>(11,736,121)</u>	<u>396,151</u>	<u>(4,713,678)</u>
Restricted fixed asset funds					
Capital expenditure from GAG	-	-	-	125,849	125,849
Inherited funds	8,130,501	-	(207,903)	-	7,922,598
Transferred on conversion	9,951,000	-	(9,951,000)	-	-
DfE group capital grants	61,466	149,979	-	-	211,445
Capital expenditure from unrestricted funds	431,094	-	(158,277)	-	272,817
	<u>18,574,061</u>	<u>149,979</u>	<u>(10,317,180)</u>	<u>125,849</u>	<u>8,532,709</u>
Total restricted funds	<u>11,847,984</u>	<u>13,502,348</u>	<u>(22,053,301)</u>	<u>522,000</u>	<u>3,819,031</u>
Unrestricted funds					
General funds	<u>(243,178)</u>	<u>223,213</u>	<u>(600)</u>	<u>-</u>	<u>(20,565)</u>
Total funds	<u>11,604,806</u>	<u>13,725,561</u>	<u>(22,053,901)</u>	<u>522,000</u>	<u>3,798,466</u>

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds (Continued)

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

General Annual Grant

General Annual Grant must be used for the normal running costs of the Trust. The Trust is not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Other DfE / ESFA grants

Other DfE/ ESFA grants relate to DFC funding, rates relief, Year 7 catch up grant and Pupil Premium income which were all received and fully utilised in the year.

Other government grants

Other government grants relate to school sports partnership funding and individual pupil support. Income received is fully utilised in the year.

Teaching schools

This includes National College for Training and Leadership funding.

Other restricted income

Other restricted income is in relation to funding received for educational resources. Funds are expected to be utilised within one year.

Pension reserve

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund including contributions to the LGPS, hence the pension liability has been aligned with these funds.

Inherited funds

This represents the freehold main school premises, which will be depreciated over the life of the lease, and the estimated value of other fixed assets on conversion, which will be depreciated over their remaining life.

DfE/ESFA capital grants

Capital funding has been received from the DfE for utilisation on building improvements and refurbishments. Where expenditure is capitalised, depreciation will be charged to the fund over the life of the related assets.

Capital expenditure from unrestricted funds

Capital projects funded with unrestricted funds. Depreciation will be charged to the fund over the life of the assets.

Unrestricted funds

General funds can be used for any purpose, at the discretion of the Trustees, within the objects of the Academy. The Trust is carrying a net deficit of £20,565 on unrestricted funds. The Trust is taking action to return these funds to surplus.

Transfers

Transfers between funds represent amounts financed from General Annual Grant.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds (Continued)

Funds prior year

	Balance at 1 September 2019 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	-	12,364,610	(12,106,924)	(67,763)	189,923
Other DfE / ESFA grants:					
- Universal infant free school meals	-	43,120	(43,120)	-	-
- Pupil premium	-	628,259	(628,259)	-	-
- Teachers pay grant	-	908,433	(908,433)	-	-
- Others	-	46,744	(46,744)	-	-
Other DfE group grants	-	51,295	(51,295)	-	-
Other DfE / ESFA COVID-19 funding	-	39,913	(39,913)	-	-
Other government grants	-	532,046	(532,046)	-	-
Teaching School	-	40,000	(40,000)	-	-
Pension reserve	(4,031,000)	-	(598,000)	(2,287,000)	(6,916,000)
	<u>(4,031,000)</u>	<u>14,654,420</u>	<u>(14,994,734)</u>	<u>(2,354,763)</u>	<u>(6,726,077)</u>
Restricted fixed asset funds					
Inherited funds	8,338,404	-	(207,903)	-	8,130,501
Transferred on conversion	10,165,000	-	(214,000)	-	9,951,000
DfE group capital grants	61,466	-	-	-	61,466
Capital expenditure from unrestricted funds	434,172	-	(70,841)	67,763	431,094
	<u>18,999,042</u>	<u>-</u>	<u>(492,744)</u>	<u>67,763</u>	<u>18,574,061</u>
Total restricted funds	<u>14,968,042</u>	<u>14,654,420</u>	<u>(15,487,478)</u>	<u>(2,287,000)</u>	<u>11,847,984</u>
Unrestricted funds					
General funds	(481,912)	335,184	(96,450)	-	(243,178)
Total funds	<u>14,486,130</u>	<u>14,989,604</u>	<u>(15,583,928)</u>	<u>(2,287,000)</u>	<u>11,604,806</u>

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

17 Funds (Continued)

Total funds analysis by academy

	2021 £	2020 £
Fund balances at 31 August 2021 were allocated as follows:		
Nunthorpe Academy	518,757	201,097
Rye Hills Academy	-	(254,352)
Total before fixed assets fund and pension reserve	518,757	(53,255)
Restricted fixed asset fund	8,532,709	18,574,061
Pension reserve	(5,253,000)	(6,916,000)
Total funds	3,798,466	11,604,806

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Nunthorpe Academy	5,534,951	1,846,483	619,483	397,292	8,398,209	8,733,437
Rye Hills Academy	2,667,328	960,292	330,386	367,167	4,325,173	5,759,747
	8,202,279	2,806,775	949,869	764,459	12,723,382	14,493,184

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	-	-	8,532,709	8,532,709
Current assets	-	1,029,881	-	1,029,881
Creditors falling due within one year	(20,565)	(490,559)	-	(511,124)
Defined benefit pension liability	-	(5,253,000)	-	(5,253,000)
Total net assets	(20,565)	(4,713,678)	8,532,709	3,798,466

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

18 Analysis of net assets between funds (Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total Funds £
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	18,574,060	18,574,060
Fixed asset investments	-	-	1	1
Current assets	-	673,925	-	673,925
Creditors falling due within one year	(243,178)	(484,002)	-	(727,180)
Defined benefit pension liability	-	(6,916,000)	-	(6,916,000)
Total net assets	(243,178)	(6,726,077)	18,574,061	11,604,806

19 Long-term commitments, including operating leases

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

	2021 £	2020 £
Amounts due within one year	10,330	21,724
Amounts due between one and five years	15,852	26,182
	26,182	47,906

20 Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the reporting period (as per the statement of financial activities)	(8,328,340)	(607,479)
Adjusted for:		
Net deficit on transfer of academy out of the trust	7,960,254	-
Capital grants from DfE and other capital income	(183,528)	(51,295)
Pension costs less contributions payable	616,000	525,000
Pension scheme finance costs	107,000	73,000
Depreciation of tangible fixed assets	491,626	492,744
Loss on disposal of fixed assets	1,300	-
Movements in working capital:		
Decrease in debtors	169,243	69,104
(Decrease) in creditors	(216,057)	(260,942)
Net cash provided by operating activities	617,498	240,132

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

21 Analysis of changes in net funds

	1 September 2020 £	Cash flows £	31 August 2021 £
Cash	399,204	525,199	924,403

22 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

23 Pension and similar obligations

The 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 Middlesbrough Borough Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £142,420 (2020: £221,655) were payable to the schemes at 31 August 2021 and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 except it has been prepared following the Government's decision to pause the operation of the cost control mechanisms at the time when legal challenges were still pending. The valuation report was published by the Department for Education on 5 March 2019.

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Pension and similar obligations (Continued)

The key elements of the valuation and subsequent consultation are:

- Total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- Value of notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion
- Notional past service deficit of £22 billion
- Discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% during 2019/20). The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to the TPS in the period amounted to £1,406,426 (2020: £1,558,423).

A copy of the valuation report and supporting documentation is on the teachers' pensions website.

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension Scheme

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

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

Total contributions made	2021 £	2020 £
Employer's contributions	357,000	397,000
Employees' contributions	125,000	138,000
Total contributions	482,000	535,000

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2019 updated to 31 August 2021 by a qualified independent actuary.

	2021 %	2020 %
Rate of increase in salaries	3.6	3.3
Rate of increase for pensions in payment/inflation	2.6	2.3
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.6	2.3

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Pension and similar obligations (Continued)

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

	2021 Years	2020 Years
Retiring today		
- Males	21.9	21.8
- Females	23.6	23.5
Retiring in 20 years		
- Males	23.3	23.2
- Females	25.4	25.3

The Trust's share of the assets in the scheme

	2021 Fair value £	2020 Fair value £
Equities	5,792,000	5,829,000
Cash	608,000	890,000
Property	535,000	614,000
Other assets	388,000	338,000
Total fair value of assets	7,323,000	7,671,000

The actual return on scheme assets was £1,545,000 (2020: £(469,000)).

Amount recognised in the statement of financial activities

	2021 £	2020 £
Current service cost	973,000	922,000
Net interest cost	107,000	73,000
Total operating charge	1,080,000	995,000

Changes in the present value of defined benefit obligations

	2021 £
At 1 September 2020	14,587,000
Transferred out on schools leaving the Trust	(4,139,000)
Current service cost	973,000
Interest cost	231,000
Employee contributions	125,000
Actuarial loss	899,000
Benefits paid	(100,000)
At 31 August 2021	12,576,000

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

23 Pension and similar obligations (Continued)

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

	2021 £
At 1 September 2020	7,671,000
Transferred out on schools leaving the Trust	(2,275,000)
Interest income	124,000
Return on plan assets (excluding net interest on the net defined pension liability)	1,421,000
Employer contributions	357,000
Employee contributions	125,000
Benefits paid	(100,000)
At 31 August 2021	<u>7,323,000</u>

24 Related party transactions

Owing to the nature of the Trust's operations and the composition of the Governing Body being drawn from local public and private sector organisations, it is inevitable that transactions may take place with organisations in which a member of the Governing Body may have an interest. Any transactions involving such organisations are conducted at arm's length and in accordance with the Academy'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 10.

25 Agency arrangements

The Academy distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the year the Academy received £11,869 and disbursed £3,810 from the fund. An amount of £29,036 (2020: £20,977) is included in other creditors relating to undistributed funds that is repayable to ESFA.

26 Teaching School trading account	2021 £	£	2020 £	£
Direct income				
Grants		40,000		40,000
Direct costs				
Other direct costs	40,000		40,000	
Total operating costs		(40,000)		(40,000)
Surplus from teaching school		-		-
Teaching School balances at 1 September 2020		-		-
Teaching School balances at 31 August 2021		-		-

NUNTHORPE MULTI-ACADEMY TRUST LIMITED

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

27 Transfer of existing academies out of the Trust

Rye Hills Academy

The schools net assets were transferred out to The North East Learning Trust on the 31st May 2021.

	2021 £
Net assets transferred	
Freehold land and buildings	9,790,500
Other tangible fixed assets	33,754
Pension scheme	(1,864,000)
	<hr/>
Total net assets	7,960,254 <hr/> <hr/>

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

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 24 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts, to obtain limited assurance about whether the expenditure disbursed and income received by Nunthorpe Multi-Academy Trust Limited during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2020 to 2021 Annex B: Regularity Reporting. We are independent of Nunthorpe Multi-Academy Trust Limited in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Nunthorpe Multi-Academy Trust Limited's accounting officer and Trustees

The accounting officer is responsible, under the requirements of Nunthorpe Multi-Academy Trust Limited's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Nunthorpe Multi-Academy Trust Limited and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 extant Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 August 2021 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2020 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of irregularity is likely to arise. It also included areas assessed as presenting a higher risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2020 to 2021.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

Use of our report

This report is made solely to Nunthorpe Multi-Academy Trust Limited and the ESFA in accordance with the terms of our engagement letter dated 24 August 2018. Our work has been undertaken so that we might state to the Nunthorpe Multi-Academy Trust Limited and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Nunthorpe Multi-Academy Trust Limited and the ESFA, for our work, for this report, or for the conclusion we have formed.

RSM UK Audit LLP

Chartered accountants
1 St. James' Gate
Newcastle upon Tyne
United Kingdom
NE1 4AD

Dated:

1. The first part of the document is a list of the names of the members of the committee.

2. The second part of the document is a list of the names of the members of the committee.