

The Three Saints Academy Trust
(A Company Limited by Guarantee)
Annual Report and Consolidated Financial Statements
Year ended 31 August 2021

Company Registration Number:
09626002 (England and Wales)

The Three Saints Academy Trust

Contents

| | |
|--|----|
| Reference and Administrative Details | 3 |
| Governance Statement | 12 |
| Statement of Regularity, Propriety and Compliance | 16 |
| Statement of Trustees' Responsibilities | 17 |
| Independent Auditor's Report to the Members and Trustees of the Three Saints Academy Trust | 18 |
| Independent Auditor's Report to the Members and Trustees of the Three Saints Academy Trust (continued) | 19 |
| Independent Reporting Accountant's Assurance Report on Regularity to The Three Saints Academy Trust and the Education Funding Agency | 22 |
| Consolidated Statement of Financial Activities | 24 |
| Consolidated Balance Sheet | 25 |
| Company Balance Sheet | 26 |
| Statement of Cash Flows | 27 |
| Notes to the Financial Statements for the year ended 31 August 2021 | 28 |

The Three Saints Academy Trust

Reference and Administrative Details

Members

E Collins (resigned 8th February 2021)
S Harrison
E Rose
A Conant
B Matthews (appointed 22nd September 2020)

Trustees

A Bradley (Chair of Directors)
L Hughes
M Barnes-Darcy
G Martindale
K Woodward
I Young

Company Secretary

K Sawe

Senior Management Team:

- CEO/Accounting Officer
 - Finance Director (CFO)
 - Director of School Improvement
 - Headteacher
 - Headteacher
 - Headteacher
 - Director of Wellbeing
- K Tennyson
K Sawe
L Bradshaw
L Lewis
M Slingsby
L Rynn
L Smith

Company Name

The Three Saints Academy Trust

Principal and Registered Office

St Mary & St Thomas' CE Primary School
Barton Close, St Helens, WA10 2HS

Company Registration Number

09626002 (England and Wales)

The Three Saints Academy Trust

Reference and Administrative Details (continued)

Independent Auditor

Azets Audit Services Ltd
Fleet House,
New Road, Lancaster, LA1 1EZ

Bankers

Lloyds Bank PLC
2-12 Lord Street
Liverpool, L2 1TS

Solicitors

Browne Jacobson LLP
No. 1 Spinningfields,
1 Hardman Square,
Spinningfields, Manchester, M3 3EB

The Three Saints Academy Trust

Trustees' Report

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

The trust operates three primary academies in Merseyside. Its academies have a combined FTE pupil capacity of 866 (including nursery) and had an FTE roll of 828 in the school census October 2021. Two of the academies converted and were incorporated into the Trust on 1 August 2015 and the third converted and joined on 1 August 2019.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of The Three Saints 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 are included in the Reference and Administrative Details on page 3.

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

Qualifying third party indemnity provision has been obtained by the Trust for the benefit of trustees.

Method of Recruitment and Appointment or Election of Trustees

The articles stipulate that the members should appoint up to 12 Trustees.

In circumstances where the trustees have not appointed local governing bodies in respect of the academies there shall be a minimum of two parent trustees.

The trustees with the consent of the Diocesan Member may appoint up to two co-opted trustees for a term not exceeding four years. The trustees may not co-opt an employee of the company as a trustee.

Policies and Procedures Adopted for the Induction and Training of Trustees

On appointment all trustees have undertaken induction by the Chair and CEO. The trustees and members of the local governing bodies have access to regular CPD courses provided by ECM and access to the National Governor Association online training platform Learning Link.

Trustees have been provided with copies of policies and procedures, minutes, accounts, budgets and other documents in order to fulfil their roles.

Organisational Structure

The management structure of the Trust has 4 levels governed by a scheme of delegation:

- The Board of Trustees
- School Committees
- Trust Executive Management Team
- Academy Senior Leadership Teams

The role of the Board of Trustees is to support the Executive Management Team at a strategic level to achieve the Trust's stated objectives.

The Three Saints Academy Trust

Trustees' Report (continued)

The Board of Trustees are responsible for agreeing the vision and aims of the Trust, and for agreeing the strategic plan and relevant trust wide policies and procedures. They are also responsible for reviewing and approving the Trust's budget and financial statements and for authorising decisions concerning major capital expenditure and staffing structure.

In addition to the Board of Trustees the Trust operates a Finance and Audit Committee and a Standards Committee.

The School Committees act as advisory bodies to the Board of Trustees on matters concerning the individual academies including health and safety and estates, staffing, curriculum and budgeting.

The Executive Management Team consists of the CEO, the Headteachers of the member academies, the Finance Director, the Director of School Improvement and the Director of Wellbeing.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel, which includes all members of the Executive Management Team and the Academy Senior Leadership Teams is set by the Trustees. The Trust has adopted teacher's standard pay and conditions. Where required advice is sought by the Trustees from the Trust's HR advisors Browne Jacobson LLP.

Trade Union Facility Time

No employees of the Trust were a Trade Union representative during the year.

Related Parties and other Connected Charities and Organisations

The Liverpool Diocesan Board of Finance is considered to have significant control of the Trust.

Objectives and Activities

Objectives and Aims

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

The Trust's objective is:

To advance for the public benefit education in the UK, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issues by the Diocesan Board of Education; and
- Other academies whether with or without a designated religious character; but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England

Objectives, Strategies and Activities

The key objectives of the Trust for the year to 31 August 2021 have been:

- To ensure that all groups of pupils make a sustained level of progress
- To ensure the highest quality of teaching, learning and assessment
- To ensure the financial health of the Trust and provide value for money
- To ensure effective links with parents and the local community
- To ensure that our Christian values permeate the work of the Trust
- Implement and evaluate a broad and balanced curriculum which impacts upon pupil outcomes and personal development
- To ensure the highest quality of staff recruitment, development and training
- To ensure that leadership and management creates a culture of excellence

The Three Saints Academy Trust

Trustees' Report (continued)

Public Benefit

In exercising its powers and duties the Trust has complied with its duty to have due regards to the Charity Commission's guidance on Public Benefit. The main public benefit delivered by the Trust is the provision of a high quality education to its students.

The Three Saints Academy Trust

Trustees' Report (continued)

Strategic Report

Achievements and Performance and Key Performance Indicators

Covid 19

Covid 19 has continued to have a significant impact on the operation of the Trust during this academic year. All areas of the Trust's operation have been affected without exception, from the impact of time away from school on our pupil's education and wellbeing, to the mental health of our staff and families, from the HR and health and safety implications of protecting our pupils, staff and community, to the financial burden of the measures required to operate in global pandemic. Our leadership throughout these unprecedented times has been robust and we have continued to ensure that our leaders and staff have had the relevant information and support to meet the challenges.

Pupil Wellbeing and Safeguarding

Our Trust has a well-established pastoral team well voiced in meeting the needs of the pupils in our schools. The team have effective procedures for working with children both in school and whilst they are out of school to ensure that their pastoral needs are met.

Our safeguarding procedures have been updated to reflect new working procedures and staff fully trained in their operation. We have continued to fully engage with multidisciplinary teams to help and support our children and families.

Throughout the year we have increased our engagement with local charities to ensure that our most vulnerable families supported including organising regular food parcels and foodbank vouchers, new shoes and uniform for our families that have suffered the financial burden of the pandemic. We have provided vouchers for all of our free school meal children when they have been unable to attend our schools.

Teaching and Learning

With a higher than average level of disadvantaged pupils in the Trust we are well aware of the impact of missed school on widening the gap and lost learning. Our school catch up strategies were implemented from the start of the school year with a range of research guided strategies including:

- Before and after school tutoring sessions run by our own teaching staff to ensure continuity
- Small group interventions during the school day
- The implementation of new reading software
- High quality CPD for all staff
- Increased teaching staff in key year groups

When schools had to close to all but the children of key workers and vulnerable children again in January 2021 we implemented our remote learning offer which included a mix of live whole class teaching, 1-to-1 sessions and small group interventions via online platforms, downloadable worksheets and online learning platforms such as times-table rockstars, reading eggs and reading plus. In addition, fully paper-based resources were provided for our families struggling to get online.

Health and Safety and Staff Wellbeing

We have continued with our dynamic risk assessments at all schools which are shared with Trustees, staff, families and unions.

All statutory checks and inspections have continued to be carried out as required. Cleaning and caretaking staff have been provided with appropriate PPE to carry out their jobs in line with the risk assessments and our external health and safety consultant has conducted reviews at all our schools.

The Three Saints Academy Trust

Trustees' Report (continued)

We understand the toll that the pandemic has taken on our staff and their families and we have put in place measures to assist with their wellbeing. All our staff and their families have access to a 24/7 confidential helpline provided by Education Support through which they access advice and support including free counselling sessions. We regularly survey our staff on a variety of issues to see how we can improve and how we can support them in their work. We have also worked with unions to reduce the workload of staff and to increase their work life balance through a number of measures.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future based on the following:

- Schools will continue to receive full funding from the ESFA with respect to GAG, pupil premium, teacher pay and pension grants (which are to be rolled up into GAG for 2021-22) free school meals and UIFSM; and from the local authority for nursery children based on enrolment irrespective of closure
- The government has increased per pupil funding for 2021-22 to £4,000 per primary pupil, and announced in the October 2021 budget that it will increase by a further £1,500 per pupil
- The pupil numbers in our schools are consistently at or close to capacity and we have performed sensitivity analysis in our budgeting based on pupil number projections
- The DfE have committed to fund Maths Hubs for at least the next 3 years
- Despite no longer holding Teaching School Status, North West Learning Partnership (NWLP) will still be operating to provide CPD for schools and school staff, and has seen an increase in membership for 2021-22. Schools are being sign posted to NWLP for training from all local Teaching School Hubs
- Our CEO is still operating as an NLE and is providing funded school to school support
- The Trust has secured £100,000 of grant funding from The Shine Trust for a new reading project starting in 2021-22
- The government has confirmed that it will compensate public sector bodies (including schools) for the increase in national insurance in April 2022
- Although the government has now lifted the public sector pay freeze, pay rises for all staff from 2022 have already been factored into our budget assumptions

For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

Most of the Trust's income is obtained from the ESFA and DfE in the form of recurring grants, the use of which is restricted to particular purposes. The grants received from the ESFA and DfE for the year ended 31 August 2021 and the associated expenditure are shown as restricted funds in the statement of financial activities.

St Mary & St Thomas' is a designated Maths Hub and as such, during the year, received grant funding from the DfE of £749,000 which was used to run school based projects such as the Teaching for Mastery programme, and to provide primary and secondary maths CPD to schools.

St Mary & St Thomas' is also a provider of the school direct program delivered by Liverpool John Moores University. During the year the school received £97,000 from Liverpool John Moores for this program, a proportion of which was distributed to the schools providing placements and mentoring for the school direct students.

At the 31 August 2021 the Trust holds restricted funds of £161,000 and restricted fixed asset funds of £611,000.

The Trust also operated a subsidiary company, North West Learning Partnership Ltd (previously known as St Helens Teaching School Alliance Ltd), which delivers CPD to schools and school staff in addition to bespoke school support. For the year ended 31 August 2021 the subsidiary company made a profit of £53,000 which was gift aided to the Trust.

The Three Saints Academy Trust

Trustees' Report (continued)

Financial impact of Covid 19

Although the majority of the Trust's income arises from ESFA/DfE grants which have been unaffected by the pandemic, those parts of the Trust's operations which rely on earning income have been impacted to varying degrees. By far the biggest impact has been on the operation of the out of hours childcare provisions which were closed during the mandated school closures. During this time, we were able to utilise a small amount of funding from the job retention scheme. This related only to staff working in out of hours provision which is funded solely by fees paid by parents and carers. Only 5 staff were affected, the Trust topped up the furlough payment to ensure staff were paid 100% of their salaries during this time. The total amount received by the Trust from the job retention scheme was £6,439. We were, however, unable to recover the lost income from this provision.

Our subsidiary trading company has continued to operate during the pandemic, reacting flexibly by moving training online and adjusting the pricing structure to reflect this. As a result, the income and profit has largely been unaffected.

Following the end of PPN 04/20 on 31st October 2020 the Trust were able to make a limited amount of savings where external activities such as school swimming were not able to go ahead but the 'at risk' supplier no longer needed to be compensated to ensure supply. During the period we have continued to supplement our catering providers as the closure of class bubbles made their previous pricing structure unviable.

Reserves Policy

The Trustees consider it to be prudent to establish an adequate level of free reserves for the following reasons:

- The build up a contingency for unforeseen events
- To allow for delays in funding receipts

The desired level of reserves considers the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review and aim to build and maintain the reserves level whilst in keeping with the principle object of the academy.

The Trustees have assessed that the desired level of free reserves would be an amount equivalent to approximately 1 months operating expenses, £439,000. The Trust's current free reserves (total funds less those held in fixed assets and restricted reserves) are £231,000 (2020: £28,000). The Trust will principally use its unrestricted trading activity to continue to build its free reserves over the coming year.

In addition to free reserves the Trust also holds restricted funds of £161,000 and restricted fixed asset funds of £611,000. The Trust also has a pension liability of £3,647,000 which is detailed in note 21.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to teaching and the provision of facilities and finances. The key risks have been determined as:

- Risks related to Covid 19 including; additional costs, risk of exposure of staff and pupil to the virus and risk of closure due to outbreak.
- Failure of the Trust and the Directors to have procedures in place to cover the absence of CEO, Headteacher or other members of executive team
- Risk that a pupil, staff member, volunteer, student or visitor is injured at an academy
- Trust employee, Director, or Member is accused or convicted of a criminal offence or sanctionable offence from a supervisory body
- The risk of recruiting someone unsuitable to work with children
- The risk that legislative requirements are not complied with
- The uncertainty regarding future funding

The Trustees have put in place a risk register which is reviewed at least annually and have put in place systems and controls in all areas to minimise the potential risk. For example, a health and safety consultant is engaged to perform regular reviews at the academies, DBS records and safeguarding procedures are kept

The Three Saints Academy Trust

Trustees' Report (continued)

up to date, and regular reviews of budget and financial performance are reviewed. The Trustees are satisfied that where significant financial risk still exists there is adequate insurance cover.

Investment Policy

Any investment or deposit must guarantee complete integrity of funds and be consistent with the ethos, aims and objectives of the Academy and within the terms and conditions of the Funding Agreement and the investment policy as agreed by the Board of Trustees.

Fundraising

At a school level the Trust has carried out a small amount of fundraising activity in the year. The Trust has not worked with any professional fundraisers and the Trust has not received any fundraising complaints in the year.

Plans for Future Periods

The Trust plans to grow over the next 12 months welcoming both sponsored and convertor academies to join the Trust. As part of this process the Trust intends to engage a provider to perform a governance review within the next academic year.

It will continue to develop its offer to member academies, further developing the Trust school development and CPD programmes that are already in place.

The Trust aims to continue to provide the highest possible outcomes for all its existing and future pupils, and through its work with the teaching school to continue to produce and develop outstanding teachers and leaders. Catch up for lost learning of all pupils, but in particular disadvantaged pupils, will continue to be focus for the next academic year.

The Trust will continue to develop and embed its curriculum in all schools.

Auditor

Insofar as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2021 and signed on the board's behalf by:



K Tennyson
CEO/Accounting Officer

The Three Saints Academy Trust

Governance Statement

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the chief executive, 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 The Three Saints Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|---------------------------|--------------------------|--------------------------|
| A Bradley (Chair) | 4 | 4 |
| K Tennyson (CEO observer) | 4 | 4 |
| K Sawe (CFO observer) | 4 | 4 |
| M Darcy | 4 | 4 |
| L Hughes | 4 | 4 |
| G Martindale | 4 | 4 |
| I Young | 1 | 4 |
| K Woodward | 3 | 4 |

The finance committee is a sub-committee of the main board of trustees. Its purpose is to review financial performance and budgets and report to the Trustees and to review and approve financial policies and procedures. The finance committee is quorate for the board of trustees, therefore, although the full board meets less than 6 times per year financial information is reviewed by the board or its sub-committee 8 times per year.

The Three Saints Academy Trust

Governance Statement (continued)

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|------------------------------|-------------------|-------------------|
| A Bradley | 4 | 4 |
| K Tennyson (CEO- non-voting) | 4 | 4 |
| K Sawe (CFO – non-voting) | 4 | 4 |
| G Martindale (Chair) | 4 | 4 |
| K Woodward | 4 | 4 |
| L Hughes | 3 | 4 |

Review of Value for Money

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

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

- Using the teaching school's network of SLEs, LLEs, NLEs and educational consultants to deliver the best quality CPD to our teaching staff to ensure all our teachers are good or outstanding
- Worked collaboratively within the Trust and with schools in the wider teaching school alliance to share teaching best practice
- Continuing to roll out the Maths Mastery programme to both academies and increasing the number of Maths Masters year on year
- Reviewing and re-negotiating service level agreements we have been able to make significant cost savings and increase the quality of the services in areas such as school meals, HR and equipment leasing releasing income to be spent on teaching and learning
- Engaging with the North West Buying Hub and DfE procurement for new services and equipment
- Carrying out school teaching and learning reviews led by educational consultants, alongside the CEO, Director of School Improvement and headteachers, to identify areas for continuous improvement which have informed the Trust objectives and the academies school improvement plans

The Three Saints Academy Trust

Governance Statement (continued)

The Purpose of the System of Internal Control

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

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 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.

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided:

- to engage a number of specialist external organisations to perform internal controls testing
 - Finance and risk – School Business Services
 - Health and Safety – MEH Consultants
 - GDPR – Data Protection Education
 - Curriculum and teaching – Kathy Hall

The reviewer's role includes giving advice on their specialist area and performing a range of checks on the academy trust's policies and procedures. In particular the checks to be carried out in the current year included:

- testing of payroll systems
- testing of purchase systems

The Three Saints Academy Trust

Governance Statement (continued)

- testing of control account/bank reconciliations
- health and safety reviews
- GDPR reviews
- Curriculum and teaching reviews

Review of Effectiveness

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

- the internal controls reviewers
- the work of the external auditor
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees on 17 December 2021 and signed on its behalf by:



Kirsty Tennyson
Accounting Officer

The Three Saints Academy Trust

Statement of Regularity, Propriety and Compliance

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

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

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



K Tennyson
Accounting Officer

Date: 17 December 2021

The Three Saints Academy Trust

Statement of Trustees' Responsibilities

The trustees (who act as directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the strategic report and directors report) and the consolidated financial statements in accordance with the Annual Accounts Direction published by the Education 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 2019 and the Academies Accounts Direction 2020 to 2021
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the board of trustees on 17 December 2021 and signed on its behalf by:



K Tennyson
CEO

The Three Saints Academy Trust

Independent Auditor's Report to the Members and Trustees of the Three Saints Academy Trust

Opinion

We have audited the accounts of Three Saints Academy Trust (the 'parent academy trust') and its subsidiaries (the 'group') 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 accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education & Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The Three Saints Academy Trust

Independent Auditor's Report to the Members and Trustees of the Three Saints Academy Trust (continued)

Other information

The trustees are responsible for the other information, which comprises the information included in the annual report other than the accounts and our auditor's report thereon. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report 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 academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

The Three Saints Academy Trust

Independent Auditor's Report to the Members and Trustees of the Three Saints Academy Trust (continued)

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the group and parent academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
-
-

The Three Saints Academy Trust

Independent Auditor's Report to the Members and Trustees of the Three Saints Academy Trust (continued)

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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.

Azets Audit Services

Susanna Cassey (Senior Statutory Auditor)

for and on behalf of Azets Audit Services

Statutory Auditor

20 December 2021

The Three Saints Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Three Saints Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 9 November 2020 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Three Saints Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Three Saints Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Three Saints Academy Trust's funding agreement with the Secretary of State for Education dated 27 March 2014 and the Academies Financial Handbook, extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The Three Saints Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Three Saints Academy Trust and the Education Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- completion of self assessment questionnaire by Accounting Officer
- discussions with the Accounting Officer and finance team
- review of trustee and committee meeting minutes
- review of finance and other relevant policies
- review of purchases, expenses and expense claims on a sample basis including the application of controls and tendering processes where applicable
- review of gifts and hospitality transactions including the application of controls
- review of credit and debit card transactions including the application of controls
- review of payroll transactions on a sample bases including the application of controls
- review of potential special payments to staff
- review of leases and consideration of areas where borrowing may have been incurred
- consideration of transactions with related and connected parties
- review of register of business interests for completeness and compliance with regulations
- enquiries into transactions that may require disclosure under ESFA delegated authority rules

Conclusion

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

Azets Audit Services

Susanna Cassey
Reporting Accountant
Azets Audit Services

Dated: 20 December 2021

The Three Saints Academy Trust

Consolidated Statement of Financial Activities for the year ended 31 August 2021

(including Income and Expenditure Account)

| | Note | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total 2021 £000 | Total 2020 £000 |
|---|-------|-------------------------------|-------------------------------------|---|--------------------|--------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 2 | 7 | 383 | 250 | 640 | 405 |
| Transferred from a local authority on conversion | | - | - | - | - | 19 |
| Charitable activities: | | | | | | |
| Funding for the academy trust's educational operations | 3 | 271 | 5,223 | - | 5,494 | 5,001 |
| Teaching School | 23 | 173 | 40 | - | 213 | 238 |
| Total | | 451 | 5,646 | 250 | 6,347 | 5,663 |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| Academy trust educational operations | 5 | 52 | 5,758 | 47 | 5,857 | 5,825 |
| Teaching School | 23 | 120 | 40 | - | 160 | 165 |
| Total | | 172 | 5,798 | 47 | 6,017 | 5,990 |
| Net income / (expenditure) | | 279 | (152) | 203 | 330 | (327) |
| Transfers between funds | 13 | (76) | 27 | 49 | - | - |
| Other recognised gains / (losses): | | | | | | |
| Actuarial gains/(losses) on defined benefit pension schemes | 13,21 | - | (274) | - | (274) | (4) |
| Net movement in funds | | 203 | (399) | 252 | 56 | (331) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 28 | (3,087) | 359 | (2,700) | (2,369) |
| Total funds carried forward | | 231 | (3,486) | 611 | (2,644) | (2,700) |

The Three Saints Academy Trust

Consolidated Balance Sheet as at 31 August 2021

Company Number 09626002

| | Notes | 2021 £000 | 2021 £000 | 2020 £000 | 2020 £000 |
|---|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 9 | | 611 | | 353 |
| Current assets | | | | | |
| Debtors | 10 | 259 | | 178 | |
| Cash at bank and in hand | | <u>464</u> | | <u>144</u> | |
| | | 723 | | 322 | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 11 | <u>(312)</u> | | <u>(210)</u> | |
| Net current assets | | | <u>411</u> | | <u>112</u> |
| Total assets less current liabilities | | | 1,022 | | 465 |
| Creditors: amounts due in greater than one year | 12 | | (19) | | - |
| Net assets excluding pension liability | | | <u>1,003</u> | | <u>465</u> |
| Defined benefit pension scheme liability | 21 | | <u>(3,647)</u> | | <u>(3,165)</u> |
| Total net liabilities | | | <u>(2,644)</u> | | <u>(2,700)</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| . Fixed asset fund | 13 | 611 | | 359 | |
| . Restricted income fund | 13 | 161 | | 78 | |
| . Pension reserve | 13 | <u>(3,647)</u> | | <u>(3,165)</u> | |
| Total restricted funds | | | <u>(2,875)</u> | | <u>(2,728)</u> |
| Unrestricted income funds | 13 | | <u>231</u> | | <u>28</u> |
| Total funds | | | <u>(2,644)</u> | | <u>(2,700)</u> |

The financial statements on pages 24-56 were approved by the trustees and authorised for issue on 17 December 2021 and are signed on their behalf by

Kirsty Tennyson
Accounting Officer

The Three Saints Academy Trust

Company Balance Sheet as at 31 August 2021

Company Number 09626002

| | Notes | 2021 £000 | 2021 £000 | 2020 £000 | 2020 £000 |
|---|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 9 | | 611 | | 351 |
| Current assets | | | | | |
| Debtors | 10 | 271 | | 194 | |
| Cash at bank and in hand | | <u>425</u> | | <u>120</u> | |
| | | 696 | | 314 | |
| Liabilities | | | | | |
| Creditors: Amounts falling due within one year | 11 | <u>(320)</u> | | <u>(234)</u> | |
| Net current assets | | | <u>376</u> | | <u>80</u> |
| Total assets less current liabilities | | | | | |
| Creditors: amounts due in greater than one year | 12 | | (19) | | - |
| Net assets excluding pension liability | | | <u>968</u> | | <u>431</u> |
| Defined benefit pension scheme liability | 21 | | <u>(3,647)</u> | | <u>(3,165)</u> |
| Total net liabilities | | | <u>(2,679)</u> | | <u>(2,734)</u> |
| Funds of the academy trust: | | | | | |
| Restricted funds | | | | | |
| . Fixed asset fund | 13 | 611 | | 358 | |
| . Restricted income fund | 13 | 155 | | 73 | |
| . Pension reserve | 13 | <u>(3,647)</u> | | <u>(3,165)</u> | |
| Total restricted funds | | | <u>(2,881)</u> | | <u>(2,734)</u> |
| Unrestricted income funds | 13 | | <u>202</u> | | <u>-</u> |
| Total funds | | | <u>(2,679)</u> | | <u>(2,734)</u> |

The financial statements on pages 24-56 were approved by the trustees and authorised for issue on 17 December 2021 and are signed on their behalf by

Kirsty Tennyson
Accounting Officer

The Three Saints Academy Trust

Statement of Cash Flows for the year ended 31 August 2021

| | Notes | 2021 £000 | 2020 £000 |
|--|-------|--------------|--------------|
| Cash flows from operating activities | | | |
| Net cash provided by (used in) operating activities | 16 | 336 | (133) |
| Cash flows from investing activities | 17 | (35) | 22 |
| Cash flows from financing activities | | 19 | - |
| Change in cash and cash equivalents in the reporting period | | <u>320</u> | <u>(111)</u> |
| Cash and cash equivalents at 1 September 2020 | | 144 | 255 |
| Cash and cash equivalents at 31 August 2021 | 18 | <u>464</u> | <u>144</u> |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021

1 Statement of accounting policies

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

Basis of Preparation

The Three Saints Academy Trust is a company limited by guarantee incorporated in England. The address registered office is given in the Reference and Administrative Details given on page 3 of these financial statements. The nature of the academy trusts operations and principal activities are set out in the Trustees' Report on page 5.

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102) 2019), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line-by-line basis. The subsidiary company, St Helens Teaching School Alliance, has prepared its financial statements under FRS 102.

No separate statement of financial activities has been presented for The Three Saints Academy Trust alone, as permitted by section 408 of the Companies Act 2006.

Going Concern

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

Income

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

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the 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.

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

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

Capital grants are recognised 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.

- **Donations**

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

- **Other Income**

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

- **Donated goods, facilities and services**

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

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

Expenditure

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

2 Statement of accounting policies (continued)

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

- Freehold buildings 50 years
- Fixtures, fittings and equipment 5 years
- Computer hardware 3 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

Liabilities

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

Provisions

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

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

Leased Assets

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

Investments

The academy's shareholding in the wholly owned subsidiary, St Helens Teaching School Alliance Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 10. Prepayments are not financial instruments. Amounts due from the charities wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 11. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is no obligation to deliver services rather than cash or another

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

financial instrument. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

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

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

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

1 Statement of accounting policies (continued)

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical accounting estimates and areas of judgement

The Trust's land and buildings are occupied by agreement with the Site Trustees under the terms of the Church Supplemental Agreement including a 2 year period of notice. The Directors believe the 2 year notice period to be indicative of an operating lease and therefore do not recognise the land and buildings in the balance sheet.

The nominal rent value for the use of the Land & Building is calculated using yield percentages. The yield value is taken from independent RICS reports and is applied to the value of the Land & Building. Yields taken are based on the school fitting the category 'Industrial' within the Merseyside area.

A notional rent charge is shown as an expense in the SOFA. An equivalent donation back to the Trust is recognised at the same time. The Directors believe the rent expense and therefore the related donation is only accrued on a daily basis and that this arrangement has no impact on the balance sheet.

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

2 Donations and capital grants

| | Unrestricted Funds £000 | Restricted Funds £000 | Restricted Fixed Assets Funds £000 | Total 2021 £000 | Total 2020 £000 |
|-------------------|-------------------------------|-----------------------------|--|-----------------------|-----------------------|
| Capital grants | - | - | 250 | 250 | 22 |
| Donations | 7 | 383 | - | 390 | 383 |
| | 7 | 383 | 250 | 640 | 405 |
| 2020 Total | - | 383 | 22 | 405 | |

The 2020 restricted fixed assets fund grants of £22,000 were all capital grants.

3 Funding for the Academy Trust's educational operations

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2021 £000 | Total 2020* £000 |
|---|-------------------------------|-----------------------------|-----------------------|------------------------|
| DfE / EFA grants | | | | |
| General Annual Grant (GAG) | - | 3,439 | 3,439 | 3,198 |
| Other DfE/ESFA Grants: | | 93 | 93 | 98 |
| UIFSM | | | | |
| Pupil premium | - | 300 | 300 | 267 |
| Maths Hub | - | 749 | 749 | 726 |
| Others | - | 395 | 395 | 242 |
| | - | 4,976 | 4,976 | 4,531 |
| Other Government grants | | | | |
| Local authority grants | - | 241 | 241 | 228 |
| Other income from the academy trust's educational operations | 271 | 6 | 277 | 242 |
| | 271 | 5,223 | 5,494 | 5,001 |
| 2020 Total | 242 | 4,759 | 5,001 | |

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

4 Expenditure

| | Staff Costs £000 | Non Pay Expenditure | | Total 2021 £000 | Total 2020 £000 |
|-----------------------------------|------------------------|---------------------|---------------|-----------------------|-----------------------|
| | | Premises £000 | Other £000 | | |
| Academy's educational operations: | | | | | |
| Direct costs | 3,700 | 7 | 234 | 3,941 | 3,936 |
| Allocated support costs | 620 | 215 | 1,081 | 1,916 | 1,889 |
| | <u>4,320</u> | <u>222</u> | <u>1,315</u> | <u>5,857</u> | <u>5,825</u> |

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

| | Staff Costs £000 | Non Pay Expenditure | | Total 2020 £000 | Total 2019 £000 |
|-----------------------------------|------------------------|---------------------|---------------|-----------------------|-----------------------|
| | | Premises £000 | Other £000 | | |
| Academy's educational operations: | | | | | |
| Direct costs | 3,548 | 6 | 382 | 3,936 | 3,394 |
| Allocated support costs | 557 | 160 | 1,172 | 1,889 | 1,677 |
| | <u>4,105</u> | <u>166</u> | <u>1,554</u> | <u>5,825</u> | <u>5,071</u> |

Net income/(expenditure) for the year includes:

| | 2021 £000 | 2020 £000 |
|------------------------------|--------------|--------------|
| Operating lease rentals | 388 | 387 |
| Depreciation | 26 | 19 |
| Fees payable to auditor for: | | |
| - audit | 16 | 15 |
| - other services | - | 1 |
| | <u>-</u> | <u>1</u> |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2020 (continued)

5 Charitable activities

| | Total 2021 £000 | Total 2020 £000 |
|--|--------------------------------|--------------------------------|
| Direct costs - educational operations | 3,941 | 3,936 |
| Support costs - educational operations | 1,916 | 1,889 |
| Direct costs – teaching school | 132 | 127 |
| Support costs – teaching school | 28 | 38 |
| | 6,017 | 5,990 |

| Analysis is of support costs | Teaching School £000 | Educational operations £000 | Total 2021 £000 | Total 2020 £000 |
|---|-------------------------------------|--|--------------------------------|--------------------------------|
| Support staff costs | 15 | 620 | 635 | 557 |
| Technology costs | - | 4 | 4 | 5 |
| Premises costs | - | 234 | 234 | 161 |
| Other support costs | 13 | 1,005 | 1,018 | 1,188 |
| Governance costs | - | 53 | 53 | 16 |
| Total support costs | 28 | 1,916 | 1,944 | 1,927 |

6 Staff

a. Staff costs

Staff costs during the year were:

| | Total 2021 £000 | Total 2020 £000 |
|--|--------------------------------|--------------------------------|
| Wages and salaries | 2,857 | 2,799 |
| Social security costs | 249 | 221 |
| Operating costs of defined benefit pension schemes | 644 | 606 |
| | 3,750 | 3,626 |
| Supply staff costs | 186 | 99 |
| | 3,936 | 3,725 |
| Staff restructuring costs comprise: | | |
| Redundancy payments | - | - |
| Payment in lieu of notice | - | 3 |
| | - | 3 |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

6 Staff (cont.)

b. Non statutory/non-contractual staff severance payments

There were no non statutory/non-contractual severance payments in the year.

c. Staff numbers

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

| | 2021 | 2020 |
|----------------------------------|------------|------------|
| | No. | No. |
| Teachers and teaching assistants | 73 | 79 |
| Administration and support | 39 | 33 |
| Management | 6 | 6 |
| | <u>118</u> | <u>118</u> |

d. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was 3 (2020: 4).

| | 2021 | 2020 |
|--------------------|------|------|
| | No. | No. |
| £60,001 - £70,000 | 2 | 3 |
| £70,001 - £80,000 | - | - |
| £80,001 - £90,000 | - | 1 |
| £90,001 - £100,000 | 1 | - |

e. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £518,000 (2020 - £526,000).

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

7 Related Party Transactions - Trustees' remuneration and expenses

No trustees have been paid remuneration or have received benefits from employment with the academy trust.

No trustees have been reimbursed expenses

8 Trustees and officers insurance

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

9 Tangible fixed assets - Group and Company

| | Leasehold Land and Buildings £000 | Furniture and Equipment £000 | Computer Hardware £000 | Total £000 |
|------------------------|--|------------------------------------|------------------------------|---------------|
| Cost | | | | |
| At 1 September 2020 | 339 | 21 | 85 | 445 |
| Additions | 261 | 6 | 17 | 284 |
| Disposals | - | - | - | - |
| At 31 August 2021 | 600 | 27 | 102 | 729 |
| Depreciation | | | | |
| At 1 September 2020 | 23 | 5 | 64 | 92 |
| Charged in year | 9 | 4 | 13 | 26 |
| Disposals | - | - | - | - |
| At 31 August 2021 | 32 | 9 | 77 | 118 |
| Net book values | | | | |
| At 31 August 2021 | 568 | 18 | 25 | 611 |
| At 31 August 2020 | 316 | 16 | 21 | 353 |

10 Debtors

| | Group 2021 £000 | Company 2021 £000 | Group 2020 £000 | Company 2020 £000 |
|--------------------------------|-----------------------|-------------------------|-----------------------|-------------------------|
| Trade debtors | 105 | 66 | 109 | 67 |
| VAT recoverable | 19 | 17 | 15 | 15 |
| Other debtors | - | - | - | - |
| Intercompany debtors | - | 11 | - | 18 |
| Prepayments and accrued income | 135 | 177 | 54 | 94 |
| | 259 | 271 | 178 | 194 |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

11 Creditors: amounts falling due within one year

| | Group | Company | Group | Company |
|------------------------------------|--------------|----------------|--------------|----------------|
| | 2021 | 2021 | 2020 | 2020 |
| | £000 | £000 | £000 | £000 |
| Trade creditors | 117 | 105 | 103 | 82 |
| Other taxation and social security | 65 | 65 | 56 | 56 |
| Intercompany creditors | - | 20 | - | 52 |
| Accruals and deferred income | 130 | 130 | 51 | 44 |
| | 312 | 320 | 210 | 234 |

12 Creditors: amounts falling in greater than one year

| | Group | Company | Group | Company |
|-----------|--------------|----------------|--------------|----------------|
| | 2021 | 2021 | 2020 | 2020 |
| | £000 | £000 | £000 | £000 |
| CIF loans | 19 | 19 | - | - |
| | 19 | 19 | - | - |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

13 Funds

Funds - Group

| | Balance at 31 August 2020 £000 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2021 £000 |
|-------------------------------------|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 3,439 | (3,466) | 27 | - |
| UIFSM | - | 93 | (93) | - | - |
| Pupil Premium | - | 300 | (283) | - | 17 |
| Maths Hub | 73 | 749 | (709) | - | 113 |
| Other grants and donations | 5 | 1,065 | (1,039) | - | 31 |
| Pension reserve | (3,165) | - | (208) | (274) | (3,647) |
| | (3,087) | 5,646 | (5,798) | (247) | (3,486) |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 131 | - | - | - | 131 |
| DfE/EFA capital grants | 228 | 250 | (47) | 49 | 480 |
| | 359 | 250 | (47) | 49 | 611 |
| Total restricted funds | (2,728) | 5,896 | (5,845) | (198) | (2,875) |
| Total unrestricted funds | 28 | 451 | (172) | (76) | 231 |
| Total funds | (2,700) | 6,347 | (6,017) | (274) | (2,644) |

Funds - Company

| | Balance at 31 August 2020 £000 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2021 £000 |
|-------------------------------------|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 3,439 | (3,466) | 27 | - |
| UIFSM | - | 93 | (93) | - | - |
| Pupil Premium | - | 300 | (283) | - | 17 |
| Maths Hub | 73 | 749 | (709) | - | 113 |
| Other grants and donations | - | 1,065 | (1,039) | - | 26 |
| Pension reserve | (3,165) | - | (208) | (274) | (3,647) |
| | (3,092) | 5,646 | (5,798) | (247) | (3,491) |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 131 | - | - | - | 131 |
| DfE/EFA capital grants | 227 | 250 | (47) | 49 | 480 |
| | 358 | 250 | (47) | 49 | 611 |
| Total restricted funds | (2,734) | 5,896 | (5,845) | (198) | (2,881) |
| Total unrestricted funds | 0 | 330 | (52) | (76) | 202 |
| Total funds | (2,734) | 6,226 | (5,897) | (274) | (2,679) |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

13 Funds (continued)

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

Restricted general funds

Restricted general funds comprise all other restricted funds received and includes grants from the Department of Education. Material grants have been reported separately as follows:

UIFSM – grant funding received from the ESFA for the provision of free school meals to pupils in infant classes.

Pupil premium – grant funding provided by the ESFA to support the education of disadvantaged pupils

Maths Hub – grant funding provided by the DfE to operate a national maths hub which provides maths training and support for schools and their staff. The carried forward balance relates to activities which spanned the year end.

Restricted fixed asset funds

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

Unrestricted funds

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

Transfer between funds

The transfer between fund represents the transfer of unrestricted income to fund the educational operation of the trust and its academies.

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

| | Total 2021 £000 | Total 2020 £000 |
|---|--------------------------------|--------------------------------|
| St Ann's CE Primary School | 49 | - |
| St Mary & St Thomas' CE Primary School | 201 | 71 |
| St Michael with St Thomas CE Primary School | 140 | 35 |
| Central services | 2 | - |
| Total before fixed assets and pension reserve | <u>392</u> | <u>106</u> |
| Restricted fixed asset fund | 611 | 359 |
| Pension reserve | <u>(3,647)</u> | <u>(3,165)</u> |
| Total | <u>(2,644)</u> | <u>(2,700)</u> |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

13 Funds (continued)

Total cost analysis by academy

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

| | Teaching and Educational Support Staff Costs £000 | Other Support Staff Costs £000 | Educational Supplies £000 | Other Costs (excluding Depreciation) £000 | Total 2021 £000 | Total 2020 £000 |
|--|--|--|---------------------------------|--|-----------------------|-----------------------|
| St Anns CE Primary School | 1,177 | 314 | 83 | 509 | 2,083 | 2,114 |
| St Mary & St Thomas' CE Primary School | 1,078 | 453 | 61 | 828 | 2,420 | 2,526 |
| St Michael with St Thomas CE Primary School | 617 | 169 | 46 | 287 | 1,119 | 1,143 |
| Central services | 81 | 45 | 28 | 90 | 244 | 51 |
| Academy Trust | 2,953 | 981 | 218 | 1,714 | 5,866 | 5,834 |

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

Funds - Group

| | Balance at 31 August 2019 £000 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2020 £000 |
|-------------------------------------|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 3,198 | (3,522) | 324 | - |
| UIFSM | - | 98 | (98) | - | - |
| Pupil Premium | - | 267 | (267) | - | - |
| Maths Hub | 160 | 726 | (813) | - | 73 |
| Other grants and donations | - | 900 | (895) | - | 5 |
| Pension reserve | (2,956) | - | (205) | (4) | (3,165) |
| | (2,796) | 5,189 | (5,800) | 320 | (3,087) |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 131 | - | - | - | 131 |
| DfE/EFA capital grants | 241 | 28 | (41) | - | 228 |
| | 372 | 28 | (41) | - | 359 |
| Total restricted funds | (2,424) | 5,217 | (5,841) | 320 | (2,728) |
| Total unrestricted funds | 55 | 446 | (149) | (324) | 28 |
| Total funds | (2,369) | 5,663 | (5,990) | (4) | (2,700) |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

13 Funds (continued)

Funds - Company

| | Balance at 31 August 2019 £000 | Income £000 | Expenditure £000 | Gains, losses and transfers £000 | Balance at 31 August 2020 £000 |
|-------------------------------------|---|----------------|---------------------|---|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 3,198 | (3,522) | 324 | - |
| UIFSM | - | 98 | (98) | - | - |
| Pupil Premium | - | 267 | (267) | - | - |
| Maths Hub | 160 | 726 | (813) | - | 73 |
| Other grants and donations | 43 | 900 | (957) | 14 | - |
| Pension reserve | (2,956) | - | (205) | (4) | (3,165) |
| | (2,753) | 5,189 | (5,862) | 334 | (3,092) |
| Restricted fixed asset funds | | | | | |
| Transfer on conversion | 131 | - | - | - | 131 |
| DfE/EFA capital grants | 240 | 28 | (41) | - | 227 |
| | 371 | 28 | (41) | - | 358 |
| Total restricted funds | (2,382) | 5,217 | (5,903) | 334 | (2,734) |
| Total unrestricted funds | 23 | 315 | - | (338) | - |
| Total funds | (2,359) | 5,532 | (5,903) | (4) | (2,734) |

Total cost analysis by academy

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

| | Teaching and Educational Support Staff Costs £000 | Other Support Staff Costs £000 | Educational Supplies £000 | Other Costs (excluding Depreciation) £000 | Total 2020 £000 |
|--|--|--|---------------------------------|--|-----------------------|
| St Anns CE Primary School | 1,161 | 268 | 98 | 587 | 2,114 |
| St Mary & St Thomas' CE Primary School | 1,094 | 467 | 106 | 859 | 2,526 |
| St Michael with St Thomas CE Primary School | 575 | 159 | 101 | 308 | 1,143 |
| Central services | - | - | 53 | (2) | 51 |
| Academy Trust | 2,830 | 894 | 358 | 1,752 | 5,834 |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

14 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

Group

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|--------------------------|-------------------------------|--|--|---------------------|
| Tangible fixed assets | - | - | 611 | 611 |
| Current assets | 236 | 487 | - | 723 |
| Current liabilities | (5) | (307) | - | (312) |
| Non-current liabilities | - | (19) | - | (19) |
| Pension scheme liability | - | (3,647) | - | (3,647) |
| Total net assets | 231 | (3,486) | 611 | (2,644) |

Company

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|--------------------------|-------------------------------|--|--|---------------------|
| Tangible fixed assets | - | - | 611 | 611 |
| Current assets | 211 | 485 | - | 696 |
| Current liabilities | (9) | (311) | - | (320) |
| Non-current liabilities | - | (19) | - | (19) |
| Pension scheme liability | - | (3,647) | - | (3,647) |
| Total net assets | 202 | (3,492) | 611 | 2,679 |

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

Group

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|--------------------------|-------------------------------|--|--|---------------------|
| Tangible fixed assets | - | - | 353 | 353 |
| Current assets | 36 | 374 | 6 | 416 |
| Current liabilities | (8) | (296) | - | (304) |
| Pension scheme liability | - | (3,165) | - | (3,165) |
| Total net assets | 28 | (3,087) | 359 | (2,700) |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

14 Analysis of net assets between funds (cont.)

Company

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total Funds £000 |
|--------------------------|-------------------------------|--|--|---------------------|
| Tangible fixed assets | - | - | 351 | 351 |
| Current assets | 66 | 327 | 7 | 400 |
| Current liabilities | (52) | (268) | - | (320) |
| Pension scheme liability | - | (3,165) | - | (3,165) |
| Total net assets | 14 | (3,106) | 358 | (2,734) |

15 Commitments under operating leases

Operating leases

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

| | Plant and Machinery £000 | Land and Buildings £000 | Total 2021 £000 | Total 2020 £000 |
|--|--------------------------------|-------------------------------|--------------------|--------------------|
| Amounts due within one year | 5 | 383 | 388 | 387 |
| Amounts due between one and five years | 4 | 383 | 387 | 386 |
| Amounts due after five years | - | - | - | - |
| | 9 | 766 | 775 | 773 |

The agreement under which the Trust occupies its land and buildings is deemed an operating lease with a two year notice period. Per the agreement there is a £nil charge due per annum. A notional rent charge therefore is provided each year for the use of the land and buildings with the corresponding donation recognised in the SoFA.

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

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

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Net expenditure for the reporting period (as per the statement of financial activities) | 330 | (327) |
| Adjusted for: | | |
| Depreciation [note 9] | 26 | 19 |
| Capital grants from DfE and other capital income | (250) | (22) |
| Defined benefit pension scheme cost less contributions payable [note 21] | 149 | 150 |
| Defined benefit pension scheme finance cost [note 21] | 56 | 55 |
| (Increase)/decrease in debtors | (77) | 87 |
| Increase/(decrease) in creditors | 102 | (95) |
| Net cash provided by Operating Activities | 336 | (133) |

17 Cash flows from financing activities

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Cash inflows from new borrowing | 19 | - |
| Net cash flows from financing activities | 19 | - |

17 Cash flows from investing activities

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Purchase of tangible fixed assets | (285) | - |
| Capital grants from DfE/EFA | 250 | 22 |
| Net cash used in investing activities | (35) | 22 |

18 Analysis of cash and cash equivalents

| | At 31 August 2021 £000 | At 31 August 2020 £000 |
|--|---------------------------------|---------------------------------|
| Total cash and cash equivalents | 464 | 144 |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 202 (continued)

19 Analysis of changes in net debt

| | At 1 September 2020 £000 | Cash flows £000 | Acquisition/ disposal of subsidiaries £000 | New finance leases £000 | Other non- cash changes £000 | At 31 August 2021 £000 |
|---|-----------------------------------|--------------------|---|----------------------------------|---------------------------------------|---------------------------------|
| Cash | 144 | 320 | - | - | - | 464 |
| Cash equivalents | - | - | - | - | - | - |
| Overdraft facility repayable on demand | - | - | - | - | - | - |
| | 144 | 320 | - | - | - | 464 |
| Loans falling due within 1 year | - | - | - | - | - | - |
| Loans falling due after more than 1 year | - | 19 | - | - | - | 19 |
| Finance lease obligations | - | - | - | - | - | - |
| Total | 144 | 339 | - | - | - | 483 |

20 Members liability

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

21 Pension and similar obligations

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

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

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment. The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%. The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £368,000 (2020 - £353,000).

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2020 (continued)

21 Pension and similar obligations (continued)

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

Local Government Pension Scheme – Merseyside Pension Fund

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £290,000 (2020- £255,000), of which employer's contributions totalled £234,000 (2020 - £214,000) and employees' contributions totalled £56,000 (2020 - £41,000). The agreed contribution rates for future years are 18/19.3 per cent for employers and 5.5-12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Principal actuarial assumptions

| | At 31 August 2021 | At 31 August 2020 |
|--|-------------------------|-------------------------|
| Rate of increase in salaries | 4.3% | 3.80% |
| Rate of increase for pensions in payment/inflation | 2.9% | 2.40% |
| Discount rate for scheme liabilities | 1.7% | 1.80% |
| Inflation assumption (CPI) | 2.8% | 2.30% |

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

21 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:

| | At 31 August 2021 | At 31 August 2020 |
|-----------------------------|-------------------------|-------------------------|
| <i>Retiring today</i> | | |
| Males | 21 | 20.9 |
| Females | 24.1 | 24.0 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.6 | 22.5 |
| Females | 26 | 25.9 |

Sensitivity Analysis

| | At 31 August 2021 | At 31 August 2020 |
|--|-------------------------|-------------------------|
| Discount rate + 0.1% | (128) | (106) |
| Mortality assumption – 1 year increase | 196 | 147 |
| CPI + 0.1% | 132 | 109 |

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

| | Fair value at 31 August 2021 £000 | Fair value at 31 August 2020 £000 |
|-------------------------------------|---|---|
| Equity instruments | 1,374 | 982 |
| Debt instruments | 353 | 328 |
| Property | 253 | 181 |
| Other | 693 | 524 |
| Total market value of assets | 2,673 | 2,015 |

The actual return on scheme assets was £401,000 (2020 – (£11,000)).

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

21 Pension and similar obligations (continued)

Amount recognised in the statement of financial activities

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Current service cost (net of employee contributions) | (293) | (273) |
| Past service cost | - | (1) |
| Net interest cost | (53) | (53) |
| Total operating charge | <u>(346)</u> | <u>(327)</u> |

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

| | 2021 £000 | 2020 £000 |
|------------------------|---------------------|---------------------|
| At 1 September | 5,069 | 4,651 |
| Current service cost | 345 | 322 |
| Interest cost | 91 | 83 |
| Employee contributions | 52 | 49 |
| Past service cost | - | 1 |
| Benefits paid | (19) | (16) |
| Actuarial (gain)/loss | 565 | (21) |
| At 31 August | <u>6,103</u> | <u>5,069</u> |

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

| | 2021 £000 | 2020 £000 |
|------------------------|---------------------|---------------------|
| At 1 September | 2,015 | 1,776 |
| Interest income | 38 | 34 |
| Actuarial gain/(loss) | 363 | (29) |
| Employer contributions | 228 | 205 |
| Employee contributions | 52 | 49 |
| Benefits paid | (19) | (16) |
| Admin expense | (4) | (4) |
| At 31 August | <u>2,673</u> | <u>2,015</u> |

Local Government Pension Scheme – Cheshire Pension Fund

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The agreed contribution rates for future years are 24.8 per cent for employers and 5.5-12.5 per cent for employees.

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

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

21 Pension and similar obligations (continued)

Principal actuarial assumptions

| | At 31 August 2021 | At 31 August 2020 |
|--|-------------------------|-------------------------|
| Rate of increase in salaries | 3.60% | 2.90% |
| Rate of increase for pensions in payment/inflation | 2.90% | 2.20% |
| Discount rate for scheme liabilities | 1.65% | 1.70% |
| Inflation assumption (CPI) | 2.90% | 2.20% |

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

| | At 31 August 2021 | At 31 August 2020 |
|-----------------------------|-------------------------|-------------------------|
| <i>Retiring today</i> | | |
| Males | 21.4 | 21.2 |
| Females | 24.0 | 23.6 |
| <i>Retiring in 20 years</i> | | |
| Males | 22.4 | 21.9 |
| Females | 25.7 | 25.0 |

Sensitivity Analysis

| | At 31 August 2021 | At 31 August 2020 |
|---|-------------------------|-------------------------|
| 0.1%/0.5% decrease in Real Discount Rate | 17 | 60 |
| 0.1%/0.5% increase in the Salary Increase Rate | 1 | 6 |
| 0.1%/0.5% increase in the Pension Increase Rate | 15 | 53 |

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

| | Fair value at 31 August 2021 £000 | Fair value at 31 August 2020 £000 |
|-------------------------------------|---|---|
| Equity instruments | 206 | 156 |
| Debt instruments | 188 | 142 |
| Property | 45 | 35 |
| Other | 9 | 14 |
| Total market value of assets | 448 | 347 |

The actual return on scheme assets was £43,000 (2020 - £8,000).

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

21 Pension and similar obligations (continued)

Amount recognised in the statement of financial activities

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Current service cost (net of employee contributions) | (74) | (71) |
| Past service cost | - | - |
| Net interest cost | (2) | (2) |
| Total operating charge | <u>(76)</u> | <u>(73)</u> |

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

| | 2021 £000 | 2020 £000 |
|------------------------|-------------------|-------------------|
| At 1 September | 458 | 365 |
| Current service cost | 74 | 71 |
| Interest cost | 8 | 8 |
| Employee contributions | 10 | 10 |
| Past service cost | - | - |
| Benefits paid | - | - |
| Actuarial (gain)/loss | 115 | 4 |
| At 31 August | <u>665</u> | <u>458</u> |

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

| | 2021 £000 | 2020 £000 |
|------------------------|-------------------|-------------------|
| At 1 September | 347 | 284 |
| Interest income | 6 | 6 |
| Actuarial gain/(loss) | 43 | 8 |
| Employer contributions | 42 | 39 |
| Employee contributions | 10 | 10 |
| Benefits paid | - | - |
| Admin expense | - | - |
| At 31 August | <u>448</u> | <u>347</u> |

22 Related party transactions

Liverpool Diocesan Board of Finance is a charitable company deemed to be related (see page 5) to the Academy. During the year, the Academy incurred notional rent costs for the use of land and buildings of £382,941 (2020 - £382,941). The amount was matched with a donation from Liverpool Diocesan Board of Finance included in note 2.

There were no other related party transactions in the year.

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

23 Teaching School Trading Account

| | 2020/21 £000 | 2020/21 £000 | 2020/21 £000 | 2019/20 £000 | 2019/20 £000 | 2019/20 £000 |
|---|-----------------|-----------------|--------------------|-----------------|-----------------|--------------------|
| Income | | | | | | |
| Direct Income | | | | | | |
| Grant income | | 40 | | | 47 | |
| Other income | | | | | | |
| Trading income | | <u>173</u> | | | <u>191</u> | |
| Total income | | | 213 | | | 238 |
| Expenditure | | | | | | |
| Direct Costs | | | | | | |
| Staff costs | 40 | | | 47 | | |
| Other direct costs | <u>107</u> | | | <u>110</u> | | |
| Total Direct Costs | | 147 | | | 157 | |
| Other costs | | | | | | |
| Other support costs | <u>13</u> | | | <u>39</u> | | |
| Total other costs | | <u>13</u> | | | <u>39</u> | |
| Total Expenditure | | | 160 | | | 196 |
| Surplus from all sources | | | <u>53</u> | | | <u>42</u> |
| Subsidiary profit gift aided to Trust | | | <u>(53)</u> | | | <u>(42)</u> |
| Teaching school balances at 1 September 2020 | | | <u>-</u> | | | <u>-</u> |
| Teaching school balances at 31 August 2021 | | | <u>-</u> | | | <u>-</u> |

St Mary & St Thomas CE Primary School had Teaching School Status until 31 August 2021 when National Teaching School Hubs were introduced. The school received a core grant of £40,000 which funded Teaching School staffing. Teaching School activity was carried out through a wholly owned subsidiary company which was re-branded to North West Learning Partnership in the year. North West Learning Partnership is consolidated into the Trust and all profits generated by the company are gift aided to the Trust.

24 Central Services

The academy trust has provided the following central services to its academies during the year:

- finance services
- human resources
- health and safety
- audit and compliance
- staff CPD training
- central management costs

The Three Saints Academy Trust

Notes to the Financial Statements for the year ended 31 August 2021 (continued)

24 Central Services (cont.)

The Trust charges for these services on the based on actual costs incurred apportioned based on school size and OFSTED category.

The actual amounts charged in the year were as follows:

| | 2021 £000 | 2020 £000 |
|---------------------------|--------------|--------------|
| St Ann's | 102 | 20 |
| St Mary & St Thomas | 101 | 20 |
| St Michael with St Thomas | 79 | 40 |
| | <u>282</u> | <u>80</u> |

25 Investment in Subsidiaries

| Company Name | Country | Registered Number | Percentage Shareholding |
|--|---------|-------------------|-------------------------|
| North West Learning Partnership (previously St Helens Teaching School Alliance) | England | 09646674 | 100% |

North West Learning Partnership provides CPD courses for teachers, teaching assistants and school support staff. During the year ended 31 August 2021 the company generated £213,000 of income (2020 - £238,000) and profit of £53,000 (2020: £42,000) which was gift aided to The Three Saints Academy Trust. At 31 August 2021 the company had gross assets of £85,000 (2020: £99,000) and liabilities of £5,000 (2020: £26,000) excluding accruals to gift aid the profit for the year to the Trust.