

Nexus Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2021

Forrester Boyd
Chartered Accountants
66-68 Oswald Road
Scunthorpe
North Lincolnshire
DN15 7PG

Nexus Multi Academy Trust

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Nexus Multi Academy Trust

Reference and Administrative Details

Members	Andrew Child, chairman A Ahmed (appointed 1 September 2021) C Hall P Girling P Leach Z Rasool (resigned 31 August 2021)
Trustees (Directors)	Andrew Child G Askew J L Smith (resigned 27 September 2021) J Coleman N Judah P Castleton R E Potts R Palmer S Booth S Shelley
Chief Executive Officer	W Carratt
Senior Management Team	W Carratt, Chief Executive Officer/Accounting Officer J Hardwick, Assistant Chief Executive Officer J Tattershall, Assistant Chief Executive Officer R Webster, Strategic Development Lead C Sands, Chief Finance Officer L Windle, Executive Headteacher (Abbey School) W Askham, Head of School (Abbey School) V Drew, Head of School (Bader School) J Gibson, Executive Headteacher (Becton School) M Kilner, Head of School (Becton School) R Hadfield, Head of School (Becton School) K O'Reilly, Executive Headteacher (Bader and Coppice School) L Allison, Head of School (Coppice School) - retired 11/04/21 E Normington, Headteacher (Craggs Community School) L Suter, Executive Headteacher (Heatherwood and North Ridge Community Schools) B Coy, Head of School (Heatherwood School) D Burdett, Headteacher (Hilltop School) K Anson, Headteacher (Kelford School) A Denman, Head of School (North Ridge Community School) S Mulhall, Headteacher (Pennine View School) N Swearman, Head of School (Coppice) - as of 01/01/2021

Nexus Multi Academy Trust

Reference and Administrative Details (continued)

Principal and Registered Office	Hilltop School Larch Road Maltby Rotherham South Yorkshire S66 8AZ
Company Registration Number	10075893
Auditors	Forrester Boyd Chartered Accountants 66-68 Oswald Road Scunthorpe North Lincolnshire DN15 7PG
Bankers	Barclays 1 Churchill Place London E14 5HP
Solicitors	Howes Percival Bell House, First Floor Seebeck Place Knowlhill Milton Keynes MK5 8FR

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021

The Trustees present their annual report together with the financial statements and auditors' 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 currently operates 10 academies in the Rotherham Metropolitan Borough, Doncaster Metropolitan Borough and Sheffield City areas, with 1 special academy in the pre-opening phase in the Sheffield City area. 8 of the Trust's academies are special academies, 1 of which opened on 1 September 2020; 1 is a mainstream primary academy; and one is an all-age hospital special academy.

Structure, governance and management

Constitution

The academy trust (the Trust) is a charitable company limited by guarantee and an exempt charity. It was incorporated on 21 March 2016 and commenced operating as an academy trust on 1 June 2016. The charitable company is known as Nexus Multi Academy Trust and its company number is 10075893.

The charitable company's memorandum and articles of association are the primary governing documents of the multi academy trust.

The Trustees of Nexus Multi Academy Trust are also the directors of the charitable company for the purpose of company law. Details of the Trustees who served during the year, and to the date of these accounts are approved are included in the Reference and Administrative details on page 1.

Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they 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

Trustees benefit from indemnity insurance purchased at the Charitable Company's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default of breach of trust or breach of duty. These are of which they may be guilty in relation to the Trust provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or a breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Charitable Company.

Method of recruitment and appointment or election of Trustees

As per the trust's Articles of Association, the Members may appoint, by ordinary resolution, up to 11 Trustees.

Nexus MAT has a published procedure for the nomination, selection and appointment of Trustees, which is outlined in Appendix F of the Nexus MAT Governance Handbook. No individual has an entitlement to nominate a Trustee for consideration by the Board and for recommendation to Members.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Policies and procedures adopted for the induction and training of Trustees

The Nexus MAT Governance Handbook outlines the expectations on all holders of governance office (Members, Directors/Trustees and Local Governors) in regard to the work of the Trust. This also includes details of what expectations an individual governor can have on the Trust to provide support and training. The Trust has a Prospectus, which is refreshed annually and provides structure to the induction of new personnel as well as increasing transparency with the public and stakeholders for how the Trust operates.

The Trust has a governance development programme which is refreshed annually and which is informed by a competency self-assessment by individual Trustees and governors, built around the core areas of work of their governing board and based on the National Governance Association's model template.

Training provision is made available by the Trust through internal workshops; via local school development agencies (Learners First and Partners in Learning); local safeguarding children's partnerships; or via a suitably qualified and experienced third party provider.

The Trust has a published procedure for responding to concerns about a Member, Director/Trustee or governor.

Organisational structure

Nexus has 5 appointed Members, 4 of whom are the original signatories for the company. One Member, Zanib Rasool, stepped down on 31 August 2021 and was replaced by Angham Ahmed, who commenced in post on 1 September 2021.

One of the Members is also a Director/Trustee of the company, holding the office of Chair of the Trust Board. The Trust has a published Scheme of Delegation, which details the decision-making prerogative reserved for Members, Directors/Trustees, the Trust Executive, Local Governing Boards and Headteachers. The Trust also has a published procedure which outlines the delegation of financial powers.

The Chief Executive Officer of the Trust is the accounting officer for Nexus MAT. The Chief Executive Officer and Chief Finance Officer typically attend all Board meetings, at the discretion of the Board, to report to Trustees in line with business requirements, though attendance is at the discretion of the Board. The Chief Executive Officer line manages Headteachers of the Trust's constituent academies and line manages the Chief Finance Officer.

Board business meetings are scheduled bi-monthly and the Chief Executive Officer and Chief Finance Officer are responsible for the submission of reports to Directors/Trustees, with a requirement to also put recommendations for decisions to the Board. All reports outline key risks and required mitigation to ensure these are effectively managed. The minutes of all Board meetings are published on the Trust website.

In 2020-21, the academies had 1,564 pupils on roll, an increase of 96 compared to the previous academic year.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees holds responsibility for setting the pay and remuneration for the Chief Executive Officer and Chief Finance Officer.

The Trust has a published pay policy and a published appraisal and capability policy which guides how pay is determined and when progression through individual salary ranges can be considered and awarded.

Headteacher pay is set using the School Teacher Pay and Conditions Document and the formulas included therein.

The Chief Executive Officer and Chief Finance Officer pay ranges are mapped to the Leadership Points of the School Teacher Pay and Conditions Document. This ensures Trustees are drawing on relative contextual information and setting remuneration in line with a nationally recognised pay model. Services4Schools — the Trust's third party HR provider - supply all relevant information and advice at the request of Trustees.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
7	7

Percentage of time spent on facility time

Percentage of time

0%

Number of employees

15

Paid trade union activities

2021

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100

-

Trustees should refer to Statutory Instrument 2017 No. 328, The Trade Union Facility Time Publication Requirements Regulations 2017 for calculation details.

Connected organisations, including related party relationships

In 2020-21, the Trust continued to draw on the services of New Habits to provide coaching and leadership development support. Paul Girling, a Member of the Trust, is a Director of New Habits. The contract commenced on 1 September 2020. The total costs paid to New Habits in 2020/21 was £2,662. The charges are at cost and therefore reduced compared to those ordinarily charged. This has been disclosed in note 29 to the financial statements.

Engagement with employees (including disabled persons)

In April 2020, The Trust undertook its first Employee Engagement Survey with all academies in the Trust. This reached a workforce of over 700 staff and facilitated consultation on the Trust values, vision and mission statements ahead of the refresh of the Strategic Plan in 2020/21.

The Trust Collaborative School Improvement Plan responded to many of the actions coming out of the employee opinion survey, with the establishment of network and mandate groups for practitioners to come together (virtually, due to COVID-19 restrictions) to share learning and build a sense of community across the Trust.

Regular health checks have been undertaken by Headteachers during the year as part of our wellbeing work, and staff have been routinely consulted on risk assessment and management measures as part of our ongoing efforts to ensure sites remain as 'COVID-safe' as possible.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

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

Nexus MAT is committed to ensuring creditors are paid on time within the agreed terms and that all suppliers are treated fairly. We strive to achieve a balance between cost effectiveness, responsibility and fairness and we aim to settle disputes quickly. During 2020/21 the Trust continued to adhere to the PPN 02/20 whereby public bodies were required to continue payment to their suppliers to ensure service continuity during the COVID-19 pandemic.

The Trust led the re-tendering of school catering services in this year, with 7 of the 10 academies moving to a new joint contract. Whilst cost savings are nominal, there is a strong sense that there will be enhanced value for money as a result of the procurement process.

The Trust has also led a review of energy provision for the academies, with options being explored for the autumn on the transition to a MAT-wide contract.

On a wider partnership basis, the Trust has engaged with local authority governance forums such as Schools Forum and related partnerships boards. The Trust has also continued to facilitate the partnership free school project board to oversee the pre-opening phase of our free special academy in Sheffield. The Trust has also worked closely with colleagues from the Department for Education (DfE) and the Education & Skills Funding Agency (ESFA) on changes to the special educational needs and disabilities system in England.

Objectives and activities

Objects and aims

As per the Nexus Multi Academy Trust Articles of Association, the objects of the Trust are:

i. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies"); and

ii. to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

In fulfilling these objects, the Trust Board refreshed its 5-year strategic plan in the autumn of 2020, with a reduced and more concise focus on 3 refined strategic objectives:

1. Increasing quality of provision in our education system
2. Developing partnerships to better meet need
3. Maintaining a financially viable, sustainable and ethically driven Multi Academy Trust

These strategic objectives in turn inform the annual business planning of the Trust and its constituent academies.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Objectives, strategies and activities

For the period 1 September 2020 to 31 August 2021, Trustees have overseen the work of the accounting officer in pursuing the ambitions outlined in the Nexus MAT Strategic Plan, with performance monitored through the 2020-2021 strategic business plan and performance management of the accounting officer.

In April 2018 the Trust was appointed as sponsor to open two new special academies (free schools) in the Doncaster Metropolitan Borough and Sheffield City areas. The first of these new academies, Bader Academy (Doncaster) opened on 1 September 2020. The Trust has invested significant time and effort supporting the new school through its first year of opening. A visit in the summer term from a Department for Education commissioned External Expert reported positively on the progress the school is making. Throughout 2020-21 the Trust also continued to work on the pre-opening of Discovery Academy (Sheffield), which is due to open September 2022.

2020-21 saw the Trust appoint one new Trustee, with one Trustee stepping down. This leaves the Board with one residual vacancy.

Despite interruptions to business-as-usual throughout 2020-21 - with staff and pupil absence being affected by the Government's self-isolation measures and national lockdowns - the Trust achieved a number of positive outcomes in this business year.

The addition of two new Assistant CEO posts to the central Trust this year has enabled the MAT to have the capacity to not only keep up with the ever-changing requirements of the Government's COVID-19 guidance for schools, but also drive forward new initiatives and ways of working to help make us the best we can be. The Trust has refreshed its Collaborative School Improvement Framework, with coordinated activity bringing staff together in a wide range of network and mandate groups. The Trust has taken the School Parliament model piloted at Kelford School and is developing this into a Trust Parliament model - the first of its kind in the country - in 2021-22.

The annual allocation of £450,000 of capital funding will be utilised in line with our new Asset Strategy, and we have also reviewed our IT infrastructure with a bolder vision for how the Trust can lead the use of digital technologies in future.

The Trust has continued to work closely with local authority commissioners and we have developed innovative plans with Barnsley and Sheffield Councils to help meet their sufficiency needs for this year and future years. We spent much of 2020-21 developing options to open an independent special school, and these plans will be carried into 2021-22, as we consider this to be a key solution to the growing sufficiency needs of the South Yorkshire borough. Our academies continue to foster their own partnerships on a school-by-school basis, which in turn provides invaluable advocacy for the Trust. Our Heads and our workforce are our strongest ambassadors, and the opportunities we have generated this year - and those we continue to create next year - are a direct result of the symbiosis between the Trust and our schools.

The financial environment we operate in continues to be hostile, and with 9 special academies our Trust is disproportionately impacted by the pressure on local authority High Needs Blocks, all of which are overspent by millions in the local area. The delay in introducing the mainstream National Funding Formula has also left the Trust waiting for funding increases that were promised by the Government before now.

Our financial viability therefore depends on prudent expenditure and robust, evidence based negotiations with local authority commissioners for the pupils they place in special schools. As a consequence of sound financial oversight, scrutiny and challenge: all of our academies ended 2020-21 with in-year budget surpluses, and we have set balanced budgets for 2021-22. Trustees have continued to play a crucial role in holding the executive to account for the running of academies during the pandemic period, with our approach being recognised by the National Governance Association, as the Board has been named as finalists in their 2021 Outstanding Governance awards.

Public benefit

Through the growth of provision in our academies to meet the commissioning needs of local authorities, and through the realisation of year 1 of the refreshed 5-year strategic plan, Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Achievements and performance

Key financial performance indicators

In the period 1 September 2020 to 31 August 2021, Trustees oversaw the continued improvement in performance of the constituent academies of the Trust, as was reflected in the performance data for all constituent academies reported in the Trust dashboard.

The accounting officer has continued to ensure robust commissioning arrangements are in place with Local Authorities for all academies, so that all children and young people with special educational needs receive fair funding to support their educational progress.

In 2020-21 Trustees continued to enhance the resourcing of the central finance function in line with Trust growth, creating additional resource and capacity to support tighter financial monitoring at academy level. This had an evidentially positive impact on the accuracy of forecasting throughout 2020-21.

The Trust met all statutory return deadlines without exception and Trustees are aware of the changes to the Academy Trust Handbook from September 2021. The annual work plan of the Audit & Risk Committee includes details of all DfE/ESFA statutory returns so that Trustees can be rigorous in their oversight of compliance.

For the fourth year running Trustees published workforce pay data in line with the Government's Gender Pay Gap reporting requirements, even though this was the first year in which the Trust was eligible to publish the report.

Key performance indicators as outlined in the Trust performance dashboard are monitored by Trustees to ensure there is clear line of sight between the Board and the performance of the academies. Financial reporting to Trustees is underpinned by robust systems.

Going concern

After making appropriate enquiries, Trustees have a reasonable expectation that the Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. Whilst there has been significant interruption to the Trust's 'business as usual' as a consequence of Coronavirus, Trustees are confident that the steps taking to manage risks and maintain an offer for all children ensures that the Trust has and will continue to fulfil the requirements as outlined in the articles and the master funding agreement. 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.

Promoting the success of the academy

The Trust continues to work within and across local, regional and national networks to promote the success of the MAT. Trust membership of the Confederation of School Trusts has provided a number of platforms for the Trust to engage with other MATs and Government agencies.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Financial review

During the period ended 31 August 2021 total expenditure of £26,940,888 (2020: £19,751,015) was covered by recurrent grant funding from the ESFA and other incoming resources together totalling £29,053,524 (2020: £20,984,521). The excess of income over expenditure was £2,112,636 (2020: £1,233,506) for the period ended 31 August 2021. All figures exclude movements in the fixed asset reserves, pension liability reserve and transfers on conversion. The balance as at 31 August 2021 of the restricted general funds, excluding pension reserves, plus the unrestricted funds amounted to £3,315,444 (2020: £2,666,289), after transfers to the restricted fixed asset fund of £1,463,481 (2020: £156,535).

Total funds at 31 August 2021 are made up as follows: fixed asset funds amounting to £53,558,023 (2020: £44,480,765), pension deficit reserve (negative) of £26,698,000 (2020: £20,100,000), other restricted funds amounting to £1,164,601 and unrestricted funds amounting to £2,150,843, which in total, amount to £30,175,467 total funds for the Trust.

The Trust received capital grants of £1,228,938 (2020: £548,704) and donated fixed assets of £7,592,750 (2020: £13,650) this year.

The relative health of the Trust year-end reserve is largely accounted for by the surpluses transferred to the Trust with those academies converting in the last accounting period (2019-2020). 4 of the 5 converting schools brought historical surpluses of over £100,000 each into the Trust. Trustees will be exploring how these funds can be used to improve the quality of education in the academies through the 2021-22 business year.

The principal sources of funding and how expenditure has supported the key objectives of the academy trust

The academies in the Trust are funded in part by General Annual Grant (via the Education & Skills Funding Agency) and in part by element 3 funding from the Local Authority which has responsibility for commissioning the place of an individual child with an Education, Health & Care Plan, in line with a child's assessed needs. The majority of special educational needs places across all 9 special academies are commissioned by either Doncaster Metropolitan Borough Council, Rotherham Metropolitan Borough Council or Sheffield City Council, with a number of places commissioned by neighbouring local authorities. Craggs Community Schools serves the catchment area in which it is positioned, and has a statistically high number of pupils on roll with an EHCP for a mainstream primary.

The central MAT is funded via a financial contribution from the constituent academies (5% of each academy's total budget, sans any grant funding such as pupil premium, sports premium, catch up funding etc), and covers the costs of the following services:

- Leadership & management functions to ensure compliance with statutory guidance (inc. salary costs of accounting officer and chief finance officer);
- Human Resources consultancy;
- Information Governance oversight (Data Protection Officer);
- ICT strategy and operational services;
- Academy Broadband provision;
- Financial Internal & External Audit Costs;
- Corporate Governance management;
- Policy management;
- Governance recruitment, support and development;
- Clerking services;
- Asset Management and Health & Safety compliance (including "Competent Person" function);
- Legal services;
- Safeguarding systems, external audit and review;
- Clinical supervision for Designated Safeguarding Leads;
- Strategic support for negotiations with commissioners and business case writing to secure growth and development of the academies;
- School improvement and support (including leadership intervention where required);
- Statutory careers advice and strategy;

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Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

- 19+ strategic support and development;
- Strategic change projects support (including coordination of Condition Improvement Funding bids and projects);
- Complaints investigations and oversight;
- Teaching School Hub membership; and
- Central team premises.

Reserves policy

Nexus Multi Academy Trust has a published reserves and investments policy to protect its activities by providing a financial comfort zone against an unpredictable environment and to make sufficient provision for future cash flow requirements and capital procurement. The policy also provides the framework for future strategic planning and decision-making, in line with best practice examples published by the Charities Commission. Compliance with an effective reserves and investments policy will restrict the impact of any risk upon the continuing operations of the trust.

The reserves and investments policy and the establishment of ranges for reserves is based upon an annual risk assessment of the internal and external operating environment, as well as having a due regard for the nature of activities undertaken by the Trust for its beneficiaries. The Trust policy outlines the different types of reserves as defined by Trustees:

1. General Reserve (Uncommitted revenue)
2. Cash Reserve
3. Capital Reserve
4. Pension Reserve

The cumulative target range for cash reserve for the Trust has been established at between 2% and 5% of equity income for each financial year. The equity income at 2% is £605,649 and at 5% is £1,514,123. Ringfenced cash reserves are £606,000 and Total cash reserves are £4,457,537 at 31 August 2021

Reserves held in excess of the target percentage will be reviewed by Trustees at least annually and an appropriate range of options will be considered which might include releasing the funds into the revenue budget in furtherance of the objectives; assigning funds to appropriate designated reserves as may be determined by the Trustees; or investing the funds to generate further income to allow expansion of the Multi Academy Trust's work.

At 31 August 2021 the balance of the trusts unrestricted general funds was £2,150,843 (2020: £1,829,770) and the balance of its restricted general funds was £1,164,601 (2020: £836,519).

After taking into account the fixed asset funds of £53,558,023 (2020: £44,480,765) as of 31st August 2021, and the pension liabilities of £26,698,000 (2020: £20,100,000) the Trust had total funds of £30,175,467 (2020: £27,047,054). Of the total fixed asset funds, £52,415,930 can only be realised by disposing of tangible fixed assets.

Investment policy

As priority was given to the generation of reserves in the first 5 years of the Trust's existence given the impact of austerity on public sector spending, no investment strategies have been developed in this reporting period. This is reviewed annually, though Trustees will consider the impact of Coronavirus on Government spending plans and the global impact the pandemic has had on interest rates beyond investment in the Trust estate and growth and development of the special academies in the absence of local authority growth plans

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Principal risks and uncertainties

The Education & Skills Funding Agency (ESFA) has a requirement for each Single and Multi Academy Trust to exercise robust risk management. Identifying and managing the possible and probable risks that an organisation may face over its working life is a key part of effective governance for Multi Academy Trusts of all sizes and complexity. The responsibility for the management and control of Nexus Multi Academy Trust rests with the Trust Board and the Chief Executive Officer and therefore their involvement in the key aspects of the risk management process is essential, particularly in setting the parameters of the process and reviewing and considering the results.

By managing risk effectively, Trustees can help ensure that:

- significant risks are known and monitored, enabling Trustees and governors to make informed decisions and take timely action;
- the Trust makes the most of opportunities and develops them with the confidence that any risks will be managed;
- forward and strategic planning are improved;
- the Trust's aims are achieved more successfully.

A detailed Trust-wide risk register is in place which outlines the Trust's principal risks and uncertainties. It uses the values and methods which the Charity Commission recommends organisations should use to calculate risk. Risks are categorised into:

- Accountability/Governance;
- School improvement/quality of education;
- Resource Management;
- Strategic.

The impact and likelihood of risk is assessed and a risk 'Heat map' is produced which summarises the types and level of risk the Trust are managing at any given point.

Ongoing monitoring and assessment of the risk register is delegated by the Trust Board to the Committees. These Committees in turn may delegate some duties to an academy Local Governing Body. The key 4 strategic risks the Board use to frame the risk register are as follows:

- Governance is not effective;
- The quality of provision within and across the Trust is not increasing;
- Resources are not utilised effectively and therefore spend is not producing value for money in line with the Trust's strategic objectives;
- The Trust does not foster or develop strategic partnerships to effectively deliver our objectives.

Coronavirus continued to affect the Trust's capacity to meet its legal obligations in 2020/21, especially given the advice issued by HM Government for attendance to be optional from 4 January 2021. Many pupils opted to attend school through this period, and our established models of offering online education were able to ensure we maintained business continuity throughout the period of optional attendance, though this cannot compare with the same degree of engagement in learning that pupils get from face-to-face teaching.

Headteachers have assessed the impact on pupil learning to understand the extent of the gap, and plans for the curriculum and approach to teaching have been made, informed by this audit of need, ahead of the new academic year.

Given the advice for non-essential gatherings of adults to be limited wherever possible: Trustees and all local governing bodies have used online resources to meet virtually throughout the year.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Fundraising

The Trust does not take a coordinated role in fundraising and this is something that continues to be facilitated at a local level by each academy, with funds raised being deposited in each academy's school fund, accounted for separately to school budget.

The Trust and its academies do not work with any commercial participators / professional fundraisers.

All local fundraising conforms with recognised standards and no agency is asked to raise funds on the Trusts behalf.

There have been no fundraising complaints in this reporting period and all academies have ensured that any fund raising ensures protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption break down (kWh)		
Gas	4,353,767	2,813,450
Electricity	1,273,703	798,835
Transport fuel	41,206	-
Scope 1 emissions in metric tonnes CO₂e		
Owned transport - mini-buses	10.40	6.30
Gas consumption	797.44	517.31
Total scope 1	807.84	523.61
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	270.45	186.24
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee owned vehicles	2.26	1.26
Total gross emissions in metric tonnes CO₂e	1080.55	711.11
Intensity ratio		
Tonnes CO ₂ e per pupil	0.69	0.48

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

In 2020/21 Pennine View undertook a project to install low-energy LED lights to reduce energy use. Coppice School completed works to renew their roof which again in turn will improve energy efficiency. We have developed and advertised a cycle to work scheme for all employees and once again supported remote working and virtual meetings to reduce travel and related energy costs.

Nexus Multi Academy Trust

Trustees' Report for the Year Ended 31 August 2021 (continued)

Strategic Report

Plans for future periods

The Trust continues to deliver the key strategic aims as published in its strategic plan.

Given the growth of the Trust in 2019-20 and combined with the impact of the pandemic, Trustees wanted the Trust to consolidate throughout 2020-21 whilst also focusing on the successful opening of the new academy, Bader.

The Trust has outlined ambitious plans for reducing its carbon footprint and attaining a net zero position before the end of the decade.

Coronavirus will likely continue to be an issue that will require calm, measured and responsive action in all Nexus academies throughout 2021-22, as Government advice changes in light of the changed rate of infections locally and nationally. Our experiences thus far, and the strength of our approach, should stand leaders in good stead to meet future turbulence, and Trustees have utmost confidence in Trust and school leaders to achieve this.

Funds held as Custodian Trustee on behalf of others

There are no arrangements in place where Nexus Multi Academy Trust or its Trustees are acting as custodian trustee.

Auditor

Insofar as the Trustees are aware:

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

Reappointment of auditor

The auditors, Forrester Boyd, have indicated their willingness to continue in office for the remainder of the 3 year contract.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 15 December 2021 and signed on its behalf by:



Andrew Child
Trustee

Nexus Multi Academy Trust

Governance Statement

Scope of responsibility

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

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 W Carratt, 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 Nexus Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 10 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
Andrew Child	10	10
R E Potts	10	10
G Askew	10	10
S Booth	10	10
P Castleton	8	10
J Coleman	10	10
N Judah	8	10
R Palmer	9	10
S Shelley	9	10
J L Smith (resigned 27 September 2021)	5	6

In the autumn of 2020, Trustees refreshed the Trust 5-year strategic plan. The Trust-wide employee engagement survey in the spring of 2020 was used to consult on the existing vision, mission statement and values of the MAT - responses reflected a high level of support/commitment from staff in the current language utilised. The new Strategic Plan was developed over the summer and considered by Directors at a dedicated strategy review session in September 2020, before being formally endorsed at the Board meeting on 21 October 2020.

Trustees met 10 times in the 2020/21 business year with a monthly meeting schedule of alternating focus: on a bi-monthly basis the Trust Board will either hold a full "business" meeting or a "challenge" meeting. The former is where standing reports are presented and scrutinised, and the latter is a less business-focused agenda which allows trustees to focus specifically on one of the Trust's strategic priorities and receive more qualitative information. Trustees have reserved the right to adopt business items onto the "challenge" meeting agenda where this will expedite a decision being made. Trustees also held a development away day in September 2020 and had a draft accounts review meeting on 9 December, ahead of formally receiving and agreeing the accounts on 16 December 2020.

Nexus Multi Academy Trust

Governance Statement (continued)

Governance reviews

The two committees of the Board - Audit & Risk and Standards — met in line with the business schedule and undertook wide ranging scrutiny work on behalf of the Board.

The Trust executive continued to provide termly reports of the performance dashboard through 2020-21 to support Trustee scrutiny and challenge. Trustees commissioned a 360 review of the CEO in the autumn of 2020, which reflected positively on strengths of the accounting officer and outlined the areas for development for the leadership of the MAT.

Directors undertook an annual self-assessment of knowledge and skills in the autumn of 2020 and used this to inform a development plan.

All Local Governing Bodies (LGBs) undertook their annual self-assessment in the autumn of 2020 and development plans were agreed between LGBs and the Trust Executive, with workshops planned over the summer and autumn of 2021.

The next round of annual self-assessment will take place in the autumn term of 2021-22.

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
S Shelley	6	6
R E Potts	6	6
S Booth	6	6
N Judah	6	6
R Palmer	6	6

The role of the committee is to advise the Board on matters relating to the Trust's finance, audit and risk arrangements, systems of internal control and to advise and aid the Board's responsibility to ensure sound management of the Trust's finances, ICT and resources, including proper planning, monitoring and probity. The Audit & Risk committee is responsible to the Trust Board and the Committee's Terms of Reference are adopted by the Board and may only be amended with the approval of the Board.

Nexus Multi Academy Trust

Governance Statement (continued)

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 year by:

- Complying with Trust procurement processes which provide a systematic and transparent means of assessing providers with a broad definition of best value taking account of, but not solely focusing on, unit cost;
- Sharing of expertise from across the MAT to support better quality teaching and learning, creating opportunities for collaboration and research across the teacher workforce;
- Completion of the School Resource Management Self-Assessment toolkit and use of the Integrated Curriculum and Financial Planning Toolkit to analyse areas of expenditure and use this to inform budget setting for 2021-22;
- Re-tendering for school catering services and moving to joint contract arrangements across the Trust;
- Reviewing energy costs/consumption and creating an options appraisal for shared contracting across the Trust, to be considered in the autumn of 2021;
- Utilising secondments and short term assignments to move around expertise and reduce the need for high cost agency staff in the academies;
- Drawing on expert advice, support and guidance from external agencies for specific areas of work where the Trust does not yet have its own substantive resource e.g. asset management;
- Coordinating, on behalf of Trustees, the re-tendering of internal and external audit services and also the Competent Person service.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Nexus Multi Academy Trust for the year ended 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 ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 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 Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint BHP LLP as internal auditor during the year, on a 3-year contract. Re-tendering for this service took place in the autumn of 2020.

Nexus Multi Academy Trust

Governance Statement (continued)

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the trust's financial systems. In particular the checks carried out in the period included reviewing the financial controls operating within the Trust in order to provide reassurance to the Committee that the Trust is compliant with the ESFA guidance, specifically the requirements of the Academies Financial Handbook (AFH), specifically:

- Payroll;
- Income/expenditure and the use of credit cards.

On a termly basis, BHP LLP have reported to the board of trustees through the Audit & Risk committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees.

BHP LLP have delivered their schedule of work as planned. After the internal audit, the auditors scheduled recommendations to improve the systems and controls in place, all of which were either implemented in the period, or are in the process of being implemented.

There were no material control or other issues reported by the internal auditor.

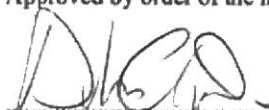
Review of effectiveness

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit 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 15 December 2021 and signed on its behalf by:



Andrew Child
Trustee

Nexus Multi Academy Trust

Statement of Regularity, Propriety and Compliance

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

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

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



W Carratt
Accounting officer

15 December 2021

Nexus Multi Academy Trust

Statement of Trustees' Responsibilities

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

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

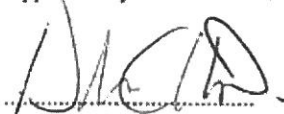
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring 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 on 15 December 2021 and signed on its behalf by:



Andrew Child
Trustee

Nexus Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nexus Multi Academy Trust

Opinion

We have audited the financial statements of Nexus Multi Academy Trust (the 'Academy') for the year ended 31 August 2021, which comprise the Statement of Financial Activities, for the year ended 31 August 2021 Balance Sheet, for the year ended 31 August 2021 Statement of Cash Flows, for the year ended 31 August and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2021 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 Academies Accounts Direction 2020 to 2021 issued by the Educational and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and Administrative Details, the Trustees' Report and Strategic Report and the Governance Statement)

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

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

We have nothing to report in this regard.

Nexus Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nexus Multi Academy Trust (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 19], the Trustees (who are also directors of the Academy Trust for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussions with management, including consideration of known or suspected instances of non-compliance held.
- Challenging assumptions and judgements made within significant accounting estimates and judgements such as depreciation and the local government pension scheme liability.
- Testing of income, bank, purchases and payroll, systems and controls and providing conclusions on the regularity of samples chosen.
- Identification of key laws and regulations central to the academies operations and review of compliance with such laws including a review of the Academy Trust Handbook 2020 and correspondence with solicitors to identify any on-going litigation.
- Testing of journal entries and potential override of systems.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery collusion, omission or misrepresentation.

Nexus Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Nexus Multi Academy Trust (continued)

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Forrester Boyd

.....
Carrie Anne Jensen ACA (Senior Statutory Auditor)
For and on behalf of Forrester Boyd, Statutory Auditor

66-68 Oswald Road
Scunthorpe
North Lincolnshire
DN15 7PG

15 December 2021

Nexus Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to Nexus Multi Academy Trust and the Education and Skills Funding Agency

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

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

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

The Accounting Officer is responsible, under the requirements of Nexus Multi Academy Trust's funding agreement with the Secretary of State for Education dated 26 May 2016 and the Academies Financial Handbook extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Evaluating the systems and control environment and assessing the risk of irregularity, impropriety and non-compliance.
- Ensuring that the activities of the Academy trust are in keeping with the Academy's framework and the charitable objectives;
- Obtaining representations from the Accounting Officer and Key Management Personnel.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

Nexus Multi Academy Trust

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

Forrester Boyd

.....
Carrie Anne Jensen ACA, Reporting Accountant
For and on behalf of Forrester Boyd, Chartered Accountants

66-68 Oswald Road
Scunthorpe
North Lincolnshire
DN15 7PG

15 December 2021

Nexus Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2020/21 Total £	2019/20 Total £	
Income and endowments from:						
Donations and capital grants	2	52,616	-	8,821,688	8,874,304	651,116
Transfer from local authority on conversion		-	-	-	-	25,247,487
Other trading activities	4	414,600	-	414,600	414,600	330,198
Investments	5	-	-	-	-	227
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	28,586,308	-	28,586,308	20,565,334
Total		<u>467,216</u>	<u>28,586,308</u>	<u>8,821,688</u>	<u>37,875,212</u>	<u>46,794,362</u>
Expenditure on:						
<i>Charitable activities</i>						
Academy trust educational operations	7	146,143	29,030,745	1,207,911	30,384,799	22,104,197
Pension deficit on business combination	7	-	1,385,000	-	1,385,000	-
Total		<u>146,143</u>	<u>30,415,745</u>	<u>1,207,911</u>	<u>31,769,799</u>	<u>22,104,197</u>
Net income/(expenditure)		321,073	(1,829,437)	7,613,777	6,105,413	24,690,165
Transfers between funds		-	(1,463,481)	1,463,481	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	28	-	(2,977,000)	-	(2,977,000)	(3,968,000)
Net movement in funds/(deficit)		321,073	(6,269,918)	9,077,258	3,128,413	20,722,165
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2020		<u>1,829,770</u>	<u>(19,263,481)</u>	<u>44,480,765</u>	<u>27,047,054</u>	<u>6,324,889</u>
Total funds/(deficit) carried forward at 31 August 2021		<u><u>2,150,843</u></u>	<u><u>(25,533,399)</u></u>	<u><u>53,558,023</u></u>	<u><u>30,175,467</u></u>	<u><u>27,047,054</u></u>

Comparative figures are stated on page 26.

Nexus Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:					
Donations and capital grants	2	76,285	12,477	562,354	651,116
Transfer from local authority on conversion		675,950	(4,458,037)	29,029,574	25,247,487
Other trading activities	4	330,198	-	-	330,198
Investments	5	227	-	-	227
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	20,565,334	-	20,565,334
Total		1,082,660	16,119,774	29,591,928	46,794,362
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	7	59,768	21,136,247	908,182	22,104,197
Net income/(expenditure)		1,022,892	(5,016,473)	28,683,746	24,690,165
Transfers between funds		-	(156,535)	156,535	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	28	-	(3,968,000)	-	(3,968,000)
Net movement in funds/(deficit)		1,022,892	(9,141,008)	28,840,281	20,722,165
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2019		806,878	(10,122,473)	15,640,484	6,324,889
Total funds/(deficit) carried forward at 31 August 2020		1,829,770	(19,263,481)	44,480,765	27,047,054

Nexus Multi Academy Trust
(Registration number: 10075893)
Balance Sheet as at 31 August 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	52,415,930	44,145,055
Current assets			
Stocks	13	1,408	1,414
Debtors	14	1,017,929	1,931,227
Cash at bank and in hand		<u>5,662,075</u>	<u>2,823,063</u>
		6,681,412	4,755,704
Creditors: Amounts falling due within one year	15	<u>(2,158,470)</u>	<u>(1,692,956)</u>
Net current assets		<u>4,522,942</u>	<u>3,062,748</u>
Total assets less current liabilities		56,938,872	47,207,803
Creditors: Amounts falling due after more than one year	16	<u>(65,405)</u>	<u>(60,749)</u>
Net assets excluding pension liability		56,873,467	47,147,054
Pension scheme liability	28	<u>(26,698,000)</u>	<u>(20,100,000)</u>
Net assets including pension liability		<u><u>30,175,467</u></u>	<u><u>27,047,054</u></u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		1,164,601	836,519
Restricted fixed asset fund		53,558,023	44,480,765
Restricted pension fund		<u>(26,698,000)</u>	<u>(20,100,000)</u>
		28,024,624	25,217,284
Unrestricted funds			
Unrestricted general fund		<u>2,150,843</u>	<u>1,829,770</u>
Total funds		<u><u>30,175,467</u></u>	<u><u>27,047,054</u></u>

The financial statements on pages 25 to 52 were approved by the Trustees, and authorised for issue on 15 December 2021 and signed on their behalf by:



Andrew Child
Trustee

Nexus Multi Academy Trust

Statement of Cash Flows for the year ended 31 August 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	21	11,057,466	643,323
Cash transferred on conversion to an academy trust		-	823,456
Cash flows from investing activities	23	(8,226,703)	(104,833)
Cash flows from financing activities	22	<u>8,249</u>	<u>25,137</u>
Change in cash and cash equivalents in the year		2,839,012	1,387,083
Cash and cash equivalents at 1 September		<u>2,823,063</u>	<u>1,435,980</u>
Cash and cash equivalents at 31 August	24	<u><u>5,662,075</u></u>	<u><u>2,823,063</u></u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021

1 Accounting policies

General Information

The academy trust is a public benefit entity set up as a private company limited by guarantee and incorporated in the United Kingdom.

The address of its registered office is:

Hilltop School
Larch Road
Maltby
Rotherham
South Yorkshire
S66 8AZ

These financial statements were authorised for issue by the Board on 15 December 2021.

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

Basis of preparation

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

These financial statements are prepared in sterling which is the functional currency of the company and have been rounded to the nearest pound.

The financial statements cover the individual entity, Nexus Multi Academy Trust.

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

Conversion to an academy trust

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

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.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Sponsorship income

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

Donations

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

Other income

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

Donated fixed assets

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

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.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

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

Asset class	Depreciation method and rate
Leasehold land and buildings	2% straight line
Leasehold improvements	2% straight line
ICT equipment	25% straight line
Fixture and fittings	10% straight line
Motor vehicles	25% reducing balance

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.

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

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

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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

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 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Concessionary loans

Concessionary loans include those payable to a third party which are interest free or below market interest rates and are made to advance charitable purposes. All loans are measured at cost, less impairment.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

1 Accounting policies (continued)

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 30.

2 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	2020/21 Total £	2019/20 Total £
Other voluntary income				
School fund/trips income	51,795	-	51,795	61,622
Capital grants	-	1,228,938	1,228,938	548,704
Other donations	821	-	821	27,140
Donated fixed assets	-	7,592,750	7,592,750	13,650
	<u>52,616</u>	<u>8,821,688</u>	<u>8,874,304</u>	<u>651,116</u>

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2020/21 Total £	2019/20 Total £
DfE/ESFA revenue grants			
General Annual Grant (GAG)	12,219,722	12,219,722	8,753,394
Start up grants	113,250	113,250	295,715
Pupil Premium	747,067	747,067	556,082
Other DfE group grants	282,238	282,238	398,826
UIFSM	83,175	83,175	69,582
Teachers' Pay and Pension grants	75,819	75,819	31,779
	<u>13,521,271</u>	<u>13,521,271</u>	<u>10,105,378</u>
Other government grants			
Local authority grants	14,506,004	14,506,004	10,459,956
Covid-19 additional funding (DfE/ESFA)			
Catch-up premium	274,600	274,600	-
Other DfE/ESFA COVID-19 funding	284,433	284,433	-
	<u>559,033</u>	<u>559,033</u>	<u>-</u>
Total grants	<u>28,586,308</u>	<u>28,586,308</u>	<u>20,565,334</u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

3 Funding for the Academy Trust's educational operations (continued)

The academy received £274,600 (2020: £Nil) of funding for COVID-19 catch-up premium and costs incurred in respect of this funding totalled £227,435 (2020: £Nil).

Following the reclassification in the Academy Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the academy trust's funding for UIFSM, Pupil Premium and Teachers' Pay and Pension grants are no longer reported under the Other DfE Group grants heading, but as separate lines under the DfE/ESFA grants heading. The prior year numbers have been reclassified.

4 Other trading activities

	Unrestricted funds £	2020/21 Total £	2019/20 Total £
Hire of facilities	27,180	27,180	35,629
Catering income	99,045	99,045	55,530
Insurance income	14,033	14,033	21,198
Other income	184,466	184,466	164,687
Transport Services	89,876	89,876	53,154
	<u>414,600</u>	<u>414,600</u>	<u>330,198</u>

5 Investment income

	2020/21 Total £	2019/20 Total £
Short term deposits	<u>-</u>	<u>227</u>

6 Expenditure

	Non Pay Expenditure			2020/21 Total £	2019/20 Total £
	Staff costs £	Premises £	Other costs £		
Academy's educational operations					
Direct costs	19,594,618	-	1,582,401	21,177,019	15,595,605
Allocated support costs	4,919,381	2,982,859	1,305,540	9,207,780	6,508,592
Pension deficit on business combinations					
Allocated support costs	-	-	1,385,000	1,385,000	-
	<u>24,513,999</u>	<u>2,982,859</u>	<u>4,272,941</u>	<u>31,769,799</u>	<u>22,104,197</u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2020/21	2019/20
	£	£
Operating lease rentals	238,944	155,059
Depreciation	1,184,766	908,182
Fees payable to auditor - audit	20,000	30,500
- other audit services	23,266	29,730
	23,266	29,730

7 Charitable activities

	2020/21	2019/20
	£	£
Direct costs - educational operations	21,177,019	15,595,605
Support costs - educational operations	10,592,780	6,508,592
	31,769,799	22,104,197

	Educational operations	Pension deficit on business combinations	2020/21 Total	2019/20 Total
	£	£	£	£
Analysis of support costs				
Support staff costs	4,919,381	-	4,919,381	3,422,940
Depreciation	1,184,766	-	1,184,766	908,182
Technology costs	41,395	-	41,395	29,038
Premises costs	1,798,093	-	1,798,093	1,306,972
Other support costs	1,217,870	1,385,000	2,602,870	780,044
Governance costs	46,275	-	46,275	61,416
	9,207,780	1,385,000	10,592,780	6,508,592

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff

Staff costs

	2020/21 £	2019/20 £
Staff costs during the year were:		
Wages and salaries	17,182,024	12,654,060
Social security costs	1,428,809	1,055,101
Operating costs of defined benefit pension schemes	<u>5,435,279</u>	<u>3,755,737</u>
	24,046,112	17,464,898
Supply staff costs	439,051	312,354
Staff restructuring costs	<u>28,836</u>	<u>20,092</u>
	<u><u>24,513,999</u></u>	<u><u>17,797,344</u></u>
	2021	2020
	£	£
Staff restructuring costs comprise:		
Redundancy payments	17,838	5,992
Severance payments	<u>10,998</u>	<u>14,100</u>
	<u><u>28,836</u></u>	<u><u>20,092</u></u>

Staff numbers

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

	2020/21 No	2019/20 No
Teachers	182	175
Administration and support	596	574
Management	<u>22</u>	<u>13</u>
	<u><u>800</u></u>	<u><u>762</u></u>

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2021 No	2020 No
£60,001 - £70,000	12	4
£70,001 - £80,000	2	2
£80,001 - £90,000	2	2
£90,001 - £100,000	2	-
£100,001 - £110,000	2	1
£110,001 - £120,000	<u>1</u>	<u>-</u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

8 Staff (continued)

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £2,091,316 (2020: £1,197,488).

9 Central services

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

- Leadership and Management functions to ensure compliance with statutory guidance (inc. salary costs of Accounting Officer and Chief Financial Officer);
- Human Resources consultancy;
- Information Governance oversight (Data Protection Officer);
- Academy broadband provision;
- Financial internal and external audit costs;
- Governance recruitment, support and development;
- Clerking services;
- Health & Safety compliance (including "Competent Person" function);
- Legal services;
- Safeguarding external audit and review;
- Clinical supervision for Designated Safeguarding Leads;
- Strategic support for negotiations with commissioners and business case writing to secure growth and development of academies;
- School improvement and support (including leadership intervention where required);
- Teaching School Alliance Membership

The academy trust charges for these services on the following basis:

- Flat percentage of GAG and SEN income (5%).

The actual amounts charged during the year were as follows:

	2021/20	2020/19
	£	£
Abbey School	158,892	156,480
Bader School	82,000	-
Becton School	134,076	63,100
Coppice School	116,208	89,138
Crags Community School	97,688	-
Heatherwood School	89,508	65,547
Hilltop School	175,992	158,284
Kelford School	156,552	143,123
North Ridge Community School	105,408	45,390
Pennine View School	99,024	102,810
	1,215,348	823,872

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

10 Related party transactions - trustees' remuneration and expenses

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

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil (2020 - £239) were reimbursed or paid directly to zero trustees (2020 - 2).

Other related party transactions involving the trustees are set out in note 29.

11 Trustees' and officers' insurance

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

12 Tangible fixed assets

	Leasehold land and buildings £	Leasehold improvements £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost							
At 1 September 2020	42,581,464	2,457,720	89,695	374,613	344,385	70,606	45,918,483
Additions	7,575,250	1,177,240	14,857	311,611	336,176	40,507	9,455,641
Transfers	-	89,694	(89,694)	-	-	-	-
At 31 August 2021	<u>50,156,714</u>	<u>3,724,654</u>	<u>14,858</u>	<u>686,224</u>	<u>680,561</u>	<u>111,113</u>	<u>55,374,124</u>
Depreciation							
At 1 September 2020	1,435,512	90,731	-	60,854	154,875	31,456	1,773,428
Charge for the year	<u>881,406</u>	<u>74,485</u>	<u>-</u>	<u>68,271</u>	<u>140,690</u>	<u>19,914</u>	<u>1,184,766</u>
At 31 August 2021	<u>2,316,918</u>	<u>165,216</u>	<u>-</u>	<u>129,125</u>	<u>295,565</u>	<u>51,370</u>	<u>2,958,194</u>
Net book value							
At 31 August 2021	<u>47,839,796</u>	<u>3,559,438</u>	<u>14,858</u>	<u>557,099</u>	<u>384,996</u>	<u>59,743</u>	<u>52,415,930</u>
At 31 August 2020	<u>41,145,952</u>	<u>2,366,989</u>	<u>89,695</u>	<u>313,759</u>	<u>189,510</u>	<u>39,150</u>	<u>44,145,055</u>

Included within leasehold land and buildings is land of £6,086,455 (2020: £6,086,455) which is not being depreciated.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

13 Stock

	2021 £	2020 £
Stocks	<u>1,408</u>	<u>1,414</u>

14 Debtors

	2021 £	2020 £
Trade debtors	47,239	179,522
VAT recoverable	188,660	175,949
Other debtors	44,611	10,470
Prepayments and accrued income	<u>737,420</u>	<u>1,565,286</u>
	<u>1,017,930</u>	<u>1,931,227</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	286,406	325,846
Other taxation and social security	700,148	579,773
Government loans	10,961	7,368
Other creditors	17,934	-
Accruals and deferred income	594,051	601,813
Deferred income	<u>548,971</u>	<u>178,156</u>
	<u>2,158,471</u>	<u>1,692,956</u>
	2021 £	2020 £

Deferred income

Deferred income at 1 September 2020	178,156	420,594
Resources deferred in the period	548,971	178,156
Amounts released from previous periods	<u>(178,156)</u>	<u>(420,594)</u>
Deferred income at 31 August 2021	<u>548,971</u>	<u>178,156</u>

At the balance sheet date the academy trust was holding funds received in advance for Special Educational Needs funding for the next academic year.

Included within government loans is the portion of the long term SALIX and CIF loans which fall due within the following year. The terms of the loan have been discussed in more detail in the following note.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

16 Creditors: amounts falling due after one year

	2021	2020
	£	£
Government loans	<u>65,405</u>	<u>60,749</u>

Loans of £65,405 from SALIX and CIF which is provided on the following terms:

Included within government loans is the long term portion of the following loans from SALIX, a not for profit organisation funded by The Department for Energy and Climate Change.

Kelford School received a loan as part of the Condition Improvement Funding grant. The loan is an interest free loan, repayments commenced on 1 March 2020. Repayments of £604 will be made twice a year for 8 years until the loan is fully repaid.

Hilltop School received a loan as part of the Condition Improvement Funding Grant. The loan is an interest free loan, repayments commenced on 1 September 2019. Repayments of £745 will be made twice a year for 8 years until the loan is fully repaid.

Heatherwood School received a loan as part of the Energy Efficiency Loans programme. The loan is an interest free loan, repayments commenced pre-conversion on 1 June 2019. Repayments of £1,646 will be made twice a year for 7 years until the loan is fully repaid.

Included within government loans is also the long term portion of the following loans from ESFA under the Condition Improvement Fund.

Hilltop School received a loan as part of the Condition Improvement Funding grant. The loan has an interest rate of 2.29%, with repayments commencing 1 September 2020. Repayments of £144 will be made monthly for 10 years until the loan is fully repaid.

Coppice School received a loan as part of the Condition Improvement Funding grant. The loan has an interest rate of 1.95%, with repayments commencing 1 September 2021. Repayments of £141 will be made monthly for 10 years until the loan is fully repaid.

The amount repayable by instalments which falls due after more than five years is £37,626.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Funds

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2021 £
Restricted general funds					
General Annual Grant (GAG)	836,519	12,219,722	(10,604,642)	(1,463,481)	988,118
Start up grants	-	113,250	(113,250)	-	-
Other DfE / ESFA grants	-	587,165	(500,363)	-	86,802
Pupil Premium	-	747,067	(726,036)	-	21,031
Sports Premium	-	138,500	(117,015)	-	21,485
Covid catch-up Premium	-	274,600	(227,435)	-	47,165
Local Authority grants	-	14,506,004	(14,506,004)	-	-
	<u>836,519</u>	<u>28,586,308</u>	<u>(26,794,745)</u>	<u>(1,463,481)</u>	<u>1,164,601</u>
Restricted fixed asset funds					
Inherited on conversion	41,458,001	-	(777,706)	-	40,680,295
DfE group capital grants and donations	2,038,969	8,697,451	(302,479)	1,463,481	11,897,422
Capital expenditure from GAG	654,931	-	(116,958)	-	537,973
Local authority capital funding	304,364	124,237	(10,195)	-	418,406
Private sector capital sponsorship	24,500	-	(573)	-	23,927
	<u>44,480,765</u>	<u>8,821,688</u>	<u>(1,207,911)</u>	<u>1,463,481</u>	<u>53,558,023</u>
Restricted pension funds					
Pension reserve	<u>(20,100,000)</u>	<u>-</u>	<u>(3,621,000)</u>	<u>(2,977,000)</u>	<u>(26,698,000)</u>
Total restricted funds	25,217,284	37,407,996	(31,623,656)	(2,977,000)	28,024,624
Unrestricted funds					
Unrestricted general funds	<u>1,829,770</u>	<u>467,216</u>	<u>(146,143)</u>	<u>-</u>	<u>2,150,843</u>
Total funds	<u><u>27,047,054</u></u>	<u><u>37,875,212</u></u>	<u><u>(31,769,799)</u></u>	<u><u>(2,977,000)</u></u>	<u><u>30,175,467</u></u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Funds (continued)

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

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant (GAG)	45,527	8,753,394	(7,805,867)	(156,535)	836,519
Start up grants	-	327,494	(327,494)	-	-
Other DfE / ESFA grants	-	992,711	(992,711)	-	-
Other government grants	-	10,491,735	(10,491,735)	-	-
Other restricted funds	-	73,440	(73,440)	-	-
	<u>45,527</u>	<u>20,638,774</u>	<u>(19,691,247)</u>	<u>(156,535)</u>	<u>836,519</u>
Restricted fixed asset funds					
Inherited on conversion	13,205,800	29,029,574	(777,373)	-	41,458,001
DfE group capital grants and donations	1,618,883	492,854	(72,768)	-	2,038,969
Capital expenditure from GAG	549,667	-	(51,271)	156,535	654,931
Local authority capital funding	241,134	69,500	(6,270)	-	304,364
Private sector capital sponsorship	25,000	-	(500)	-	24,500
	<u>15,640,484</u>	<u>29,591,928</u>	<u>(908,182)</u>	<u>156,535</u>	<u>44,480,765</u>
Restricted pension funds					
Pension reserve	<u>(10,168,000)</u>	<u>(4,519,000)</u>	<u>(1,445,000)</u>	<u>(3,968,000)</u>	<u>(20,100,000)</u>
Total restricted funds	5,518,011	45,711,702	(22,044,429)	(3,968,000)	25,217,284
Unrestricted funds					
Unrestricted general funds	<u>806,878</u>	<u>1,082,660</u>	<u>(59,768)</u>	<u>-</u>	<u>1,829,770</u>
Total funds	<u><u>6,324,889</u></u>	<u><u>46,794,362</u></u>	<u><u>(22,104,197)</u></u>	<u><u>(3,968,000)</u></u>	<u><u>27,047,054</u></u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Funds (continued)

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

General Annual Grant

The General Annual Grant (GAG) funds have been spent in line with the terms of the Master Funding Agreement. Under this funding agreement, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

Pupil Premium

All children eligible for Pupil Premium have a personalised pupil premium plan, linked to their individual needs to ensure that the grant funding is spent appropriately and this can be evidenced by improved outcomes for children and young people.

Other DfE/ESFA

This includes Universal Infant Free School Meals (UNIFSM), Free Schools Grants and the PE and Sports grant.

Universal Infant Free School Meals is funding for the provision of free school meals to infant pupils.

The Free Schools Grant is to cover the costs involved with project management of two Free Schools.

The PE and Sports grant is to support the sporting facilities of the academy.

For Craggs Community School, as a maintained school;

Teachers' Pay Grant provides funding for schools to support the teachers' pay award which came into effect 1 September 2018.

Teachers' Pension Employer Contribution Grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

Other government grants

This includes pupil premium funding and special educational needs funding from Local Authorities.

Pupil Premium from the Local Authority is for out of authority children. All out of authority children eligible for Pupil Premium have a personalised plan, linked to their individual learning needs to ensure that the grant funding is spent appropriately and that this can be evidenced by improved outcomes for children and young people. Local Governing Bodies scrutinise the use of pupil premium in each Nexus Academy, in line with the grant conditions.

SEN top-up funding features as a significant element of Nexus Academies revenue, given the schools are all, excluding Craggs Community School, designated special educational needs settings. Each Local Authority uses different banding systems for SEN, with different funding packages provided dependent on a child's level of need as defined in their Education Health & Care Plan (or their Statement of Special Educational Needs). SEN funding is largely used to cover human resource costs in Nexus academies for teaching and non-teaching staff, though other services are also funded where a child's personalised plan dictates e.g. Occupational Therapy, Physiotherapy etc.

For Nexus Academies, excluding Craggs Community, as designated special educational needs funding predominately from the Local Authority;

Teachers' Pay Grant provides funding for schools to support the teachers' pay award which came into effect 1 September 2018.

Teachers' Pension Employer Contribution Grant supports schools and local authorities with the cost of the increase in employer contributions to the teachers' pension scheme.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Funds (continued)

Other restricted funds

Other restricted funds include restricted grants and donations, including parental contributions for the extended services provision,

Restricted fixed asset funds

Restricted fixed asset funds are used solely for capital purchases in line with the strategic objectives of the academy. A total of £1,463,481 (2020: £156,535) has been transferred from revenue funds to the restricted fixed asset fund, as permitted by the Accounts Direction 2020 to 2021.

Pension reserve

The restricted pension fund is in deficit to the value of £26,698,000 (2020: £20,100,000) as at 31 August 2021. A significant proportion of this has been inherited upon conversion to Academy status. The trustees will continue to monitor this situation closely.

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Abbey School	466,572	489,906
Bader School	154,091	-
Becton School	309,322	300,813
Coppice School	632,836	470,649
Crags Community School	3,117	1,422
Heatherwood School	358,245	377,198
Hilltop School	101,981	78,861
Kelford School	118,215	128,647
North Ridge Community School	372,792	268,014
Pennine View School	170,734	70,557
Central services	627,539	480,222
Total before fixed assets and pension reserve	3,315,444	2,666,289
Restricted fixed asset funds	53,558,023	44,480,765
Pension reserve	(26,698,000)	(20,100,000)
Total	30,175,467	27,047,054

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

17 Funds (continued)

Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2021 £
Abbey School	2,202,517	276,159	117,926	425,900	3,022,502
Bader School	967,678	96,910	47,431	156,219	1,268,238
Becton School	2,500,265	182,552	43,137	268,361	2,994,315
Coppice School	1,964,457	108,493	17,227	269,351	2,359,528
Crags Community School	1,512,962	154,112	64,139	736,999	2,468,212
Heatherwood School	1,247,767	307,091	30,298	233,341	1,818,497
Hilltop School	2,962,622	317,568	48,573	371,773	3,700,536
Kelford School	2,454,853	389,490	45,260	431,715	3,321,318
North Ridge Community School	1,916,564	192,193	50,843	293,021	2,452,621
Pennine View School	1,642,407	284,879	29,900	227,827	2,185,013
Central services	222,526	780,934	11,103	358,690	1,373,253
Academy Trust	<u>19,594,618</u>	<u>3,090,381</u>	<u>505,837</u>	<u>3,773,197</u>	<u>26,964,033</u>

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £
Abbey School	2,036,658	213,529	52,345	363,671	2,666,203
Becton School	930,132	88,066	1,618	82,531	1,102,347
Coppice School	1,473,400	81,641	1,838	154,488	1,711,367
Crags Community School	1,378,063	142,661	15,438	600,129	2,136,291
Heatherwood School	1,024,048	202,455	2,062	156,090	1,384,655
Hilltop School	2,620,558	199,955	24,032	369,190	3,213,735
Kelford School	2,221,408	314,111	22,607	419,402	2,977,528
North Ridge Community School	697,984	99,225	3,611	75,266	876,086
Pennine View School	1,803,022	225,141	10,150	250,683	2,288,996
Central services	303,500	659,413	1,695	429,198	1,393,806
Academy Trust	<u>14,488,773</u>	<u>2,226,197</u>	<u>135,396</u>	<u>2,900,648</u>	<u>19,751,014</u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

18 Analysis of net assets between funds

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	52,415,930	52,415,930
Current assets	2,150,843	3,238,399	1,292,170	6,681,412
Current liabilities	-	(2,073,798)	(84,672)	(2,158,470)
Creditors over 1 year	-	-	(65,405)	(65,405)
Pension scheme liability	-	(26,698,000)	-	(26,698,000)
Total net assets	<u>2,150,843</u>	<u>(25,533,399)</u>	<u>53,558,023</u>	<u>30,175,467</u>

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

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	44,145,055	44,145,055
Current assets	1,829,770	2,330,889	595,045	4,755,704
Current liabilities	-	(1,494,370)	(198,586)	(1,692,956)
Creditors over 1 year	-	-	(60,749)	(60,749)
Pension scheme liability	-	(20,100,000)	-	(20,100,000)
Total net assets	<u>1,829,770</u>	<u>(19,263,481)</u>	<u>44,480,765</u>	<u>27,047,054</u>

19 Capital commitments

	2021 £	2020 £
Contracted for, but not provided in the financial statements	<u>-</u>	<u>687,936</u>

20 Long-term commitments, including operating leases

Operating leases

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

	2021 £	2020 £
Amounts due within one year	86,473	129,824
Amounts due between one and five years	314,171	323,003
Amounts due after five years	78,645	-
	<u>479,289</u>	<u>452,827</u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

20 Long-term commitments, including operating leases (continued)

Private Finance Initiative commitments

At 31 August 2021 the academy trust was committed to making annual payments under PFI arrangements as follows:

	2021	2020
	£	£
Amounts due within one year	507,690	492,903
Amounts due between one and five years	2,018,221	2,012,401
Amounts due after five years	53,875,965	54,389,474
	<u>56,401,876</u>	<u>56,894,778</u>

The Academy premises for Craggs Community School is subject to a PFI contract. The contract covers the cost of managing the facilities including utility costs, repairs and maintenance, caretaking, grounds maintenance and cleaning. The contract expires in October 2143.

21 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2020/21	2019/20
	£	£
Net income	6,105,413	24,690,165
Depreciation	1,184,766	908,186
Capital grants from DfE and other capital income	(1,228,938)	(548,704)
Interest receivable	-	(227)
Defined benefit pension scheme obligation inherited	3,214,000	1,211,000
Defined benefit pension scheme finance cost	407,000	234,000
Decrease/(increase) in stocks	6	(1,414)
Decrease/(increase) in debtors	913,297	(1,066,091)
Increase in creditors	461,922	463,895
Net surplus on conversion to academy	-	(25,247,487)
Net cash provided by Operating Activities	<u>11,057,466</u>	<u>643,323</u>

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

22 Cash flows from financing activities

	2020/21	2019/20
	£	£
Repayments of borrowing	(7,521)	(5,384)
Cash inflows from new borrowing	15,770	51,921
Repayments to conversion loan	<u>-</u>	<u>(21,400)</u>
Net cash provided by financing activities	<u>8,249</u>	<u>25,137</u>

23 Cash flows from investing activities

	2020/21	2019/20
	£	£
Dividends, interest and rents from investments	-	227
Purchase of tangible fixed assets	(9,455,641)	(653,764)
Capital funding received from sponsors and others	<u>1,228,938</u>	<u>548,704</u>
Net cash used in investing activities	<u>(8,226,703)</u>	<u>(104,833)</u>

24 Analysis of cash and cash equivalents

	2021	2020
	£	£
Cash in hand and at bank	<u>5,662,075</u>	<u>2,823,063</u>
Total cash and cash equivalents	<u>5,662,075</u>	<u>2,823,063</u>

25 Analysis of changes in net debt

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash	2,823,063	2,839,012	5,662,075
Loans falling due within one year	(7,368)	(3,593)	(10,961)
Loans falling due after more than one year	<u>(60,749)</u>	<u>(4,656)</u>	<u>(65,405)</u>
	<u>(68,117)</u>	<u>(8,249)</u>	<u>(76,366)</u>
Total	<u>2,754,946</u>	<u>2,830,763</u>	<u>5,585,709</u>

26 Contingent liabilities

There has been a claim in employers' liability since the year end of up to £10,000 relating to the year ended 31 August 2021. This is still in dispute to the date of the audit report and therefore has not been recognised on the balance sheet as a liability.

27 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.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations

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

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

Contributions amounting to £352,209 (2020: £296,730) were payable to the schemes at 31 August 2021 and are included within creditors.

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 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 period amounted to £1,278,286 (2020: £1,317,399).

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

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,233,000 (2020 - £1,555,000), of which employer's contributions totalled £1,721,000 (2020 - £1,162,000) and employees' contributions totalled £512,000 (2020 - £393,000). The agreed contribution rates for future years are 12.6% - 18.9% per cent for employers and 5.5% - 11.4% 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 an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	4.10	3.60
Rate of increase for pensions in payment/inflation	2.90	2.40
Discount rate for scheme liabilities	1.70	1.80
Inflation assumptions (CPI)	<u>2.80</u>	<u>2.30</u>

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

	2021	2020
Retiring today		
Males retiring today	22.50	22.40
Females retiring today	25.30	22.50
Retiring in 20 years		
Males retiring in 20 years	24.00	23.90
Females retiring in 20 years	<u>27.20</u>	<u>27.10</u>

Sensitivity analysis

	2021 £	2020 £
Discount rate +0.1%	-1,211,000.00	-880,000.00
Mortality assumption – 1 year increase	1,555,000.00	1,032,000.00
CPI rate +0.1%	<u>1,241,000.00</u>	<u>903,000.00</u>

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

	2021 £	2020 £
Equities	11,201,000	7,801,000
Government bonds	3,194,000	2,419,000
Other bonds	1,713,000	1,448,000
Property	1,990,000	1,382,000
Cash and other liquid assets	231,000	592,000
Other	<u>4,814,000</u>	<u>2,814,000</u>
Total market value of assets	<u>23,143,000</u>	<u>16,456,000</u>

The actual return on scheme assets was £3,318,000 (2020 - £403,000).

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

28 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2020/21	2019/20
	£	£
Current service cost	3,550,000	2,328,000
Past service cost	-	14,000
Interest income	(332,000)	(240,000)
Interest cost	696,000	474,000
Admin expenses	43,000	31,000
	<u>3,957,000</u>	<u>2,607,000</u>

Total amount recognized in the SOFA

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

	2020/21	2019/20
	£	£
At start of period	36,556,000	16,101,000
Transferred in on existing academies joining the trust	-	13,521,000
Current service cost	3,550,000	2,328,000
Interest cost	696,000	474,000
Employee contributions	512,000	393,000
Actuarial (gain)/loss	5,962,000	3,879,000
Benefits paid	(162,000)	(154,000)
Past service cost	-	14,000
Business combinations	2,727,000	-
	<u>49,841,000</u>	<u>36,556,000</u>

At 31 August

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

	2020/21	2019/20
	£	£
At start of period	16,456,000	5,933,000
Transferred in on existing academies joining the trust	-	9,002,000
Admin expenses	(43,000)	(31,000)
Interest income	332,000	240,000
Actuarial gain/(loss)	2,985,000	(89,000)
Employer contributions	1,721,000	1,162,000
Employee contributions	512,000	393,000
Benefits paid	(162,000)	(154,000)
Business combinations	1,342,000	-
	<u>23,143,000</u>	<u>16,456,000</u>

At 31 August

Nexus Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2021 (continued)

29 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy made the following related party transactions:

New Habits Ltd

(New Habits Ltd is a company in which P Girling (member) is a director.)

During the year, Nexus Multi Academy Trust incurred costs from New Habits Ltd for a training course for teaching staff of £2,663 (2020: £4,677) and the amount outstanding at the balance sheet date was £Nil. (2020: £330).

In entering into the transaction, the academy trust has complied with the requirements of the Academies Financial Handbook 2020.

The element above £2,500 has been provided 'at no more than cost' and New Habits Ltd has provided a statement of assurance confirming this.

At the balance sheet date the amount due to New Habits Ltd was £Nil (2020 - £Nil).

All transactions involving such organisations are conducted in accordance with the requirements of the Academies Financial Handbook, including notifying ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

30 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2021 the academy trust received £23,745 and disbursed £23,745 from the fund. An amount of £Nil is included in other creditors relating to undistributed funds that is repayable to ESFA.