

Company Registration No. 07907463 (England and Wales)

THE LAURUS TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE LAURUS TRUST

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THE LAURUS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

A Graham
C Nevin
J Clough
M Turnpenney
Law Family Educational Trust

Trustees

L Elias (Resigned 6 July 2022)
P Benton (Resigned 31 August 2022)
D Brown
C Fisher (Resigned 4 November 2021)
A Little (Chair of Trustees)
C Nevin
L Woolley
W Mason
D Kershaw
R Kumar
J Crombleholme
G Turnpenney (Appointed 5 May 2022)
S McGill (Appointed 20 September 2022)
A Gilmour (Appointed 1 November 2022)

Senior management team

- CEO & Accounting Officer	L Magrath
- Chief Financial Officer	W Mason
- Executive Head Primary	L Woolley
- Executive Head Secondary, Head of School, Laurus Ryecroft	M Vevers
- Head of School, Cheadle Hulme High School	D Brown
- Head of School, Laurus Cheadle Hulme	G Theobald (J Peet from 1 September 2022)
- Head of School, Didsbury High School	D Woolley
- Head of School, Hazel Grove High School	M Stewart
- Head of School, Gorsey Bank Primary School	J Maguire
- Head of School, Cheadle Hulme Primary School	E Drake (R Thompson from 1 September 2022)

Company secretary

N Burgess

Company registration number

07907463 (England and Wales)

Principal and registered office

Cheadle Hulme High School
Woods Lane
Stockport
Cheshire
SK8 7JY

THE LAURUS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Academies operated	Location	Head Of School
Gorseley Bank Primary School	Cheshire East	J Maguire
Cheadle Hulme High School	Stockport	D Brown
Cheadle Hulme Primary School	Stockport	E Drake***
Laurus Cheadle Hulme	Stockport	G Theobald**
Laurus Ryecroft	Tameside	M Vevers
Didsbury High School	Manchester	D Woolley
Hazel Grove High School	Stockport	M Stewart
Woodford Primary School*	Stockport	E Drake

*Woodford Primary School opened in September 2022

**J Peet appointed 1 September 2022 at Laurus Cheadle Hulme

***R Thompson appointed 1 September 2022 at Cheadle Hulme Primary School

Independent auditor UHY Hacker Young Manchester LLP
St James Building
79 Oxford Street
Manchester
M1 6HT

Bankers Lloyds Banking Group
2 Great Underbank
Stockport
SK1 1LW

Solicitors Eversheds Sutherland
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

THE LAURUS TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the financial statements and auditor's report of The Laurus Trust ('the company', 'charitable company' or 'the academy trust') for the year ended 31 August 2022. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The academy trust operated the following schools during the year:

School (age range)	Local Authority	Pupil capacity	Number on roll at October 2021 census
Cheadle Hulme High School (11-18)	Stockport	1,650	1,676
Hazel Grove High School (11-18)	Stockport	1,350	1,452
Laurus Cheadle Hulme* (11-16)	Stockport	840	872
Laurus Ryecroft* (11-18)	Tameside	740	751
Didsbury High School~ (11-18)	Manchester	630	637
Gorseley Bank Primary School (4-11)	Cheshire East	420	410
Cheadle Hulme Primary School* (3-11)	Stockport	266	282

*Free school opened September 2018

~Free school opened September 2019

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the Laurus Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Cheadle Hulme High School, Hazel Grove High School, Gorseley Bank Primary School, Laurus Cheadle Hulme, Laurus Ryecroft, Cheadle Hulme Primary School, Didsbury High School, Woodford Primary School, Club Cheadle Hulme, Hazel Grove Sports Centre, Club Laurus and Club Didsbury.

All schools have a local academy committee which is comprised of parent governors, staff governors, other appointed governors and some of the trustees listed on page 1.

Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administration details on page 1.

Members' liability

Every 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 debt and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The academy trust is a member of the Department for Education's Risk Protection Arrangement to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. Details of the costs can be found in note 12 of the accounts.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Method of recruitment and appointment or election of trustees

The Articles of Association state that the number of trustees shall not be less than three but shall not be subject to any maximum. The academy trust will have up to 4 trustees appointed by the members by ordinary resolution. The Law Family Education Trust may appoint up to 6 trustees. Parent trustees are only required if there is no parent representation at local academy committee level.

Policies and procedures adopted for the induction and training of trustees

Trustees and governors are appointed based on the skills and competencies that they will bring to the board of trustees or local academy committee. Some are appointed primarily to represent a stakeholder group such as parents/carers.

Prior to appointment each potential trustee or governor is asked to complete an application form, to undertake a skills audit and to meet with a group of executive and non-executive trustees or governors. On appointment, trustees and governors undergo an induction process which includes meeting key people within the organisation and going through key information relating to their role and responsibilities. All trustees and governors are expected to engage with a comprehensive programme of internal and external training and development.

Trustees are also responsible for declaring their interests on a proactive basis so any conflicts may be identified and measures taken to avoid a conflict influencing any decision. Business interests are also checked by the Company Secretary, internal and external auditors.

Organisational structure

The governance of the trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department for Education. The Scheme of Delegation document details what decisions are reserved for the board of trustees, and those that are delegated to sub committees, local academy committees or management. There are three trustee sub-committees:

1. Audit, Finance and Resources committee which reports to the board on finance, audit, risk, HR, property and IT related issues.
2. The Pay & Remuneration committee reports to the board on the setting of pay and remuneration for all senior management and teaching staff.
3. The Governance Oversight and Standards committee reports to the board on monitoring of the individual local academy committees and policy approvals.

The trust board met on six occasions during the year.

Terms of reference exist for each committee and are reviewed annually.

The day to day running of the trust is delegated by the trustees to management under the leadership of the Chief Executive Officer, who is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Pay and Remuneration committee for the trust meets annually to review and approve pay for key management personnel in the trust including staff trustees. The committee is comprised of trustees and sets pay based on available benchmarks in the sector and local area.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	5
Full-time equivalent employee number	4.40

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	5
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£'000
Total pay bill	9
Percentage of the total pay bill spent on facility time	34,704
	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	20%
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Related parties and other connected charities and organisations

The trust works closely with Alder Community School, Ashdene Primary School, Cavendish Primary School, Didsbury C of E Primary School, Manchester Metropolitan University, Marple Hall High School, St Thomas' C of E Primary School, St Wilfrid's C of E Primary School, Stockport School, Styal Primary School and West Didsbury Primary School. None of these organisations are considered to constitute formal related parties.

The Law Family Educational Trust (LFET), a charitable trust, is considered a related party as it is a member of the academy trust. LFET's aim is to help raise all-round educational attainment levels in state schools. Its approach is rooted in a belief that personal development and aspiration are promoted by participation in a whole range of activities, not just academic ones. During the course of the year, LFET has made charitable donations to the Laurus Trust in support of capital projects, facilitating growth and the Apertura and Electives programmes. LFET is not considered to have attached any clauses or conditions to their funding that has materially changed the operations of Laurus Trust and as such, the details of the donations have not been disclosed.

See note 26 for further details of related party transactions that have occurred during the year.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Engagement with employees (including disabled persons)

The last 2 years have been an unprecedented time of change which has required the trustees to remain flexible and adaptable in their support of the Trust Development Plan and the three strategic themes; Unashamedly Academic, Influence and Our People.

The key priorities of Engage, Recruit and Value support the staff experience throughout the employee life cycle and aim to ensure that the Laurus Trust is an employer of choice providing excellent people management practices as we continue to see further growth.

This year we have been working with a highly competitive local market following the impact of Covid-19. With more roles nationally than there are suitable candidates to fill them, we have focused on implementing new and innovative methods to promote the Trust and attract applicants.

As of October 2020, The Laurus Trust proudly registered as a member of the 'Disability Confident Scheme'. The scheme is a movement of positive change to encourage employers to think differently about disability and take action to improve how they recruit, retain and develop disabled people.

The Laurus Trust is committed to Equal Opportunities for all candidates and considers applicants without regard to gender, gender identity, sexual orientation, race, ethnicity, disabled or veteran status, or any other characteristic protected by law. We welcome and encourage applications from all individuals regardless of background or circumstance.

As a Disability Confident Committed Employer, we strongly encourage applications from all persons with a known disability, and we will ensure that a fair and proportionate number of disabled applicants that meet the minimum criteria for this position will be offered an interview and given the opportunity to demonstrate their skills, talents and abilities.

As a Disability Confident Committed Trust, we have agreed to the following 5 core commitments:

- Ensuring our recruitment process is inclusive and accessible;
- Communicating and promoting vacancies;
- Offering an interview to disabled people who meet the minimum criteria of the role;
- Anticipating and providing reasonable adjustments as required;
- Supporting any existing employee who acquires a disability or long term health condition, enabling them to stay in work.

Further investment took place in 2021 of the trust's HR and Payroll system providing an effective tool for monitoring, improvement of the employee self-service portal and the creation of a brand-new digital onboarding function with the aim of enhancing the experience of our future Trust employees.

Professional Learning is at the heart of our organisational culture: it is the bedrock of what we do and what we stand for. Under the banner of the Laurus Institute, we provide a comprehensive offer of externally accredited and in-house Professional Learning opportunities for all staff and at every stage of their career.

From Apprenticeships and Masters degrees to National Professional Qualifications and 10 Year Career Plans, we invest a considerable amount of time, effort and money in developing our staff, governors and trustees because we understand that our people are our greatest asset.

As a Trust, we recognise the importance of learning and development and its significance in gaining and retaining top talent, improving productivity and aligning our employees' goals with the vision of the Trust.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees place great importance on ensuring that employees were regularly updated and had appropriate opportunities to engage. The CEO held 'fireside' discussions with all Senior Leaders to understand important issues in each School/department. Regular meetings of the Executive Heads provide an effective mechanism for ensuring alignment between schools whilst the introduction of Trust Directors has seen systems put in place to ensure that collaboration is both possible and sustainable. This ensures that staff work across schools and phases to share ideas and practice. INSET and induction days were used to highlight key information, team build, focus on staff wellbeing, welcome new staff and celebrate our successes. Wellbeing sessions and the staff surveys were used to gather important feedback from staff.

To further support employee wellbeing and demonstrate our commitment to placing wellbeing and mental health at the heart of everything we do, we have signed the DfE Education Staff Wellbeing Charter. We are using the 11 organisational commitments from the charter as our aspiration and guide to further develop and improve our staff wellbeing support services.

Close working and good relationships with our nominated Trade Union representatives, as well as regular meetings, has ensured an ongoing dialogue and negotiation that has brought about positive change for our employees, in particular within the area of employee wellbeing.

The incredible commitment, flexibility, resilience and determination of all staff results in a progressive trust that does whatever it takes to provide the best all round educational experience from early years through to sixth form.

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

The trustees recognise that we need to develop and maintain strong relationships with the local communities that our schools serve. The parents and carers of the pupils and students in our schools are continuously informed of the progress of their children and the measures in place to ensure their safety. During the year we have consulted with our stakeholders on major decisions such as refreshing the offer at one of our sixth forms in order to address falling numbers. We value all our suppliers and have multi-year multi-school contracts with our key suppliers to achieve value for money. We ensure our procurement is in line with public sector requirements and serves the need of our staff, pupils and students.

Objectives and activities

Objects and aims

The Laurus Trust's vision is for everyone regardless of background or circumstance to be inspired, to thrive in all environments, to recognise what it takes to succeed, to set aspirational goals and work hard to achieve them. The vision is embodied in the Laurus Trust's four cornerstones: Academic Aspiration, Leadership & Service, Culture, Creativity & Rhetoric, Competition & Physical Endeavour.

The trust benefits from support provided by The Law Family Education Trust (LFET) to enable all pupils and students within the Laurus Trust to have the same access to high quality enrichment as those students who attend private schools. The trust and LFET believe that the all-round educational attainment of individual students is substantially promoted by their participation in a whole range of activities, not just classroom based academic ones. Inspiring students through these activities will enable them to become better motivated, as well as being more respected by their peers.

From early years through to sixth form we strive to provide the best all-round educational experience.

We aim for our students to have the choice of accessing the top universities and employment, to have the attitudes and habits to be successful when they get there, and the cultural preparation to think, study and lead, or influence those who lead.

To achieve our aims, our culture is founded on the following three principles:

Unashamedly academic: We focus on the development of Powerful Knowledge for pupils, students and staff.

Uncompromising standards: We constantly strive for excellence in every domain in every aspect of what we do.

Unapologetically aspirational: We build within each of our schools a culture of universally high expectations.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Objectives, strategies and activities

The main objectives of the trust during the year ended 31 August 2022 are summarised below:

- Academic focus: Curriculum development, headline performance and accountability and quality assurance.
- Influence: Trust expansion, communication of our value proposition and a sound service and financial base to allow the exploration of further opportunities.
- Our People: Recruitment and retention of the best talent, staff wellbeing and professional learning/development.

Public benefit

The 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.

The catchment areas of Cheadle Hulme High School, Hazel Grove High School and Gorsey Bank Primary School are designated by the Local Authority and have not changed since academy status. The four free schools do not have a catchment area and those living nearest to the schools have priority. The trustees have reviewed the pupil admission policies and consider there to be no barriers to entry on the grounds of gender, ethnicity or family circumstances.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

The year saw the return of full external assessment and examination results which has not been possible since 2019. In spite of the learning loss and disruption caused by the coronavirus pandemic the academic performance across all of the schools in the trust remains strong. The tables below detail headline performance at each Key Stage. School performance remains above national figures with destinations remaining impressive. Performance across all Key Stages meets trust key performance indicators.

Key Stage 1 Results

	Gorseley Bank Primary		Cheadle Hulme Primary	
	2022	2019	2022	2019
Reading at Expected Standard	80%	85%	85%	N/A
Writing at Expected Standard	68%	85%	77%	N/A
Maths at Expected Standard	73%	85%	80%	N/A
Reading at Greater Depth	22%	53%	26%	N/A
Writing at Greater Depth	15%	31%	18%	N/A
Maths at Greater Depth	25%	46%	31%	N/A

Key Stage 2 Results

	Gorseley Bank Primary 2022	Gorseley Bank Primary 2019
Reading at Expected	93%	95%
Writing at Expected (TA)	88%	92%
Maths at Expected	93%	97%
R/W/M at Expected	88%	92%

Key Stage 4 Results

	Cheadle Hulme High School		Hazel Grove High School	
	2022	2019	2022	2019
9-5 inc En & Ma	68%	67%	56%	45%
9-7	44%	41%	36%	17%
9-5	82%	77%	73%	58%
Average grade	5.86	5.81	4.96	4.73

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Key Stage 5 Results

	Cheadle Hulme High School		Hazel Grove High School	
	2022	2019	2022	2019
% of all grades A*/A	55%	41%	26%	18%
% of all grades A*-B	80%	73%	64%	38%
No of Students 3+A*	14	9	1	0
No of Students 3+A*/A	56 (36%)	27	2	2

During the year to 31 August 2022 it remained a priority in our secondary schools to establish curriculum continuity and mitigate lost and disrupted learning as a result of the pandemic. Our Trust Directors continued to guide and support departments in schools with their provision and intervention as a result of the national lockdowns and disruption to the school system. All schools were able to return to our full enrichment offer. This was essential in order to ensure that all students could take part in both the full curriculum and co-curricula programme.

In January 2022 Hazel Grove High School was inspected by Ofsted. Overall effectiveness was Good and we were delighted that it was recognised as Outstanding in three out of the five categories, testament to the hard work of all staff involved since the school joined the trust in 2019.

During the year, the Apertura programme, a super-curricular liberal arts programme with academic conversations at its heart was delivered to Year 10, 11 and 12 students across the trust. Particular highlights included the Year 10 poster fair, the Year 11 Summer School residential in London, and the Year 12 celebration event with keynote speaker, Philip Mould. In addition to KS3 discussion programmes for targeted students, there were also visits and residentials to a number of Russell Group universities for a variety of year groups. There was a 'First in Family' event in partnership with the University of Manchester for Year 10 students whose parents did not go to university. The trust also acted as a hub for presenters from Oxford, Cambridge and Imperial, and as a base for the HE+ South Manchester Consortium in conjunction with the University of Cambridge.

The number of Laurus students learning to play a musical instrument in school continues to increase. We were able to hold winter and summer concerts in each secondary school with audiences again. In February 2022 we hosted the Chetham's Symphony Orchestra at Didsbury High School for a week, where student musicians and their teachers delivered whole class and ensemble workshops to Laurus students. The year also saw the production of five whole school musicals across the trust. In addition, each school offered numerous electives, small-scale productions and theatre visits, enhancing creative and theatrical opportunities for our students and supporting the vision for Laurus students to be inspired to be makers and appreciators of culture.

October 2021 saw the launch of the ELITE (Enabling Laurus Individuals To Excel) Pathway, after having secured an official partnership with Loughborough University. The ELITE Pathway, provides the guidance for aspirational athletes to achieve their academic potential and sporting dreams. Students develop a holistic understanding of the contributing factors to elite sport, which includes balancing the demands of sporting excellence and academic success. We work with partners who support and create the invaluable experience of living, training and learning like a student-athlete. 72 students took part in the programme which included additional academic support, aspirational trips to Loughborough University, psychology seminars, live events hosted by professional athletes, nutritional guidance, strength and conditioning support and regular monitor / meetings to help our students meet the aims of the programme. During the year we also had over 30 professional sport coaches working across the secondary schools to ensure a high level of participation in sporting activities by all students.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Significant refurbishment continues to take place across the secondary estate. This includes the continued work on the new sixth form building at Hazel Grove High School. We look forward to re-opening the sixth form in September 2023 alongside the opening of new sixth forms at Laurus Ryecroft and Didsbury High School. Building works also took place within our other schools. A 3G artificial pitch was installed at Laurus Cheadle Hulme and construction work commenced on one at Didsbury High School. Internal changes have also taken place at Laurus Ryecroft, Didsbury High School and Laurus Cheadle Hulme to ensure that the buildings remain fit for purpose as each school reaches capacity.

Laurus primary pupils continue to benefit from an ambitious academic and progressive enrichment curriculum. In all areas of this year's statutory outcomes pupils performed above the national average and in some cases, they were well above.

Gorseley Bank Primary has benefitted from improved lighting in classrooms, the redecoration of all Key Stage 1 classrooms and the creation of a sensory room for pupils with additional needs. Improvements have also been made at Cheadle Hulme Primary with the addition of a new outdoor reading area, the development of an Art Studio and extra classrooms being fitted out in readiness for Year 4 pupils.

The trust board has recognised that there has been capacity for growth in our primary schools. In January, we were selected by Stockport LA and the DfE to operate Woodford Primary School which opened just after the year end in September 2022. It has been a colossal team effort to get everything ready in a short time frame. In May we were selected by Manchester LA and the DfE to operate Crown Street Primary School opening in September 2024. We are excited about being given the opportunity to open the first new city centre primary school in Manchester in almost 20 years and look forward to welcoming this new addition to our Laurus family.

Altius Teacher Training continued to produce accomplished qualified teachers during the year, with 30 trainees successfully gaining qualified teacher status and 10 subsequently employed by the trust. 39 aspiring teachers were enrolled on to the course commencing 1 September 2022. The SCITT was inspected by Ofsted in June 2022 and overall effectiveness was deemed Good. Like a large number of other SCITTs, Altius was unsuccessful in gaining re-accreditation. The board are currently considering alternative options for the trust's schools to continue to play a vital role in the training of new teachers.

With recruitment and retention of talented staff a key priority, considerable work has been completed over the last academic year to further develop the content and structure of the Laurus Institute, home to all of our learning and development support and opportunities. We now have a comprehensive package of support in place for staff who want to develop within their current roles as well as a clear development pathway for those who are looking to further their careers within the Laurus Trust.

All teaching staff take responsibility for, and are actively engaged in, aspects of professional learning that contribute to the development of pedagogy and practice within their subject and across the wider school. Teachers engage in multiple communities of practice within departments, across a school or multiple schools within the trust. Early career teachers are enrolled on the early careers framework. This provides significant support from trained mentors. Teachers also have the opportunity to engage with the Chartered Teacher programme and masters and doctorates in education with the support of the trust. Additionally with the reintroduction of the, now reformed, National Professional Qualifications (NPQs) the Trust ensured it was at the leading edge of this work by both facilitating on a range of NPQs and also having over 40 teachers engaged with these programmes.

Throughout the academic year, over 130 support staff were actively engaged in professional learning and development programmes and courses ranging from apprenticeships, management development, voice coaching and mental health awareness.

Key performance indicators

The trustees consider the following key performance indicators when assessing performance:

- Basic measures 9-5 Maths and English GCSE (see above)
- Key Stage 2 Reading / Writing / Maths progress score and descriptions are all 'well above average' (see above)
- Student Attendance – figures not provided due to ongoing pandemic disruption
- Income (percentage derived from GAG) – 76% (2021:75%)
- Staff costs as a percentage of income – 80% (2021:79%)

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Going concern

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

Promoting the success of the academy trust

The trustees have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members, stakeholders and the matters set out in section 172(1) of the Companies Act 2006. The Charities Commission has issued guidance which explains that charitable companies should take "promoting the success of the company" to mean "promoting the success of the charity to achieve its charitable purposes."

The Laurus Trust is governed by its charitable objects. These charitable objects set out the purpose of the charity. The consequences of all decisions and activities of the charity are assessed by how they drive us towards achieving that long-term purpose, including by reference to the charity's strategy, vision and values. As an educational charity, we are accountable not only to our funders and direct beneficiaries (our pupils and students) but also our parents/carers and wider community. These stakeholders support us, engage with us, and challenge us. They ensure that the decisions we make as a charity, from the ground level through to the trust board, are for their benefit.

We are a values-driven organisation and our values mean that we are informed, shaped and powered by our determination to uphold our vision. Well-established involvement and consultation mechanisms, both direct (through pupil/student, parent/carers and staff surveys) and indirect (through the involvement of parents/carers and local people on our local academy committees and trust board) ensure that decisions made by the trustees are informed by the needs of the organisation's stakeholders.

Long-term consequences of any decision

Trustees consider the consequences of any strategic decision in the long-term as part of their assessment. We aim to ensure that as an organisation we balance our income and expenditure to ensure that our organisation remains sustainable in the long term. This is balanced against the needs of our pupils and students, staff and other stakeholders, and the community, to ensure we are spending the funding we receive from the government in the most effective way to support our aims, and with integrity. This has included, for example, a decision relating to the viability of Hazel Grove Sixth Form in its current form and the decision to pause admissions to allow a refurbishment and re-design of the sixth form offer.

The Interests of the company's employees

Details of how the trustees give consideration to the interests of the organisation's employees can be found in the section "Engagement with employees" found on page 6.

The need to foster the company's business relationships with suppliers, customers and others

Details of how the trustees give consideration to the interests of the organisation's other stakeholders can be found in the section "Engagement with suppliers, customers and others in a business relationship with the trust" found page 7.

The Impact of the company's operations on the community and the environment

Details of how the trustees give consideration to the impact on the community can be found in the section "Engagement with suppliers, customers and others in a business relationship with the trust" found on page 7. Further information is also given in the section on Public Benefit.

The desirability of the company maintaining a reputation for high standards of business conduct

The trust aims to conduct all its relationships with integrity and courtesy, and scrupulously to honour every business agreement. The trustees have approved a number of policies that help to ensure the charity maintains high standards of business conduct; these include the Anti Bribery, Fraud & Corruption Policy and Whistleblowing Policy.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The need to act fairly as between members of the company.

All members of the trust are treated fairly and equally, with the same access to information, the ability to directly contact trustees or the executive team, and being invited to participate in training.

All matters reserved for decision by the trustees are presented at board or committee meetings as appropriate. Trustees are briefed on any identified potential impacts and risks for our stakeholders and how they are to be managed. The trustees take these factors into account before making a final decision which together they believe is in the best interests of the trust and its stakeholders.

Financial review

The trust's financial position demonstrates total income of £43,450k (2021: £36,206k) with net incoming resources at the 31 August 2022 of £14,994k (2021: outgoing £5,197k).

The primary income stream for the Trust is the funding received from the ESFA through the General Annual Grant (the 'GAG'). The total income recognised in the year from GAG was £32,854k (2021: £27,271). The significant increase was due to the growth in the free schools.

The principal financial management policies adopted in the year are:

- conducting regular financial reviews of income and expenditure versus planned budgets through the management accounts and at the Audit, Finance & Resources Committee meetings; and
- consideration as to whether the financial income demonstrates a robust and stable position enabling the provision of sufficient quality resources to fulfil the trust's educational obligations.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The Academy Trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 4.3% is considerably higher than the rate of 1.7% used in 2021. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £15.8m to £2.1m during the year.

Reserves policy

The level of reserves held at 31 August 2022 total £86,351k (2021: £71,357k). Total reserves excluding pension liability were £88,446k (2021: £87,172k). Total reserves excluding pension liability and restricted fixed asset reserves were £3,882k (2021: £3,389k).

Trustees approved the reserves policy in July 2020. Individual schools must maintain a minimum reserves balance. The policy assists in strategic planning by considering how new projects or activities will be funded. The reserves carried forward will be utilised for continuous improvements and for projects for the repair and replacement of school buildings, plant equipment, IT and educational equipment and materials. A strategic capital plan is prepared and reviewed each year by the Audit, Finance & Resources Committee in order that reserves can be prioritised and spent according to the needs of each school in the trust.

The deficit on the Local Government Pension Schemes of £2,095k at 31 August 2022 (£15,815k at 31 August 2021) does not mean that an immediate liability crystallises. The deficit results in a cash flow effect for the trust in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Investment policy

The investment policy is reviewed annually by the trustees and was last approved in December 2021.

The aim of the policy is to ensure funds that the trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The trust does not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

The trust will, after constructing and reporting forecasts versus budgets, consider whether it is prudent to deposit funds into an account where improved terms are offered. As improved terms are generally only offered where funds are invested for a fixed term, it may be prudent for the trust not to invest funds in this manner.

Principal risks and uncertainties

The trust has an established approach to risk management that is detailed in the risk management policy. The trustees maintain and regularly monitor risks via a risk register. The objectives are to identify risk, assess each risk in terms of its inherent risk, and then its residual risk after the effect of controls in place have been taken into consideration. The trustees then assess if the controls in place are effective to mitigate each risk and set actions for the executive team to progress. This methodology is replicated at a local level with each school holding its own risk register and undertaking the same approach to managing risk.

The principal risk categories are:

- safeguarding the pupils and students
- governance
- financial sustainability
- educational outcomes and progress
- pupil numbers
- recruitment and retention of the required calibre of employees
- data and cyber security
- an estate that meets our strategic and operational objectives
- health and safety
- effective management information systems

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels
- terms of reference for the sub-committees of the trust board and the local academy committees
- Professional learning programme in place for all staff
- financial planning, budgeting and regular management reporting highlighting areas of financial risk
- annual health & safety audits and a full compliance programme of inspections and maintenance of the trust estate
- formal induction programme and written and published policies for employees
- vetting procedures as required by law for the protection of the vulnerable
- multi factor authentication to protect the trust network and cyber security awareness training for staff

The trust's employees are members of three defined benefit pension schemes, the Teachers' Pension Scheme (TPS) and the Local Government Pension Schemes for Greater Manchester and Cheshire (LGPS). The trust has recognised its share of the LGPS assets and liabilities in accordance with Financial Reporting Standard 102, Section 28. A deficit £2,095k (2021: £15,815k) has been recognised at 31 August 2022. The TPS has been accounted for as a defined contribution scheme. Further details of the accounting policy adopted for each scheme are included in note 1 to the financial statements.

Due to the nature of the pension schemes there is an underlying risk to the trust, which relates primarily to the uncertainty of the future funding requirements of each scheme, the results of which impact on the contribution rates for future employer contributions to each scheme. The trustees have given due consideration to these risks.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Fundraising

The trust carried out a limited amount of fundraising events during the year including non-uniform days and activities linked to national events. The trust does not work with professional fundraisers or companies who carry out fundraising on its behalf. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at senior leadership team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Any complaints are handled and monitored through the trust's complaints procedure.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

	2022	2021
<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year	8,864,322	9,942,810
<i>Emissions of CO2 equivalent</i>	2022	2021
	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	1,128.95	1,397.07
- Fuel consumed for owned transport	1.46	0.98
	1,130.41	1,398.05
Scope 2 - indirect emissions		
- Electricity purchased	515.02	489.02
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	2.59	1.47
	2.59	1.47
Total gross emissions	1,648.02	1,888.54
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	0.27	0.35

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 2022 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

The Laurus Trust ensures that energy efficient benefits are considered during any refurbishment work undertaken and contributes to achieving the UK's commitment to reducing its greenhouse gas emissions by at least 80% by 2050, relative to 1990 levels.

Through the free schools programme we are fortunate that four of our schools are in new buildings all of which have energy efficiencies with the use of solar wind catchers, LED lighting, lighting sensor controls, energy efficient heating and ventilation systems.

Our older schools have benefited from replacement double glazed windows, roof refurbishments and replacements with increased insulation, breathable buildings technology and solar panel installations. As part of the Trust's building development and refurbishment plan we have within the year continued to upgrade to LED lighting with sensor controls wherever refurbishment has taken place and sought ways to improving natural ventilation by increasing the number of opening roof lights and windows to these spaces.

All of our schools now operate heating and cooling services via a BMS system which enables more accurate control of the amount of energy being used and when.

The Trust has a totally electric, therefore, zero emissions vehicle for staff to use to travel between its school sites.

We are constantly looking at opportunities to obtain funding via grants and bids to enable us to look to reduce and if possible de-carbonise our older schools' heating systems and replace with modern green technologies. Electric charging points are installed at the majority of our schools.

THE LAURUS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

The aim is to provide a structure for continuous improvement and achievement at all key stages and for the results at Key Stages 2, 3 and 4 to demonstrate year on year improvements. The trust also aims to have successful Ofsted inspection outcomes.

Our growth strategy is to be a cross phase trust from early years to post-16, educating around 15,000 children across multiple local authorities in North West England. We are growing our primary family of schools with the additions of Woodford and Crown Street via the free school presumption route. New sixth forms open at Hazel Grove High, Didsbury High and Laurus Ryecroft in September 2023. The trust has approval to open an alternative provision free school in Stockport.

The trust continues to look at strategic opportunities for further growth assessing their potential impact on the trust's vision and the opportunity to deliver economies of scale.

A capital works programme is regularly updated to ensure the schools are maintained and updated to the highest of standards within funding constraints. The newly opened schools are in brand new purpose built accommodation but the established schools occupy much older buildings. The trust is of the size to qualify for School Condition Allocation funding and trustees have adopted a methodology to ensure this allocation is prioritised according to need.

Funds held as custodian trustee on behalf of others

The trust does not act as Custodian Trustee on behalf of others.

Auditor

In so far as the trustees are aware:

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

The trustees' report, incorporating a strategic report, was approved by order of the members of the Trust on 09 December 2022 and signed on its behalf by:



A Little
Chair of Trustees

THE LAURUS TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2022

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that the Laurus 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 only provide reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Laurus Trust and the Secretary of State for Education. They are also responsible for reporting to the local academy committee 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 have formally met six times during the year. Attendance during the year at meetings of the Trust board was as follows:

Trustees	Meetings attended	Out of possible
L Elias (Resigned 6 July 2022)	4	6
P Benton (Resigned 31 August 2022)	6	6
D Brown	6	6
C Fisher (Resigned 4 November 2021)	1	1
A Little (Chair of Trustees)	6	6
C Nevin	6	6
L Woolley	6	6
W Mason	6	6
D Kershaw	3	6
R Kumar	5	6
J Crombleholme	3	6
G Turnpenney (Appointed 5 May 2022)	2	2
S McGill (Appointed 20 September 2022)	0	0
A Gilmour (Appointed 1 November 2022)	0	0

The board assesses the effectiveness of the trust's governance model on an annual basis particularly in light of the continued growth of the trust. During the year to 31 August 2022 the board maintained effective oversight of funds via the six board meetings and the delegation of certain authorities to the sub-committees according to the Scheme of Delegation.

Conflicts of interest

The trust maintains an up-to-date and complete register of interests. Conflict of interests is a standing item on all full board meeting and committee meeting agendas in order to give trustees the opportunity to declare any interests in general, and specifically in relation to the agenda itself. This is formally minuted. Should any interests be declared, the relevant trustee would abstain from any discussion or decision making for that agenda item.

The CFO is immediately notified of any declared interests. Suppliers in the finance system are subject to review before being added to the approved supplier list. Where we accept that the declaration does not result in a related party but could pose a perceived conflict of interest, we add a flag to the supplier record and monitor to ensure the relationship remains at arm's length. A related party would not be added to the approved suppliers list.

THE LAURUS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Governance reviews

The Audit, Finance & Resources Committee is a sub-committee of the Trust Board. Its purpose is to advise the board on all strategic financial management related issues.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Elias (Resigned 6 July 2022)	3	3
P Benton (Resigned 31 August 2022)	2	3
D Kershaw	1	3
R Kumar	1	3

The Pay and Remuneration Committee is a sub-committee of the trust board. Its purpose is to approve the pay of all leadership and teaching staff.

Attendance at meetings in the year for the pay and remuneration committee was as follows:

Trustees	Meetings attended	Out of possible
P Benton (Resigned 31 August 2022)	1	1
C Fisher (Resigned 4 November 2021)	1	1
A Little (Chair of Trustees)	1	1
C Nevin	1	1

Review of value for money

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

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

- Using the trust's purchasing power to negotiate some favourable rates for supplies and services.
- Use of integrated curriculum and financial planning tools to maximise use of resources. KPIs are monitored as part of the monthly management accounts process.
- A dedicated centrally employed team to proactively identify efficiencies and focus on individual school requirements.
- Sharing of staffing resources across all schools.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

THE LAURUS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

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 trust's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

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

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular, the checks carried out in the current period included

- Key financial controls
- Governance and compliance
- Procurement and contract management

On a termly basis, Haines Watts the internal auditor reports to the board of trustees, through the Audit, Finance & Resources Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

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

THE LAURUS TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

The accounting officer has considered of the implications of the result of their review of the system of internal control by the Audit, Finance & Resources Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members board of trustees on 09 December 2022 and signed on its behalf by:



A Little
Chair of Trustees



L Magrath
Accounting Officer

THE LAURUS TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2022

As accounting officer of The Laurus 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 Academy Trust Handbook 2021.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

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



L Magrath
Accounting Officer

09 December 2022

THE LAURUS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees (who are also the directors of The Laurus Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2021 to 2022 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

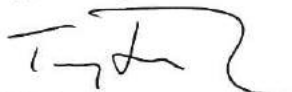
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 09 December 2022 and signed on its behalf by:



A Little
Trustee

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST FOR THE YEAR ENDED 31 AUGUST 2022

Opinion

We have audited the accounts of The Laurus Trust for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the accounts and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the accounts does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

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

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

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we considered the following:

- the nature of the industry and sector, control environment and business performance
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance,
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team and involving relevant internal specialists, including tax, and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks the academy operates in, focussing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and Academies Accounts Direction.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the academy's ability to operate or to avoid a material penalty.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management and those charged with governance concerning actual and potential litigation claims;
- In addressing the risk of fraud through inappropriate recording of income, we review the existence and completeness of ESFA income and reconcile all other material income streams to third party evidence;
- We carry out a detailed review of deferred income, including a review of amounts released to income in the year;
- We review a sample of expenditure to ensure it has been appropriately authorised and that tender process have been followed where applicable;
- We carry out a review of the register of interests and minutes to ensure that all related parties have been disclosed adequately;

THE LAURUS TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE LAURUS TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

- In assessing the risk of fraud through management override of controls, testing the appropriateness of journal entries and assessing whether judgements made in making accounting estimates are indicative of potential bias.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

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



Stephen Grayson FCCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young Manchester LLP

9 December 2022

Chartered Accountants
Statutory Auditor

St James Building
79 Oxford Street
Manchester
M1 6HT

THE LAURUS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

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

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

Respective responsibilities of The Laurus Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Laurus Trust's funding agreement with the Secretary of State for Education and the Academies Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the 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 LAURUS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Conclusion

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



Reporting Accountant

UHY Hacker Young Manchester LLP

St James Building

79 Oxford Street

Manchester

M1 6HT

Dated:

9/12/22

THE LAURUS TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2022 £'000	Total 2021 £'000
Income and endowments from:						
Donations and capital grants	3	-	1,489	2,630	4,119	1,976
Charitable activities:						
- Funding for educational operations	4	98	37,452	-	37,550	33,419
Other trading activities	5	919	861	-	1,780	809
Investments	6	1	-	-	1	2
Total		<u>1,018</u>	<u>39,802</u>	<u>2,630</u>	<u>43,450</u>	<u>36,206</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	1,018	41,140	3,351	45,509	38,238
Total	7	<u>1,018</u>	<u>41,140</u>	<u>3,351</u>	<u>45,509</u>	<u>38,238</u>
Net expenditure		-	(1,338)	(721)	(2,059)	(2,032)
Transfers between funds	18	-	(1,502)	1,502	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	20	-	17,053	-	17,053	(3,165)
Net movement in funds		-	14,213	781	14,994	(5,197)
Reconciliation of funds						
Total funds brought forward		-	(12,426)	83,783	71,357	76,554
Total funds carried forward		-	1,787	84,564	86,351	71,357

THE LAURUS TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2022

Comparative year information Year ended 31 August 2021	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2021 £'000
Income and endowments from:					
Donations and capital grants	3	-	1,215	761	1,976
Charitable activities:					
- Funding for educational operations	4	45	33,374	-	33,419
Other trading activities	5	528	281	-	809
Investments	6	2	-	-	2
Total		<u>575</u>	<u>34,870</u>	<u>761</u>	<u>36,206</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	575	34,305	3,358	38,238
Total	7	<u>575</u>	<u>34,305</u>	<u>3,358</u>	<u>38,238</u>
Net income/(expenditure)		-	565	(2,597)	(2,032)
Transfers between funds	18	-	(518)	518	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	20	-	(3,165)	-	(3,165)
Net movement in funds		-	(3,118)	(2,079)	(5,197)
Reconciliation of funds					
Total funds brought forward		-	(9,308)	85,862	76,554
Total funds carried forward		-	(12,426)	83,783	71,357

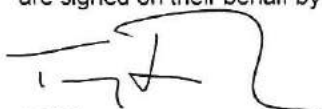
THE LAURUS TRUST

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022		2021	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		84,564		83,783
Current assets					
Debtors	14	2,161		1,049	
Cash at bank and in hand		8,499		5,976	
		<u>10,660</u>		<u>7,025</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(6,676)		(3,504)	
Net current assets			<u>3,984</u>		<u>3,521</u>
Total assets less current liabilities			<u>88,548</u>		<u>87,304</u>
Creditors: amounts falling due after more than one year	16		(102)		(132)
Net assets before defined benefit pension scheme liability			<u>88,446</u>		<u>87,172</u>
Defined benefit pension scheme liability	20		(2,095)		(15,815)
Total net assets			<u>86,351</u>		<u>71,357</u>
Funds of the academy trust:					
Restricted funds	18				
- Fixed asset funds			84,564		83,783
- Restricted income funds			3,882		3,389
- Pension reserve			(2,095)		(15,815)
Total restricted funds			<u>86,351</u>		<u>71,357</u>
Unrestricted income funds	18		-		-
Total funds			<u>86,351</u>		<u>71,357</u>

The accounts on pages 30 to 55 were approved by the trustees and authorised for issue on 09 December 2022 and are signed on their behalf by:



A Little
Chair of Trustees

Company registration number 07907463

THE LAURUS TRUST

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £'000	£'000	2021 £'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	21		4,055		3,488
Cash flows from investing activities					
Dividends, interest and rents from investments		1		2	
Capital grants from DfE Group		1,049		563	
Capital funding received from sponsors and others		1,581		198	
Purchase of tangible fixed assets		(4,133)		(1,279)	
Net cash used in investing activities			(1,502)		(516)
Cash flows from financing activities					
Repayment of long term bank loan		(30)		(41)	
Net cash used in financing activities			(30)		(41)
Net increase in cash and cash equivalents in the reporting period			2,523		2,931
Cash and cash equivalents at beginning of the year			5,976		3,045
Cash and cash equivalents at end of the year			<u>8,499</u>		<u>5,976</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

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

Grants

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

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

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

Sponsorship income

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

Donations

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

Other income

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

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

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

Buildings	6 - 50 years
Computer equipment	3 years
Fixtures, fittings & equipment	3 - 10 years

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.6 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.

1.7 Provisions

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

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

1.8 Leased assets

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

1.9 Financial instruments

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

Financial assets

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

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

Financial liabilities

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

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

1.10 Taxation

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

1.11 Pensions benefits

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

(Continued)

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

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

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

1.12 Fund accounting

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

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

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

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

2 Critical accounting estimates and areas of judgement

(Continued)

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The ultimate responsibility for setting the assumptions is that of the Academy Trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The Academy Trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate of 4.3% is considerably higher than the rate of 1.7% used in 2021. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £15.8m to £2.1m during the year.

Critical areas of judgement

The academy trust has assessed the financial statements for areas which may be considered critical areas of judgement, of which none have been identified.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Capital grants	-	2,630	2,630	761
Other donations	-	1,489	1,489	1,215
	<u>-</u>	<u>4,119</u>	<u>4,119</u>	<u>1,976</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	32,854	32,854	27,271
Start up grants	-	41	41	37
Other DfE group grants	-	2,597	2,597	3,373
	-	35,492	35,492	30,681
Other government grants				
Local authority grants	-	1,369	1,369	1,146
Other funding				
Other incoming resources	98	136	234	119
Exceptional government funding				
Coronavirus funding schemes	-	-	-	302
Total funding	98	36,997	37,095	32,248

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Hire of facilities	459	-	459	240
Catering income	58	404	462	332
Trip income	-	457	457	13
Parental contributions	402	-	402	224
	919	861	1,780	809

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Short term deposits	1	-	1	2

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

7 Expenditure

	Non-pay expenditure		Total 2022 £'000	Total 2021 £'000
	Staff costs £'000	Premises £'000		
Academy's educational operations				
- Direct costs	25,933	-	28,673	24,287
- Allocated support costs	8,771	6,073	16,836	13,951
	<u>34,704</u>	<u>6,073</u>	<u>45,509</u>	<u>38,238</u>
Net income/(expenditure) for the year includes:			2022	2021
			£'000	£'000
Fees payable to auditor for:				
- Audit			24	21
- Other services			4	5
Depreciation of tangible fixed assets			3,351	3,358
Net interest on defined benefit pension liability			286	196
			<u>286</u>	<u>196</u>

8 Central services

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

- human resources;
- financial services;
- legal services;
- risk management and compliance services;
- educational support services;
- estates and IT support services;
- data services;
- marketing and communication services;
- project management.

The academy trust charges for these services on a flat 6% (2021: 6%) of GAG income.

The amounts charged during the year were as follows:	2022 £'000	2021 £'000
Gorsey Bank Primary School	103	96
Cheadle Hulme High School	532	491
Cheadle Hulme Primary School	60	42
Laurus Cheadle Hulme	279	190
Laurus Ryecroft	248	169
Didsbury High School	238	153
Hazel Grove High School	481	456
	<u>1,941</u>	<u>1,597</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

9	Charitable activities	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
	Direct costs				
	Educational operations	293	28,380	28,673	24,287
	Support costs				
	Educational operations	725	16,111	16,836	13,951
		<u>1,018</u>	<u>44,491</u>	<u>45,509</u>	<u>38,238</u>
				2022	2021
				£'000	£'000
	Analysis of support costs				
	Support staff costs			8,857	6,590
	Depreciation			3,351	3,358
	Technology costs			133	158
	Premises costs			2,722	2,556
	Legal costs			25	54
	Other support costs			1,708	1,202
	Governance costs			40	33
				<u>16,836</u>	<u>13,951</u>
				<u>2022</u>	<u>2021</u>
				<u>£'000</u>	<u>£'000</u>
10	Staff				
	Staff costs				
	Staff costs during the year were:			2022	2021
				£'000	£'000
	Wages and salaries			24,051	20,552
	Social security costs			2,428	1,994
	Pension costs			8,208	6,121
	Staff costs - employees			<u>34,687</u>	<u>28,667</u>
	Staff restructuring costs			17	14
				<u>34,704</u>	<u>28,681</u>
	Staff development and other staff costs			181	146
	Total staff expenditure			<u>34,885</u>	<u>28,827</u>
	Staff restructuring costs comprise:				
	Severance payments			<u>17</u>	<u>14</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

10 Staff

(Continued)

Severance payments

The academy trust paid 5 severance payments in the year, disclosed in the following bands:

0 - £25,000	5
-------------	---

Staff numbers

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

	2022 Number	2021 Number
Teachers	409	344
Administration and support	370	353
Management	10	10
	<u>789</u>	<u>707</u>

Higher paid staff

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

	2022 Number	2021 Number
£60,001 - £70,000	22	16
£70,001 - £80,000	4	3
£80,001 - £90,000	3	4
£90,001 - £100,000	1	2
£100,001 - £110,000	3	2
£110,001 - £120,000	1	-
£170,001 - £180,000	1	1
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,285,960 (2021: £1,245,500).

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

11 Trustees' remuneration and expenses

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

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

D Brown (Staff Trustee):

- Remuneration £110,001 - £120,000 (2021: £100,001 - £110,000)
- Employer's pension contributions £25,001 - £30,000 (2021: £25,001 - £30,000)

L Woolley (Staff Trustee):

- Remuneration £80,001 - £90,000 (2021: £80,001 - £90,000)
- Employer's pension contributions £15,001 - £20,000 (2021: £15,001 - £20,000)

W Mason (CFO and Trustee):

- Remuneration £100,001 - £110,000 (2021: £90,001 - £100,000)
- Employer's pension contributions £20,001 - £25,000 (2021: £15,001 - £20,000)

During the year ended 31 August 2022, travel and subsistence payments totalling £1,245 were reimbursed or paid directly to 2 trustees in respect of their duties carried out as employees (2021: £Nil).

12 Trustees' and officers' insurance

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

13 Tangible fixed assets

	Land and buildings	Assets Under construction	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 September 2021	86,587	84	4,241	6,223	97,135
Transfer on conversion	84	(84)	-	-	-
Additions	2,348	908	403	474	4,133
At 31 August 2022	89,019	908	4,644	6,697	101,268
Depreciation					
At 1 September 2021	9,003	-	2,839	1,511	13,353
Charge for the year	1,787	-	964	600	3,351
At 31 August 2022	10,790	-	3,803	2,111	16,704
Net book value					
At 31 August 2022	78,229	908	841	4,586	84,564
At 31 August 2021	77,584	84	1,403	4,712	83,783

The academy trust's transactions relating to land and buildings included £823K additions at Laurus Cheadle Hulme for the new 3G pitch, £437K on internal space improvements including dining facilities at Didsbury High School and Laurus Ryecroft and £346K on roofing replacements at Cheadle Hulme High School and Hazel Grove High School and . Other transactions all relate to building improvement work on existing buildings.

14 Debtors

	2022 £'000	2021 £'000
Trade debtors	716	61
VAT recoverable	454	98
Other debtors	7	32
Prepayments and accrued income	984	858
	2,161	1,049

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

15	Creditors: amounts falling due within one year	2022	2021
		£'000	£'000
	Government loans	31	31
	Trade creditors	1,881	538
	Other taxation and social security	616	506
	Other creditors	429	160
	Accruals and deferred income	3,719	2,269
		<u>6,676</u>	<u>3,504</u>
		<u><u>6,676</u></u>	<u><u>3,504</u></u>
16	Creditors: amounts falling due after more than one year	2022	2021
		£'000	£'000
	Government loans	102	132
		<u>102</u>	<u>132</u>
		<u><u>102</u></u>	<u><u>132</u></u>
	Analysis of loans	2022	2021
		£'000	£'000
	Not wholly repayable within five years by instalments	133	163
	Less: included in current liabilities	(31)	(31)
		<u>102</u>	<u>132</u>
	Amounts included above	102	132
		<u>102</u>	<u>132</u>
		<u><u>102</u></u>	<u><u>132</u></u>
	Loan maturity		
	Debt due in one year or less	31	31
	Due in more than one year but not more than two years	31	31
	Due in more than two years but not more than five years	66	75
	Due in more than five years	5	26
		<u>133</u>	<u>163</u>
		<u><u>133</u></u>	<u><u>163</u></u>

Loans of £133k (2021: £163k) from Salix are interest free loans. Repayments are deducted biannually from the GAG for Hazel Grove High School.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

17 Deferred income	2022	2021
	£'000	£'000
Deferred income is included within:		
Creditors due within one year	2,493	1,564
	<u> </u>	<u> </u>
Deferred income at 1 September 2021	1,564	1,184
Released from previous years	(1,564)	(1,184)
Resources deferred in the year	2,493	1,564
	<u> </u>	<u> </u>
Deferred income at 31 August 2022	2,493	1,564

At the balance sheet date the academy trust was holding the following funds

- £1,287k was received in relation to School Condition Allocation;
- £65k was received in advance in relation to capital projects;
- £385k was received in advance for school trips booked for 2021/22;
- £87k was received in relation to UIFSM;
- £28k was received in relation to discretionary bursary;
- £68k was received in advance in relation to DFC;
- £6k was received in relation to SCITT tuition fees
- £32k was received in relation to PDG;
- £150k was received in relation to the opening of sixth forms;
- £330k was received in relation to Start Up Grants for Woodford Primary School;
- The remaining £55k consists of other small balances.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
Restricted general funds					
General Annual Grant (GAG)	3,158	32,854	(30,804)	(1,502)	3,706
Start up grants	-	41	(41)	-	-
Other DfE/ESFA grants	-	2,597	(2,597)	-	-
Other government grants	-	1,369	(1,369)	-	-
Astroturf sinking fund	16	-	-	-	16
Other restricted funds	215	2,941	(2,996)	-	160
Pension reserve	(15,815)	-	(3,333)	17,053	(2,095)
	<u>(12,426)</u>	<u>39,802</u>	<u>(41,140)</u>	<u>15,551</u>	<u>1,787</u>
Restricted fixed asset funds					
Inherited on conversion	13,994	-	-	-	13,994
DfE group capital grants	60,982	1,073	(3,351)	-	58,704
Capital expenditure from GAG	1,720	-	-	1,502	3,222
Private sector capital sponsorship	7,087	1,557	-	-	8,644
	<u>83,783</u>	<u>2,630</u>	<u>(3,351)</u>	<u>1,502</u>	<u>84,564</u>
Total restricted funds	<u>71,357</u>	<u>42,432</u>	<u>(44,491)</u>	<u>17,053</u>	<u>86,351</u>
Unrestricted funds					
General funds	-	1,018	(1,018)	-	-
	<u>-</u>	<u>1,018</u>	<u>(1,018)</u>	<u>-</u>	<u>-</u>
Total funds	<u>71,357</u>	<u>43,450</u>	<u>(45,509)</u>	<u>17,053</u>	<u>86,351</u>

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

Restricted general funds

Restricted general funds comprise all other restricted funds received and include grants received from the Education Skills Funding Agency and the Department for Education. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that could be carried forward at 31 August 2022.

Astroturf sinking fund

The Astroturf sinking fund is in relation to the partnership agreement between Hazel Grove High School and Stockport Metropolitan Borough Council, as detailed in the contingent liability note. A further term of the agreement is that the Academy will invest up to £17,000 annually into a 'sinking fund' out of surplus generated from the Sports Centre (after payments as detailed in the contingent liabilities note), to be used to replace the facility after approximately 10 years of use. No surplus was generated in 2022.

Restricted fixed asset funds

Restricted fixed assets are resources which are to be applied to specific capital purposes imposed by the Education Skills Funding Agency and the Department for Education where the asset acquired or created is held for a specific purpose.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

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

	Balance at 1 September 2020 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds					
General Annual Grant (GAG)	1,265	27,271	(24,860)	(518)	3,158
Start up grants	-	36	(36)	-	-
Other DfE/ESFA grants	-	3,373	(3,373)	-	-
Other government grants	-	1,449	(1,449)	-	-
Astroturf sinking fund	16	-	-	-	16
Other restricted funds	157	2,741	(2,683)	-	215
Pension reserve	(10,746)	-	(1,904)	(3,165)	(15,815)
	<u>(9,308)</u>	<u>34,870</u>	<u>(34,305)</u>	<u>(3,683)</u>	<u>(12,426)</u>
Restricted fixed asset funds					
Inherited on conversion	13,994	-	-	-	13,994
DfE group capital grants	63,777	563	(3,358)	-	60,982
Capital expenditure from GAG	1,202	-	-	518	1,720
Private sector capital sponsorship	6,889	198	-	-	7,087
	<u>85,862</u>	<u>761</u>	<u>(3,358)</u>	<u>518</u>	<u>83,783</u>
Total restricted funds	<u>76,554</u>	<u>35,631</u>	<u>(37,663)</u>	<u>(3,165)</u>	<u>71,357</u>
Unrestricted funds					
General funds	-	575	(575)	-	-
Total funds	<u>76,554</u>	<u>36,206</u>	<u>(38,238)</u>	<u>(3,165)</u>	<u>71,357</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

18 Funds

(Continued)

Total funds analysis by academy

	2022	2021
	£'000	£'000
Fund balances at 31 August 2022 were allocated as follows:		
Gorsey Bank Primary School	227	263
Cheadle Hulme High School	1,114	1,080
Cheadle Hulme Primary School	288	144
Laurus Cheadle Hulme	676	516
Laurus Ryecroft	486	572
Didsbury High School	555	626
Hazel Grove High School	531	233
Central services	5	(45)
Total before fixed assets fund and pension reserve	3,882	3,389
Restricted fixed asset fund	84,564	83,783
Pension reserve	(2,095)	(15,815)
Total funds	86,351	71,357

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£'000	£'000	£'000	£'000	£'000	£'000
Gorsey Bank Primary School	1,374	394	148	363	2,279	2,081
Cheadle Hulme High School	7,029	1,680	846	1,038	10,593	10,286
Cheadle Hulme Primary School	990	339	78	204	1,611	1,272
Laurus Cheadle Hulme	3,473	876	269	555	5,173	3,627
Laurus Ryecroft	3,135	798	381	549	4,863	3,195
Didsbury High School	2,986	831	322	665	4,804	2,831
Hazel Grove High School	6,233	1,893	534	1,045	9,705	9,151
Central services	854	2,002	69	205	3,130	2,437
	26,074	8,813	2,647	4,624	42,158	34,880

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	-	-	84,564	-	84,564
Current assets	6,778	3,882	-	-	10,660
Creditors falling due within one year	(6,676)	-	-	-	(6,676)
Creditors falling due after one year	(102)	-	-	-	(102)
Defined benefit pension liability	-	(2,095)	-	-	(2,095)
Total net assets	-	1,787	84,564	-	86,351

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total Funds £'000
Fund balances at 31 August 2021 are represented by:					
Tangible fixed assets	-	-	83,783	-	83,783
Current assets	3,636	3,389	-	-	7,025
Creditors falling due within one year	(3,504)	-	-	-	(3,504)
Creditors falling due after one year	(132)	-	-	-	(132)
Defined benefit pension liability	-	(15,815)	-	-	(15,815)
Total net assets	-	(12,426)	83,783	-	71,357

20 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 the Greater Manchester Pension Fund and the Cheshire Pension Fund. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

Introduction

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

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations

(Continued)

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to the TPS in the period amounted to £3,754k (2021: £3,235k).

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 contributions made for the year ended 31 August 2022 are as noted below. The agreed contribution rates for future years are 16.7 - 31.3% for employers and 5.5 - 12.5% for employees.

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

Total contributions made	2022 £'000	2021 £'000
Employer's contributions	1,406	1,224
Employees' contributions	440	381
Total contributions	1,846	1,605

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

20 Pension and similar obligations (Continued)

Principal actuarial assumptions	2022 %	2021 %
Rate of increase in salaries	3.78	3.65
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	2022 Years	2021 Years
Retiring today		
- Males	20.8	21.0
- Females	23.5	23.7
Retiring in 20 years		
- Males	21.9	22.2
- Females	25.3	25.5

Combined sensitivity analysis	Approximate % increase to Employer Liability	Approximate monetary amount £'000
Change in assumptions at 31 August 2022		
0.1% decrease in real discount rate	2-3%	487
0.1% increase in the salary increase rate	0%	31
0.1% increase in the pension increase rate	2-3%	460

The academy trust's share of the assets in the scheme	2022 Fair value £'000	2021 Fair value £'000
Equities	11,045	10,012
Bonds	2,423	2,391
Cash	1,283	965
Property	1,495	1,034
Total market value of assets	16,246	14,402

The actual return on scheme assets was £126,000 (2021: £2,211,000).

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

20	Pension and similar obligations	(Continued)	
	Amount recognised in the statement of financial activities	2022	2021
		£'000	£'000
	Current service cost	4,453	2,932
	Interest income	(251)	(195)
	Interest cost	537	391
	Total operating charge	<u>4,739</u>	<u>3,128</u>
	Changes in the present value of defined benefit obligations		2022
			£'000
	At 1 September 2021		30,262
	Current service cost		4,408
	Interest cost		537
	Employee contributions		440
	Actuarial (gain)/loss		(17,178)
	Benefits paid		(128)
	At 31 August 2022		<u>18,341</u>
	Changes in the fair value of the academy trust's share of scheme assets		2022
			£'000
	At 1 September 2021		14,402
	Interest income		251
	Actuarial loss/(gain)		(125)
	Employer contributions		1,406
	Employee contributions		440
	Benefits paid		(128)
	At 31 August 2022		<u>16,246</u>

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

21 Reconciliation of net expenditure to net cash flow from operating activities	Notes	2022 £'000	2021 £'000
Net expenditure for the reporting period (as per the statement of financial activities)		(2,059)	(2,032)
Adjusted for:			
Capital grants from DfE and other capital income		(2,630)	(761)
Investment income receivable	6	(1)	(2)
Defined benefit pension costs less contributions payable	20	3,047	1,708
Defined benefit pension scheme finance cost	20	286	196
Depreciation of tangible fixed assets		3,351	3,358
(Increase)/decrease in debtors		(1,111)	520
Increase in creditors		3,172	501
Net cash provided by operating activities		<u>4,055</u>	<u>3,488</u>

22 Analysis of changes in net funds	1 September 2021 £'000	Cash flows £'000	31 August 2022 £'000
Cash	5,976	2,523	8,499
Loans falling due within one year	(31)	-	(31)
Loans falling due after more than one year	(132)	30	(102)
	<u>5,813</u>	<u>2,553</u>	<u>8,366</u>

23 Contingent liabilities

On 1 April 2016 Hazel Grove High School entered into a partnership agreement with Stockport Metropolitan Borough Council. The Academy took over the management and operation of the Sports Centre situated at the school. As per the terms of the agreement, the Academy will pay the Council 33% of any surplus generated from the Sports Centre, capped at £193,000 cumulatively. An amount of £6,511 has previously crystallised prior to 31 August 2019 with no further liability recognised during the current financial year. The timing of any additional future payments will depend upon the level of surpluses made. As any additional obligation in relation to the Sports Centre cannot be measured reliably, this has been disclosed as a contingent liability.

THE LAURUS TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2022

24 Long-term commitments

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £'000	2021 £'000
Amounts due within one year	82	69
Amounts due in two and five years	97	96
Amounts due after five years	1	-
	<u>180</u>	<u>165</u>

25 Capital commitments

	2022 £'000	2021 £'000
Expenditure contracted for but not provided in the accounts	2,811	-
	<u>2,811</u>	<u>-</u>

26 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. All transactions involving such organisations are conducted in accordance with the requirements of the ATH and in accordance with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The trustees have agreed that no purchases of goods or services may take place from organisations in which trustees have an interest.

During the year The Law Family Educational Trust (a trust member) donated £2,267k (2021: £1,294k) to the academy trust.

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

27 Post balance sheet events

The Trust opened a free school, Woodford Primary School, in September 2022.

28 Members' liability

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

