

**DIXONS ACADEMIES TRUST  
(A Company limited by Guarantee)**

**Annual Report and Financial Statements  
For the Year Ended 31 August 2022**

**Company Registration Number 02303464  
(England and Wales)**

# Dixons Academies Trust

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# Dixons Academies Trust

## Reference and Administrative Details for the Year Ended 31 August 2022

<b>Members</b>	<p>Joanne Williams</p> <p>Sir James Hill</p> <p>Bryan Collins</p> <p>Lynn Barrett</p>
<b>Trustees</b>	<p>Mike Blackburn OBE – Chair, Trust Board</p> <p>John Bowers MBE – Vice Chair, Trust Board, Chair, Dixons City Academy / Dixons Kings Academy Local Governing Body</p> <p>Lynn Barrett – Local Governing Body member, Dixons Allerton Academy and Dixons Sixth Form Academy (resigned 4 January 2022)</p> <p>Ruby Bhatti OBE – Chair, Dixons Marchbank Primary / Dixons Manningham Primary Local Governing Body</p> <p>David Clayton – Safeguarding Trustee</p> <p>Bryan Collins – Chair, Dixons Sixth Form Local Governing Body</p> <p>Brent Fitzpatrick MBE – Chair, Finance Committee; Local Governing Body Member, Dixons Allerton Academy and Dixons Cottingley Academy</p> <p>Kuldip Nijjar – Chair, Audit and Risk Committee</p> <p>Susan Richardson – Chair, Dixons Trinity Chapeltown Academy Local Governing Body</p> <p>Helen Thornton</p> <p>Sarah Elizabeth Young</p>
<b>Senior Management Team</b>	<p>Luke Sparkes – Chief Executive Officer (appointed 1 September 2022)</p> <p>Sir Nick Weller – Chief Executive Officer (resigned 31 October 2022)</p> <p>Amanda Bailey – Deputy Chief Executive: Finance and Operations</p> <p>Neil Miley – Deputy Chief Executive: Education; Acting principal, Dixons Unity Academy (appointed 7 November 2022)</p> <p>Jennifer Cross – Executive Director: Development</p> <p>Mark Harrison – Executive Director: Manchester and Liverpool</p> <p>Clare Skelding – Executive Director: Bradford and Leeds</p> <p>Justine Oldham – Associate Executive Principal, Primary</p> <p>Ryan Dolan – Executive Director: Information</p> <p>Tahmina Jahan – Executive Director: Communications (appointed 2 May 2022)</p> <p>Faizal Musa – Chief People Officer (appointed 1 March 2022)</p> <p>Natalie Brookshaw – All-through Principal, Dixons Trinity Chapeltown Academy</p> <p>Daniel Carr – Principal, Dixons Allerton Academy</p> <p>Mike Feely – Principal, Dixons City Academy</p> <p>Rachael Fidler – Principal, Dixons Broadgreen Academy</p> <p>Kevin Green – Principal, Dixons Brooklands Academy (appointed 5 January 2022)</p> <p>Rebecca Greenwood – Primary Principal, Dixons Allerton Academy</p> <p>Helen Haunch – Principal, Dixons Marchbank Primary</p> <p>Judith Kidd – Director, Dixons Centre for Growth</p> <p>Kat Lang – Principal, Dixons McMillan Academy (appointed 5 January 2022)</p> <p>Terri Leighton – Principal, Dixons Manningham Primary</p> <p>Jason Patterson – Principal, Dixons Cottingley Academy</p> <p>Luke Robbins-Ross – Principal, Dixons Music Primary</p> <p>Gemma Rothenburg – Principal, Dixons Unity Academy (resigned 6 November 2022)</p> <p>Mark Rothery – Principal, Dixons Sixth Form Academy</p> <p>Laura Senior – Principal, Dixons McMillan Academy (resigned 31 December 2021)</p> <p>Emma Steele – Principal, Dixons Trinity Academy</p>



## Dixons Academies Trust

### Reference and Administrative Details for the Year Ended 31 August 2022

	Chris Wilson – Principal, Dixons Fazakerley Academy Richard Wilson – Principal, Dixons Kings Academy
<b>Company Secretary</b>	Amanda Bailey (appointed 1 September 2021)
<b>Accounting Officer</b>	Luke Sparkes, Chief Executive Officer (appointed 1 September 2022)
<b>Registered Principal Office</b>	Dixons Academies Trust Ripley Street Bradford West Yorkshire BD5 7RR
<b>Company Registration Number</b>	02303464 (England and Wales)
<b>Bankers</b>	Lloyds Bank City Office 45 Hustlergate Bradford BD1 1NT
<b>Solicitors</b>	Hill Dickinson LLP No. 1 St. Paul's Square Liverpool L3 9SJ
<b>Independent Auditors</b>	BHP LLP Mayesbrook House Leeds LS16 6QY



# Dixons Academies Trust

## Trustees Report for the Year Ended 31 August 2022

### Structure, governance and management

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report, together with the financial statements and auditor's report, of the Dixons Academies Trust for the year ended 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates academies for students aged 3 to 19 serving a catchment area in the inner-city communities of Bradford, Leeds and now North-West of England. It has a pupil capacity of 13,655 and had a roll of 13,183 in the school census on 6 October 2022.

#### a. Constitution

Dixons Academies Trust is a company limited by guarantee and an exempt charity. Its registered office is situated in England and Wales. The company was first established on 6 October 1988. The Charitable Company's Memorandum and Articles of Association (dated 28 March 2018) are the primary governing documents of the Trust.

The Trustees are responsible for the charitable activities of the Trust and are the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Dixons Academies Trust.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative details on page 3.

The principal activities and objectives of the Trust are the advancement of education for public benefit in the United Kingdom by establishing, maintaining and developing high performing schools.

Our schools are nationally recognised for offering a broad curriculum underpinned by our core values and a relentless focus on the highest standards of student achievement.

Our students meet and work together in a harmonious and happy community drawn from all cultures and backgrounds across the region. We believe our students have a key role to play in the economic development and social regeneration of our cities in the next generation and beyond.

#### b. Members' liability

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

#### c. Trustees' indemnities

There are no qualifying third-party indemnity provisions in place in respect of Trustees, other than Trustees and Officers' insurance, which is in place.

#### d. Method of recruitment and appointment or election of Trustees

The Members of Dixons Academies Trust are responsible for the appointment of the Trust Board and the Chairs of the local governing bodies who in turn are responsible for appointments to their respective boards.

All Trustees/Governors are appointed based upon the contribution they can make to the development and future success of the Trust. Except for staff governors, no Trustees/Governors receive remuneration for their services other than reasonable out of pocket expenses.

In order to keep a balance of skills and expertise on each Trust Board, Trustees consider any skill gaps and may approach individuals (this may include parents) explaining the type of skills set or expertise the Trust is looking for. Identified individuals will be invited to put their names forward. In the case of parent governors, if more than one parent expresses an interest, then it may be necessary to hold an election within the parent body of the academy in question.

In order to find the people with the appropriate skills, there may be occasions where agencies, e.g. Academy Ambassadors and other such organisations, are approached to see if they can help the Trust to find potential governors with the required skill sets.

A short application form will be completed and the individual will be invited to meet key staff and governors. If an appointment is made, the successful individual will receive an induction appropriate to their new role.

The Trust outsources governance services to a third-party company.

#### e. Policies and procedures adopted for the induction and training of Trustees

New Trustees are inducted into the working of the Trust, including policies and procedures, at arranged meetings with the Chief Executive Officer with support from the Head of Executive Services. The training and induction provided will depend on the individual Trustees' skill set and experience. Where appropriate, induction will include training on educational, charity, legal and financial matters (with copies of policies, procedures, minutes, budget plans, management accounts and other appropriate documentation).



# Dixons Academies Trust

## Trustees Report for the Year Ended 31 August 2022

### f. Organisational structure

The organisational structure of the Trust is based on the principles that:

- The Members of the Company define the Object, Purpose and Ethos of the Company.
- The Trustees, who form the Trust Board, have overall responsibility and ultimate decision-making authority for all the work of the Company, including the establishing and running of schools and, in particular, each academy as a school. This is largely exercised through strategic planning and the setting of policy. It is managed through the business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes.
- The Trustees have the power to direct change where required to ensure that the Object, Purpose and Ethos of the Company are met.
- The Trustees delegate their responsibilities for the day-to-day operation of each academy and the whole of the funding granted by the Department of Education for the benefit of that academy directly to a Local Governing Body (LGB) through a Scheme of Delegation (the Scheme). A single Local Governing Body may manage more than one academy, but the funding granted for each academy must be applied only to that academy subject to the requirements of the Scheme. The Principal of each academy is an ex officio member of the LGB.
- The Executive Team, consisting of the Chief Executive Officer and Executive leaders, control the Trust / academies at an executive level by implementing the policies laid down by the Trustees and reporting back to them regularly. The Principals across the Trust are responsible for the authorisation of spending within agreed budgets and the appointment of staff at their academy. Some spending control is devolved to members of their Senior Leadership Team with financial limits above which a Senior Manager must countersign.
- Individual academy Senior Leadership Teams (SLTs) include the Principal, Vice Principals, Assistant Principals and the Operations/Business Manager. These managers are responsible for the day-to-day operation of the academy, in particular organising teaching staff, facilities and students.
- To assist the Trustees in their work, the Trust has established the three following sub-committees:
  - Audit and Risk Committee
  - Finance Committee
  - Remuneration Committee

During the year, the Trust consisted of the following academies:

Academy	Date Joined	Type
Dixons City Academy	September 2005	Secondary
Dixons Allerton Academy	September 2009	All-through Academy
Dixons Trinity Academy	September 2012	Secondary
Dixons Music Primary	September 2012	Primary
Dixons Marchbank Primary	January 2014	Primary
Dixons McMillan Academy	September 2014	Secondary
Dixons Manningham Primary	January 2015	Primary
Dixons Kings Academy	January 2015	Secondary
Dixons Trinity Chapeltown Academy	September 2017	All-through Academy
Dixons Cottingley Academy	July 2018	Secondary
Dixons Unity Academy	October 2018	Secondary
Dixons Sixth Form	September 2019	Post-16
Dixons Fazakerley Academy	September 2021	Secondary
Dixons Broadgreen Academy	December 2021	Secondary / Post-16
Dixons Brooklands Academy	January 2022	Secondary





# Dixons Academies Trust

## Trustees Report for the Year Ended 31 August 2022

### g. Pay policy for key management personnel

Principals and other educational senior leaders are paid by reference to national leadership pay scales. Salary ranges are consistent across the Trust and are dependent on seniority of position and size of school. The Chief Executive Officer is on a salary agreed by the Remuneration Committee after benchmarking against similar-sized Trusts. The Remuneration Committee meets annually to review all key personnel salaries.

### Trade union facility time

Dixons Academies Trust published its trade union facility time below for the period ending 31 August 2022:

Relevant union officials	
Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
11	10.6
Percentage of time spent on facility time	
Percentage of time	Number of employees
0%	8
1% - 50%	3
51% - 99%	0
100%	0
Percentage of pay bill spent on facility time	
Provide the total cost of facility time	£3,391.55
Provide the total pay bill	£54,921,872
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time/total pay bill) x 100	0.006%
Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period/total paid facility time hours) x 100	100%

### Related parties and other connected charities and organisations

The Trust has connections with the following organisations:

- The Vice Chair of the Trust Board, John Bowers MBE, is an educational consultant for Ambition Institute, Trustee at Minerva Academy Trust, and Governor at Clareborough Primary School and Manor Park
- Trustee and Chair of the Finance Committee, Brent Fitzpatrick MBE, is a Member of Exceed Academies Trust (an exempt charity), a member of the National Governance Association, and a Trustee at Pennine Academies, Yorkshire.
- Trustee, member of the Audit and Risk Committee and Chair of Governors for Dixons Marchbank / Dixons Manningham Primary, Ruby Bhatti OBE, is a Non-Executive Director of Carlisle Business Centre, NED for Action for Community Ltd and Arise Yorkshire Ltd, and a Trustee of Bradford Diocesan Academy Trust.
- Dixons' CEO (resigned 31 October 2022), Sir Nick Weller, is a Trustee of New Schools Network and Governor of Beckfoot Trust.
- Dixons' Chief Executive Officer (appointed 1 September 2022), Luke Sparkes, is a Trustee of the Confederation of School Trusts (CST).
- The Chair of the Trust Board, Mike Blackburn OBE, is a Director at Mike Blackburn Ltd, a Director at the Growth Company and The Lowry Centre Trust, and Governor of GM International Marketing Advisory Board.
- Dixons' Deputy Chief Executive Officer: Finance and Operation, Amanda Bailey is a Governor for the Apprentice Academy.



## **Dixons Academies Trust**

### **Trustees Report for the Year Ended 31 August 2022**

Any transactions with the above connected organisations comply with the requirements set out in the Academies Trust Handbook.

#### **Engagement with employees (including disabled persons)**

The Trust continuously seeks to encourage the involvement of its employees in its management through regular staff meetings, weekly updates, staff bulletins and Executive's weekly online feature. Employees are consulted on issues of concern to them through consultative meetings and are kept informed of specific policies directly by management.

The Trust will employ disabled persons when they appear to be suitable for the role and every effort is made to ensure they are given full and fair consideration. There are policies in place (Equality and Diversity policy, Health and Safety policy etc.) so that employees, who have been injured or disabled during the course of their employment can, where possible, continue with their employment.

During the employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

#### **Section 172 Statement**

As the Trust Board at Dixons Academies Trust, we have a legal responsibility under section 172 of the Companies Act 2006 to act in good faith in a way which would be most likely to promote the company's success for the benefit of its members as a whole, and to have regard to the long-term effect of our decisions on the company and its stakeholders. This statement addresses the ways in which, as a Trust Board, we carry out this responsibility.

#### **Promoting the Trust's success**

The Trust is strongly committed to serving areas in the North to transform the life chances of children and their communities through the highest-quality teaching. Dixons academies serve areas with high levels of students eligible for Free School Meals and with Special Educational Needs and is continually looking to expand to reach as many children as possible to improve their quality of life. Strategic decisions are based on the long-term objective of growth for the Trust, maximizing the number of children whose life chances can be improved.

#### **Our students and parents**

As a Trust, we put our students at the heart of everything we do. That is part of the Trust's culture: the parents of the students in our academies are continuously informed of the progress of their children and the safeguarding measures in place to ensure the safety of their children. We communicate with parents through letters, telephone or emails to ensure that they are constantly aware of the activities of the Trust. We organise parent-teacher meetings and listen to parents' concerns to improve the service we provide.

#### **Our employees**

The Trustees recognise that employees are fundamental and key to delivering the strategic plan of the Trust. The success of the Trust depends on attracting, retaining and motivating its talent. We help to engage with our employees by setting remuneration at a competitive rate to national and providing a rigorous professional development review process and intensive coaching. All staff also have access to an Employee Assistance Programme (EAP). The EAP is a confidential counselling and information service, which is available 24/7, to assist staff with personal or work-related problems that may affect their health, wellbeing and performance.

#### **Our suppliers**

As a Trust, we aim to maintain the highest possible standards of integrity in business relationships with suppliers. We rely on our suppliers to deliver learning materials, catering and food supplies to our individual academies on a timely manner, which are key to the service we provide.

We communicate with our suppliers through emails, specifically designed supplier forms and letters to update on any changes on terms and conditions. Our suppliers all have a direct channel of contacting the Trust for any changes on their supplier accounts, which are actioned promptly to avoid any delay in payment. Throughout the COVID-19 pandemic, the Trust considered carefully the procurement policy notes (PPN02/20 and PPN 04/20) and made prompt payments to suppliers for the continuity of supply of critical services to avoid any cash flow problems with our suppliers. During the financial year, the Trust remained committed to prompt payment terms to ensure fair payment practices.

#### **Our regulatory funding partners**

The Trust Board believes that constant engagement with the ESFA, Local Authorities and other government agencies is vital to our success. We continue to engage with our donors and sponsors through reports, online meetings and publications on our website. During the year, we have complied with all the financial and non-financial requirements of our donors and sponsors and submitted timely reports and returns. Our Chief Executive Officer and Executive Directors have ensured that our Trust adheres to all regulatory and legal requirements in delivering educational service and activities.

#### **Our planet**

The Trust Board is committed to reducing our carbon footprint. We are installing LED lights on a rolling basis across our academies and working with an energy consultant to improve the energy efficiency of our buildings where possible. Energy consumption is particularly



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## Trustees Report for the Year Ended 31 August 2022

relevant given the increase in the unit price of gas and electricity and the Trust are looking at a number of ways to reduce energy consumption including closing buildings early, blanket switch off of IT devices overnight, improving the insulation of our buildings and updating heating equipment to more energy efficient plant. We dispose of waste responsibly and recycle materials where possible.

### Public benefit

The Trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to public benefit in determining the activities undertaken by the Trust and have complied with the guidance issued by the Charity Commission relating to public benefit. The Trust is keen to emphasise the public benefit provided by the Trust, which can be seen by the activities, and performance outlined within the Trustees' report.

### Strategic Report prepared by the Chief Executive Officer

#### About our Trust

The Dixons Board, the executive team and our staff are all strongly committed to serving areas in the North with a history of poor education to transform the life chances of children and their communities. Dixons academies serve areas with high levels of students eligible for Free School Meals and with Special Educational Needs.

Dixons was built around the high-performing Dixons City Academy, which was one of the first City Technology Colleges which were the early blueprint for the academy programme. A third of our schools were brand new start-ups under the free school programme, while the other two-thirds are turnarounds adopted from failing predecessors in special measures.

Over the past five years, our Trust has more than doubled in size, growing to serve around 13,600 students, supported by around 1,500 staff, and with a budget of £100m. We cater for children aged 3-19 in sixteen schools in the inner-city communities of Bradford, Leeds, Manchester and Liverpool. There are ten secondary academies, three primaries, two all-through academies, and a sixth form academy. Six of our academies are judged Outstanding; three are judged now Good having been sponsored from Special Measures; and a further seven academies are awaiting their first inspection now that Ofsted's programme has resumed.

Over the next three years, Dixons plans again to grow significantly, building our hubs along the M62 in Liverpool and Manchester. It is likely that the majority of the additional schools will be secondaries. A further secondary school in Liverpool joins our Trust early in the 2022/23 academic year, and a site has been identified for our next free school in the Wythenshawe district of Manchester. We hope to win approval this coming year for one or two further free schools in the Wave 15 application round.

#### Why do we exist?

Our Trust's mission is to challenge educational and social disadvantage in the North. All of our academies serve areas of deprivation and communities with higher levels of Free School Meals than the national average. By the age of 18, we want every student to have the choice of university or a high-quality apprenticeship.

#### How do we behave?

We are a values-driven organisation, and our academies are communities with a strong sense of moral purpose. We expect staff and students to work hard: to be determined to get things done. We expect everyone to be good: to behave with integrity and honesty at all times. And we expect all of our people to be nice: to show humility, to be fair, and to be a positive team player.

#### What do we do?

We establish high-performing non-faith academies which maximise attainment, value diversity, develop character and build cultural capital. We are ambitious and make no excuses based on our students' backgrounds. All students are expected to make outstanding progress that will enable them to succeed in further or higher education and in the world of work. We spend more on teaching than other Trusts and cut cost elsewhere. The extended school week offers students more time in the classroom, as well as more opportunities to broaden their horizons and engage in a wider range of co-curricular experiences. We see diversity as a strength and want all students to value, and to learn from, the diversity around them.

#### How will we succeed?

The first of our strategic anchors is academic rigour because we believe that children need powerful knowledge to understand and interpret the world: without it they remain dependent upon those who have it. Powerful knowledge is cognitively superior to that needed for daily life, transcending and liberating students from their daily experience. Our curriculum is designed to be remembered, and is led by, collaborated on, and delivered by high-quality subject specialists. It is owned by students from all faiths and backgrounds and is the entitlement of all: we resist parental opt-outs.

Our operational model is one of aligned autonomy across our academies. We are aligned because we all share the same mission and values; because we want all Dixons students and staff to benefit from our best collective practice; because we all benefit from the collective Dixons resources, brand and reputation; because central services become simpler to deliver and more efficient; and because growth can be better controlled, supported and managed. We value autonomy because leadership and personal accountability are founded on ownership and self-direction; because conformity kills innovation and drives away the best staff; and because standardisation



## Dixons Academies Trust

### Trustees Report for the Year Ended 31 August 2022

fails to respond to changing needs and fails to adapt to a changing environment. Therefore, we seek to find the optimal balance between consistency across our academies and self-determination by their leaders.

Talent is the third of our strategic anchors and one strand of our strategic plan. There is a pressing business-need to ensure that our people-brand is as attractive as our educational brand. Our sector particularly has an issue of recruitment and retention and, although we fair better than many other Trusts, it is vital that we recognise that we must recruit, retain and motivate talent in order to continue to challenge educational and social disadvantage.

#### Educational performance

It has been another very successful year for the Dixons Academies Trust despite the challenges that COVID-19 posed to the communities we serve. Moreover, our internal quality assurance demonstrates that we have maintained the very high standards we have set in previous years, now during a period of significant growth. With over 13,600 students in 2022/23, our Trust has doubled in size over the last five years and will continue to grow as our new start-up schools and our undersubscribed newly-sponsored academies fill to their capacity and as we take on more schools in the North West. This year, Dixons Fazakerley and Dixons Broadgreen in north Liverpool and Dixons Brooklands in Wythenshawe all joined our Trust, and The De La Salle Academy in Liverpool will have joined as Dixons Croxteth and our sixteenth academy by the end of 2022.

Growth, and growth at a greater distance than hitherto, has brought both greater complexity and the potential for economies of scale. In response, we continue to build the efficiency and efficacy of our central services to free up school leaders to do what they do best: to lead learning in their academies and to drive up outcomes for their students.

Our priorities now are to grow our staff's sense of belonging and togetherness, for example, by replacing annual appraisal with weekly or fortnightly coaching for all staff, both teaching and associate; to grow shared services to deliver recognised service excellence, for example, by building small dedicated cross-functional teams around each academy; to make growth more programmatic by building a future pipeline of sponsorships; and to complete our transformation of foundational IT services.

We have also rebranded and expanded the role of the Dixons Teaching Institute, now as the Centre for Growth for both teaching and associate staff. Our associated YouTube channel, Dixons OpenSource, is also primarily focused on internal staff development, but now has two extended external offers: Dixons Insight offers virtual live events, executive Q&A and leadership resources, while Dixons Onsite is a bespoke and in-depth offer tailored to the specific needs of an academy or Trust.

2022 saw the restoration of public examinations after a two-year break. Overall, results held up well against the last set of examinations in 2019.

At A Level, attainment exceeded 2019 results at Dixons Allerton across all three main measures, and the first set of examined results at Dixons Sixth Form was even stronger. Historically, Broadgreen International School studied for the International Baccalaureate. From 2022/23, now as Dixons Broadgreen, students will take academic A Levels alongside a vocational offer.

	Academic Attainment Score		% Academic Grades at A* - B		% Academic Grades at A* - A	
	2019	2022	2019	2022	2019	2022
Dixons Allerton Academy	32.5	36.2	44.1%	57.9%	-	19.3%
Dixons Broadgreen Academy	n/a	n/a	n/a	n/a	n/a	n/a
Dixons Sixth form Academy	-	37.8	-	59.5%	-	27.2%
National 2019	33.3		51.5%		25.2%	

In vocational courses, while the overall attainment score was down at Dixons Allerton, the proportion of students achieving a grade of D/D\* rose from 63.1% to 67.5%. Attainment at Dixons Sixth Form was again even stronger on both measures.

Neither academic nor vocational valued added progress measures will be published this year because they rely on KS4 prior attainment. For 2021/22, most of this prior attainment data would be from the centre-assessed 2020 KS4 results, which nationally are not comparable to previous years.

Overall, Dixons Allerton continues to achieve consistently strong outcomes at Post 16, despite some staffing challenges in larger subjects, and Dixons Sixth Form's first-ever external exam results set a fairly strong baseline for the coming years. However, leaders are highly ambitious for the future and are acutely aware of their priorities for improvement. At Dixons Sixth Form, 4 students secured Oxbridge places and 71% secured places at their first-choice university.



## Dixons Academies Trust

### Trustees Report for the Year Ended 31 August 2022

At GCSE, most of our academies reported relatively strong results this year, although the more generous grading of 2022 does suggest the true impact of a disrupted education, especially on Disadvantaged students and at our recently-adopted academies, and even more so in Liverpool, where post-pandemic attendance was very low across the city. Nevertheless, the strong performance across the board for Strong Basics at Grade 5 or above demonstrates the improved learning culture even in our newest schools, even if overall Progress 8 and Attainment 8 measures were damaged by those who did not return regularly when schools reopened.

KS4	2019			2022		
	P8	A8	5+ Basics	P8 (est)	A8	5+ Basics
Allerton	0.38	44.4	33%	0.34	45.9	45%
City	0.59	53.1	56%	0.70	55.9	69%
Cottingley	-0.50	32.2	14%	0.28	43.8	40%
Kings	1.07	56.0	66%	0.87	56.8	70%
McMillan	0.68	56.1	52%	0.04	48.3	49%
Trinity	1.21	59.4	66%	1.06	60.0	66%
Unity	-0.49	33.9	20%	-0.61	31.8	29%
Broadgreen	-0.90	31.7	14%	-0.84	29.3	24%
Brooklands	-0.88	36.9	22%	-0.31	39.4	35%
Fazakerley	-0.80	38.0	24%	-1.23	27.3	26%

*Results in italics are those of the predecessor school*

Overall, our primary results held up fairly well against 2019 in phonics, at Key Stage 1, and in the KS2 SATs, although disadvantaged gaps overall have widened with time lost in school having an even greater impact than at secondary level. Despite this, there were some successes, with both of our sponsored primaries closing the gap on national significantly for meeting Age-Related Expectations in Combined Reading, Writing and Maths at Key Stage 2.

2021/22 also saw the resumption of Ofsted inspection. While we do not design our academies around external frameworks or do things specifically for Ofsted, it is always welcome to receive independent, external endorsement of our approach. Dixons Trinity Chapeltown was judged Outstanding in its first-ever inspection, while Dixons Music Primary had its own Outstanding judgement reaffirmed. Meanwhile, monitoring inspections at Dixons Allerton, Dixons Sixth Form and Dixons Marchbank all suggested that those academies were on track to receive a similar judgement at their next full inspection. It remains the case that all of our academies are judged either Good or better, with the majority (six of the nine inspected) judged Outstanding.

We end 2021/22 with what should be a bright future ahead. Reserves are at 7% of income, and these are vital to our continued success. We have always believed in deploying as much of our funding as possible on the education of the current students who generate it. Nevertheless, we need to hold a responsible level of reserves to invest in school improvement, to build capacity ahead of growth, to maintain and improve of our buildings and IT, and to protect us from unforeseen costs.

Like the rest of the state school sector, however, these finances are now under threat because of salary increases unfunded for the first time ever, and especially because of extreme inflation in energy costs. Government intervention on commercial energy contracts now offers us some protection until March 2023, but further support will be necessary beyond that if we can maintain the significant contribution, we make to improving the education system in areas where it is weak and desperately needed.

Despite these challenges, and despite the differential impact of the pandemic on the communities we serve, 2021/22 was again a very successful year for the Dixons Academies Trust. School improvement is strong across the Trust, and we continue to benefit from our work on culture, talent and curriculum whatever the changes to national frameworks and standards. Under me as our new Chief Executive Officer, at Dixons we shall continue to do all we can to serve areas of significant social and educational disadvantage effectively, transforming life chances and improving social mobility in the North.

### Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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 Statement of Accounting Policies.





# Dixons Academies Trust

## Trustees Report for the Year Ended 31 August 2022

### Financial review

The responsibility for the monitoring and support of open academies lies with the Education and Skills Funding Agency (ESFA), which handles the funding for all 4-19 education.

Most of the Trust's income is obtained from the ESFA and the Local Education Authority in the form of recurrent grants, the use of which is restricted as defined by its Memorandum and Articles of Association. The grants received from the ESFA and Local Education Authority during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the Department for Education. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Incoming resources (excluding Restricted Fixed Asset Funding) amounted to £86.4 million and were sufficient to cover all outgoings to produce an operating in year surplus of £0.859 million (before FRS102 pension costs).

During the year, three schools joined the Trust. Dixons Fazakerley Academy joined on 1 September 2021, Dixons Broadgreen Academy on 1 December 2021 and Dixons Brooklands Academy joined on 1 January 2022. At the date of transfer in of Dixons Fazakerley and Dixons Broadgreen, the operations, assets and liabilities were transferred to the trust at £nil consideration. Dixons Fazakerley and Dixons Broadgreen are PFI schools, and the fixed assets are financed under the PFI contract, and these transactions are treated as operating leases – note 22. The transferor (Liverpool City Council) retained the deficit of the academies and the only liability transferred was the defined benefit pension scheme liability.

However, Dixons Brooklands Academy was a Single Academy Trust and the assets and liabilities transferred were valued at their historic cost and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net (gain/loss) in the Statement of Financial Activities as Donations.

Whilst we recover from the impact of COVID-19 pandemic and the severe disruptions it caused to students, the Trust continues to receive funding from the DfE/ESFA and Local Authority to support students recover and catch up on lost learning. During the year, the Trust received additional COVID-19 related grants totalling £1.056 million to support pupils whose education has been impacted by COVID-19 and costs incurred in respect of this funding totalled £622k, with the remaining £434k ring-fenced to be spent in 22/23 and the catch-up premium funding balance of £18k. The Trust had the benefit of government income streams remaining stable.

During the year, the Trust received £100k Trust Capacity fund to support the growth and development of the Trust that was fully expended at the year-end. As the Trust continues to grow in size, we received £149k Emergency school improvement funding (ESIF) for Dixons Croxteth Academy which will be joining the Trust in 22/23. Costs incurred in respect of this funding totalled £26k, with the remaining £123k to be spent in 22/23.

The restricted general fund as reported in note 19 excluding pension liability is £5.681 million and the unrestricted fund balance is £1.371 million as at 31 August 2022 giving an actual reserve balance of £7.052 million.

The net book value of tangible and intangible fixed assets at 31 August 2022 was £134 million (2021 £111 million). Movements in tangible fixed assets are shown in note 14 to the accounts. The increase is due to the transfer of Dixons Brooklands Academy assets valued at historic costs. The restricted fixed asset fund is then reduced by annual depreciation charges over the expected useful life of the assets concerned. The assets were used exclusively for providing education and associated support services to academy students.

The deficit in LGPS pension funds is recognised on the balance sheet in accordance with the provisions of FRS102. The total deficit in the scheme as at 31 August 2022 was £3.444m (2021: £24.225m). The decrease in pension liability has been largely driven by changes in financial assumptions, which resulted in a gain of £34,974m. Market derived CPI inflation and salary increase rate has risen by between 0.10% and 0.25%. The corporate bond yield (upon which the discount rate is derived) has also risen over the period by between 2.4% and 2.6%. This has served to reduce the employer's obligations and led to the gain on the balance sheet. However, we inherited £9.038k pension liability from the three academies that joined the Trust during this financial year. The employment and finance cost totalled £5,155k (2021: £3,310k). Movements in the pension fund are reported in note 29 of the Financial Statements. The pension liability is underwritten by the Government if settlement was ever required.

The balance sheet discloses cash and bank balances of £10.367 million (2021 £8.484 million). The increase in cash balance is because of the additional grants received that were not fully expended in the year ended 31 August 2022, surpluses made by the academies and the transfer of Dixons Brooklands bank account balances.

### Reserves and Investment policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of reserves, excluding restricted fixed asset funding, should be equivalent to at least 5% of total turnover. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trustees have taken the decision to centralise all reserves in respect of the Trust.



## Dixons Academies Trust

### Trustees Report for the Year Ended 31 August 2022

As at 31 August 2022, the total reserves of the Trust were £7.052m (2021: £6.193m) of which the restricted general funds were £5.681m (2021: £5.298m). The fund ratio as a % of total income stand at 8.2% as at 31 August 2022, higher than the minimum limit of 5% as per the reserve policy but this includes the ringfenced income to be spent in 22/23.

The Trust's level of free reserves (total funds less the amount held in fixed assets and general restricted funds), as at 31 August 2022, were £1.371 million (2021 £0.895 million). The increase of the unrestricted funds is due to recognising the net surplus funds transferred from Dixons Brooklands Academy as unrestricted. The operating in-year surplus for the Trust was at £0.859m (2021: £2.378K) equating to 1% of total income.

The Trustee's investment powers are governed by the Memorandum and Articles of Association and allow the charity's funds to be invested in a wide range of investment vehicles without restriction. The Trustees have approved the investment of surplus cash into Flagstone, a bank deposit platform across a number of banks with varying terms not greater than twelve months. This will be managed through closely monitored cashflow forecasting and working capital analysis.

Details of the funds held by the Trust are set out in notes 19 and 20 of the attached financial statements.

### Principle risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular to those relating to teaching, provision of facilities and other operational areas of the Trust, and its finances. The Trustees have adopted policies and procedures to mitigate these risks for the Executive team to implement and report to the Audit and Risk committee for any non-compliance. The key risks fall into five categories:

#### Strategic

Growth is a priority for the Trust, but as we grow, there is a risk that Trust leadership capacity is overstretched and lacks impact in new academies and/or declining performance in existing ones. To mitigate this risk, the Trust has established strong leadership in the North West, approved investment in shared services staffing and renewed the focus on change management and professional growth. There is also the risk that the Trust's growth pipeline stalls and the Trust loses talent who are seeking personal growth or promotion elsewhere. To mitigate this, a wide variety of talent is involved in the growth project, the Trust is seeking White Paper opportunities and submitting free school applications.

#### People

The Trust's success is very much dependent on recruiting, developing and retaining the very best people in every position in its academies and central services. One of the specific risks is the failure to recruit and promote an inclusive and representative workforce. This can lead to a lack of diverse role models leaving a talent pool untapped. To mitigate the risk, the Trust has developed an Equality, Diversity and Inclusion strategy and has rolled out training for all staff across the Trust. Staff retention is another key risk due to many factors including change fatigue, cost of living, lifestyle choices. These risks could have a significant impact on teaching quality, governance, and risk of failure to comply with ESFA and DfE required standards. The Trust has implemented a people strategy to address the identified risks with a varied programme of first-class regular training and a wide range of opportunities for greater career development. In addition, the Trust is working with a number of coaches, there is a new employee benefits offer, and hybrid working is supported.

#### Safeguarding

The safety of students and staff is of paramount importance to the Trust. The risks of failure to protect and or safeguard the students and staff could have a detrimental impact on the reputation of the Trust. Therefore, the Trust places the highest importance on the safety and wellbeing of students and staff within its academies and the central team. The Trust has in place robust safeguarding and child protection policies and procedures to support academies in ensuring that students are safe and feel supported, and everyone working in the Trust is trained and knows when and how to raise any concerns that they may have about safeguarding. Implementation and effectiveness of these policies, which conform to DfE guidance, are monitored regularly. The Trust has in each of its academies a Designated Safeguarding Lead (DSL) who ensures consistent best practice in safeguarding and child protection.

#### Finance and operations

The education sector faces uncertainty over the rising cost of energy and unfunded salary increases. The Trust will draw upon its reserve balance to fund the salary increase and rising energy cost. The Trust has put in place procurement processes to ensure value for money. Capital programmes may be delayed which could impact on learning. There is early focus and action on CLFP, financial modelling and lobbying of Government for additional funding. Squeezes in academy budgets can result in staffing cuts and other compromises to educational quality. In the long term, the Trust has in place strong financial planning and a budget maximisation strategy to ensure that educational needs are met. There is also a risk of a fall in roll in some of the Trust's catchment areas due to a falling birth rate. This could lead to insufficient funding and hamper school improvement. The Trust has improved the local reputation of those academies affected and student recruitment is in line with other local schools that could attract students. There is a risk of cyber-attack that could cause significant disruption including loss of data, expense, disabled network, and inoperable systems. The Trust has a cyber strategy that covers updating firewalls and continual server patching which all support the security of the IT systems.





# Dixons Academies Trust

## Trustees Report for the Year Ended 31 August 2022

### Education

COVID-19 has had a significant impact and severe disruption on learning and there is a risk of failure to recover post-COVID causing a decline in culture and loss of learning which could lead to poor outcomes. The Trust has factored in additional capacity in its 5-year growth plan for culture, safeguarding and SEND. There is a risk that the turnaround schools may be vulnerable if inspected because of lost time due to COVID-19. The Trust's use of its academy transformation model to frame support can mitigate the risk and ensure continuous improvement. There is the risk of exam results falling below expectation within an academy. This could cause the loss of stakeholder confidence in the quality of education provided. The Trust has in place experienced and highly effective senior leaders, middle management and support staff to drive high standards in all its academies and ensure systems and processes are well embedded across the Trust.

### Fundraising

The Trust does not engage in raising funds directly from the general public and does not use a professional fundraiser or consider fundraising activity to be significant. The Trust will continue to monitor its sources of income and, should it start to generate significant funds from fundraising activities, will inform the fundraising regulator and take all necessary measures to ensure it complies with guidance issued.

### Streamlined energy and carbon reporting

UK greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022	2021/22	2020/21
Energy consumption used to calculate emissions (kWh)	17,628,746	13,974,404
Energy consumptions break down (kWh) (optional)		
• Gas		
• Electricity		
• Transport fuel		
<b>Scope 1 emissions in metric tonnes CO2e</b>		
Gas consumption	1,944.82	1,724.32
Owned transport – mini-buses	7.22	1.74
Total scope 1	1,952.04	1,726.06
<b>Scope 2 emissions in metric tonnes CO2e</b>		
Purchased electricity	1,331.13	961.28
<b>Scope 3 emissions in metric tonnes CO2e</b>		
Business travel in employee-owned vehicles	14.88	6.25
Total gross emissions in metric tonnes CO2e	3,298.05	2,693.59
Intensity ratio Tonnes CO2e per pupil	0.25	0.28

### Qualification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used 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 student, the recommended ratio for the sector.

### Measurement taken to improve energy efficiency

We have procured the support of an energy consultant and are looking at all avenues for reducing our energy consumption and improving our energy efficiency. We have installed energy efficient lights and smart metering and monitoring systems across many of our sites and increased video conferencing technology through Teams for staff and LGB meetings in order to reduce the need for travel between sites. We are developing a programme of works to support reducing our carbon emissions.

# Dixons Academies Trust

## Trustees Report for the Year Ended 31 August 2022

### Plans for the future

As a sponsor of academies, the Trust has ambitions to support even more young people by bringing other schools into the Trust's family of schools and by establishing new academies.

The Trust aims to achieve the highest educational outcomes for all its students as well as providing professional development opportunities for its staff so that all academies can continue to grow and become self-supporting.

The Trust will continue to build upon the educational success and financial stability of its academies by:

- ensuring all schools are assessed as outstanding by taking action on those issues raised by Ofsted during their various inspections
- improving teaching and, therefore, learning and achievement through targeted internal and external training
- continuing to review and evaluate the effectiveness of governance throughout the Trust and implement a programme of support for improvement as appropriate
- further developing its central procurement strategies by utilising specific external advice and support
- expansion of its teacher training programme now under the new name of Centre for Growth which is supporting training for teachers and in house associate staff.
- continue the planned investment in IT over the next two years to ensure that high quality learning and teaching support is achieved

As the Trust continues its growth plan, three new academies joined the Trust in 2021/22 and Dixons Croxteth Academy is expected to join in early 2022/23.

The Trust has been successful in its bid for a free school in Manchester and Dixons Wythenshawe Academy is expected to open in September 2023.

### Funds held as custodian on behalf of others and agency arrangements

The Trust receives 16-19 bursary payments from the Education and Skills Funding Agency. The Trust does not recognise this income as its own income and pays out all monies received for its primary purpose to the relevant parties. Other than this agency arrangement, the Trust does not act as a custodian trustee on behalf of others.

### Pension reserve

The presence of a pension surplus or deficit does not constitute an immediate realisable asset or liability and does not mean the equivalent amount is already committed or no longer available.

The presence of a pension surplus or deficit will generally result in a cash flow effect for the Trust in the form of a decrease or increase in the employer's pension contributions over a period of years. The Trust is confident that it can meet the required pension contributions from projected future income without a significant impact on its planned level of activity.

The risk surrounding the Trust's pension liability has been taken into consideration when preparing the annual budgets and, therefore, the Trust's reserves requirement will continue to be calculated without setting aside a designated reserve to cover the pension liability.

### Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- as far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware
- Trustees have taken all the steps that ought to have been taken as a Trustee in order to be made aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 1 December 2022, signed on its behalf by:



**Mike Blackburn OBE**  
Chair, Trust Board



# Dixons Academies Trust

## Governance Statement for the Year Ended 31 August 2022

### Scope of responsibility

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

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

The Trust Board 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 Dixons Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Trust Board 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 Governors' Responsibilities. The Trust Board has formally met four times during the year.

The Finance and Audit and Risk Committees, which meets at least three times per year, are sub-committees of the main Trust Board. Its purpose is to assist the Trust Board in fulfilling its oversight responsibilities with regard to the financial management of the Trust. It does this through the review of financial projections, management accounts and balance sheet reconciliations and to make recommendations to the Trust Board. In addition, it reviews the financial statements and accounting policies, receives and reviews the internal and external auditors report and ensures that recommendations are actioned, and risk managed.

Attendance during the year at meetings of the Trust Board, Finance Committee and Audit and Risk Committee was as follows:

Name	Trust Board	Audit and Risk Committee	Finance Committee
Lynn Barrett	-	-	-
Ruby Bhatti OBE	3/4	4/4	-
John Bowers MBE	4/4	-	-
David Clayton	4/4	2/3	-
Bryan Collins	3/4	-	-
Brent Fitzpatrick MBE (Chair, Finance Committee)	4/4	-	3/3
Nancy O'Neil	-	0/4	-
Jo Lynch	-	4/4	-
Susan Richardson	2/4	-	-
Sarah Young	4/4	-	3/3
Mike Blackburn OBE	4/4	-	
Kuldip Nijjar	3/4	4/4	
Helen Thornton	4/4	-	
James Wilkinson	-	-	3/3
John Holroyd	-	-	3/3
Julia Lea	-	-	3/3

### Review of value for money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year and reports to the Trust Board where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has continued to deliver improved value for money during the year through further developing procurement initiatives and improving centralisation of support functions, where appropriate.



# **Dixons Academies Trust**

## **Governance Statement for the Year Ended 31 August 2022**

### **Financial governance and oversight**

The Trust benefits from the provision of an independent internal audit service provided by BDO. BDO reports directly to the Audit and Risk Committee on all systems and procedures together with other areas identified in the 3-year Internal Audit Programme e.g. Governance, Health and Safety, Safeguarding, Risk Management etc.

The Trust receives support throughout the year from its External Auditors on compliance and accounting practices.

The Finance Committee receives monthly management accounts and balance sheet reports, including cashflow statements and working capital analysis, together with a detailed analysis of all significant variances. Compliance with the Scheme of Delegation is also monitored by the Finance and Audit and Risk Committees, which reviews the Scheme annually.

The Trust Board approves the budget each year bearing in mind the requirement to achieve a balanced budget and to ensure that the Trust remains a “going concern”. The Trust Board also receives and approves the Trustees’ annual report and accounts together with external auditor’s management Letter.

### **Better purchasing – ensuring value for money**

Contracts and services are regularly appraised and renegotiated when appropriate to ensure value for money. The Trust takes advantage of consortia, when appropriate, to obtain economies of scale. During COVID-19, the Trust followed the guidance given in PPN 02/20 and PPN 04/20 and paid suppliers who were unable to continue supplying the Trust as normal and paid them as normal during the period of lockdown to March 2021 and continues to do the same for small businesses. This included catering suppliers, agency staff and companies supplying exam enrolment for students. The Trust is working with a procurement partner who has developed a three-year procurement plan and a register of contracts to support better purchasing across the Trust.

### **Reviewing controls and managing risk**

Monthly budget monitoring reports are prepared for review by the Trust’s Head of Finance and academy Principals; appropriate action is taken to address any variances that may have an impact on the budget out-turn. The Trust ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential. Investment institutions are selected carefully to provide the most acceptable balance of return and risk.

### **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; therefore, it can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives. Also, to evaluate the likelihood of those risks being realised, the impact should they be realised and to manage them efficiently, effectively and economically. The Trust’s system of internal control 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.

### **Capacity to handle risk**

The Trust Board has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust Board is of the view that there is a formal ongoing process for risks management that has been in place for the year ending 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust Audit and Risk Committee and the Trust Board.

### **The risk and control framework**

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

- comprehensive budgeting and monitoring systems, with an annual budget and periodic financial reports, which are reviewed and agreed by the Trust Board
- regular reviews by the Finance Committee of reports which indicate financial performance against the budget/forecasts and of major purchase plans, capital works and expenditure programmes in line with the Scheme of Delegation
- 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



## Dixons Academies Trust

### Governance Statement for the Year Ended 31 August 2022

#### The risk and control framework (continued)

The Trust Board has considered the need for a specific Internal Audit function and has appointed BDO after a successful tender process to carry out internal scrutiny and the nature of work that they have been engaged to perform. The Internal Audit function reports directly to the Audit and Risk Committee.

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

- Budget setting and monitoring
- Estate management
- HR controls and follow up
- Payroll

On a regular basis, the internal auditor reports to the Trust Board, through the audit and risk committee on the operation of the systems of control and on the discharge of the Trust Board's financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

#### Review of effectiveness

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

- the work of the Internal Auditor
- the work of the External Auditor
- the financial management and governance self-assessment process
- the work of the Executive Directors within the Trust who have responsibility for the development and maintenance of the internal control framework

Based on the internal auditor's annual statement of assurance, the risk management activities and controls in the areas which were examined were found to be suitably designed to achieve the specific risk management, financial and internal control frameworks and governance arrangements for the period under review. Based on the sample testing, financial and internal control frameworks and governance arrangements were operating with sufficient effectiveness to provide reasonable assurance that the related risk management, control and governance objectives were achieved for the period under review for all areas tested.

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

Approved by order of the members of the Trust Board on 1 December 2022 and signed on its behalf by:



**Mike Blackburn OBE**  
Chair, Trust Board



**Luke Sparkes**  
Chief Executive Officer  
Accounting Officer





## Dixons Academies Trust

### Statement on Regularity, Propriety and Compliance for the Year Ended 31 August 2022

As Accounting Officer of Dixons Academies 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 ESFA terms and conditions of funding, under the funding agreement in place between the academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academies Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Trustees is able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Trust Handbook 2022.

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.



**Luke Sparkes**  
**Accounting Officer**

**1 December 2022**



## Dixons Academies Trust

### Statement of Trustees' Responsibilities for the Year Ended 31 August 2022

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

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

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

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

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

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

Approved by order of the members of the board of Trustees on 1 December 2022 and signed on its behalf by:



**Mike Blackburn OBE**  
Chair, Trustees



## **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 financial statements 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.

## **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements



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

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the 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 financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of Trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

### Responsibilities of trustees

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

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

### Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the Academy Trust through discussions with management, and from our knowledge and experience of the sector
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the Academy Trust, including the Charities Act 2011 and the guidance issued by the ESFA
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence with the regulators
- we identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Academy Trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships
- tested journal entries to identify unusual transactions





## Dixons Academies Trust

### Independent Auditor's Report on the Financial Statements to the Members of Dixons Academies Trust

- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

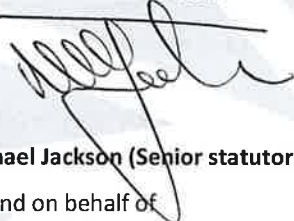
- agreeing financial statement disclosures to underlying supporting documentation
- reviewing correspondence with regulators and reading minutes of meetings of those charged with governance
- enquiring of management as to actual and potential litigation and claims

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

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

#### Use of our report

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



**Michael Jackson (Senior statutory auditor)**

for and on behalf of

**BHP LLP**

Chartered Accountants

1st Floor, Mayesbrook House

Redvers Close

Horsforth

Leeds

LS16 6QY

Date:

5 December 2022





In accordance with the terms of our engagement letter dated 20 October 2020 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 Dixons Academies Trust during the year 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 Dixons Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Dixons Academies 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 Dixons Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Dixons Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Dixons Academies Trust's funding agreement with the Secretary of State for Education dated 1 December 2016 and the Academy 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 year 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 work undertaken to draw our conclusion includes:

- checking that the Academy Trust's activities are consistent with its framework and its charitable objectives
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions
- checking that any related party transactions during the period are conducted at normal commercial rates
- checking that Academy Trust expenditure is permitted by its funding agreement
- checking that any borrowings entered into, including leases, are in accordance with the Academies Handbook
- checking that any land and building transactions are in line with the funding agreement and Academies Handbook

**Conclusion**

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



**Michael Jackson**

Reporting Accountant

**BHP LLP**

Chartered Accountants

1st Floor, Mayesbrook House

Redvers Close

Horsforth

Leeds

LS16 6QY

Date: *5 December 2022*



# Dixons Academies Trust

## Statement of Financial Activities for the Year Ended 31 August 2022

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £000	Restricted general funds £000	Restricted fixed asset funds £000	<b>Total 2022 £000</b>	Total 2021 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	35		2,192	<b>2,227</b>	1,501
Transfer from Local Authority and single Academy Trust	3	2,095	(9,038)	23,804	<b>16,861</b>	-
Charitable activities:						
- Funding for the Trust's						
- educational operations	4	-	81,707		<b>81,707</b>	58,668
Teaching School		-	-		-	339
Other trading activities	5	2,572			<b>2,572</b>	1,090
Investments	6	8			<b>8</b>	6
<b>Total</b>		<b>4,710</b>	<b>72,669</b>	<b>25,996</b>	<b>103,375</b>	<b>61,604</b>
<b>Expenditure on:</b>						
Charitable activities: Trust educational operations	7	4,234	84,778	4,570	93,582	64,582
Teaching School		-	-	-	-	327
<b>Total</b>		<b>4,234</b>	<b>84,778</b>	<b>4,570</b>	<b>93,582</b>	<b>64,909</b>
<b>Net income/(expenditure)</b>		<b>476</b>	<b>(12,109)</b>	<b>21,426</b>	<b>9,793</b>	<b>(3,305)</b>
<b>Transfers between funds</b>	19	-	(1,701)	1,701	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial (losses)/gains on defined benefit pension schemes	19,29	-	34,974	-	<b>34,974</b>	1,826
<b>Net movement in funds</b>		<b>476</b>	<b>21,164</b>	<b>23,127</b>	<b>44,767</b>	<b>(1,479)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		895	(18,927)	111,146	<b>93,114</b>	94,593
<b>Total funds carried forward</b>		<b>1,371</b>	<b>2,237</b>	<b>134,273</b>	<b>137,881</b>	<b>93,114</b>

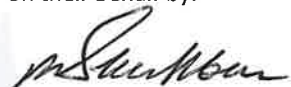
All the Trusts' activities derive from continuing operations during the above two financial periods.

# Dixons Academies Trust

## Balance Sheet as at 31 August 2022 – Company Number 02303464

		2022 £000	2022 £000	2021 £000	2021 £000
<b>Fixed assets</b>					
Intangible assets	13		42		59
Tangible assets	14		134,231		110,908
<b>Current assets</b>					
Stock	15	240		51	
Debtors	16	6,489		2,556	
Cash at bank and in hand		10,367		8,484	
		<u>17,096</u>		<u>11,091</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	17	(10,044)		(4,719)	
<b>Net current assets</b>			<u>7,052</u>		<u>6,372</u>
<b>Total assets less current liabilities</b>			<u>141,325</u>		<u>117,339</u>
<b>Net assets excluding pension liability</b>			<u>141,325</u>		<u>117,339</u>
Defined benefit pension scheme liability	19,29	(3,444)		(24,225)	
<b>Total net assets</b>			<u>137,881</u>		<u>93,114</u>
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>					
- Fixed asset fund	19	134,273		111,146	
- Restricted income fund	19	5,681		5,298	
- Pension reserve	19,29	(3,444)		(24,225)	
<b>Total restricted funds</b>			<u>136,510</u>		<u>92,219</u>
<b>Unrestricted income funds</b>	19		<u>1,371</u>		<u>895</u>
<b>Total funds</b>			<u>137,881</u>		<u>93,114</u>

The financial statements on pages 26 to 51 were approved by the Trustees and authorised for issue on 1 December 2022 and are signed on their behalf by:



**Mike Blackburn OBE**  
Chair, Trust Board



**Dixons Academies Trust**  
**Cash Flow Statement for the Year Ended 31 August 2022**

	Notes	2022 £000	2021 £000
<b>Cash flows from operating activities</b>			
<b>Net cash provided by operating activities</b>	23	<b>3,748</b>	1,960
<b>Net Cash flows from investing activities</b>	24	<b>(1,865)</b>	(144)
<b>Change in cash and cash equivalents in the reporting period</b>		<b>1,883</b>	1,816
<b>Cash and cash equivalents at 1 September 2021</b>		<b>8,484</b>	6,668
<b>Cash and cash equivalents at 31 August 2022</b>	25	<b>10,367</b>	8,484





## **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**

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

The financial statements of the 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.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £1,000.

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.

### **1.2 Fund accounting**

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors and include grants from the Education and Skills Funding Agency / Department for Education.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and other funders, where the asset acquired or created is held for a specific purpose on a continuing basis.

### **1.3 Incoming resources**

All incoming resources are recognised when the Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 is included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued and is included in debtors as accrued income.

The general annual grant ('the GAG') is recognised in full in the Statement of Financial Activities in the year for which it is receivable, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance sheet on 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.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

Donations 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, including the hire of facilities, is recognised in the period it is receivable and to the extent the Trust has provided the goods or services.

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within donations and capital grant income to the net assets acquired.



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 1.3 Incoming resources (continued)

The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable in incoming resources, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate category and depreciated over the useful economic life in accordance with Trust policies.

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

### 1.4 Resources expended

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 benefit 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 shared costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent and depreciation charges allocated on the portion of the assets' use.

Charitable activities and Governance costs are incurred on the Trusts' educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

### 1.5 Going concern

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

### 1.6 Intangible fixed assets and amortisation

Intangible assets costing more than £500 are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Intangible assets are amortised at 25% straight line.

### 1.7 Tangible fixed assets

All assets costing more than £500 and with a useful life of more than three years are capitalised.

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

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

Freehold land	Nil
Freehold buildings	1.67% – 10% straight line
Leasehold Property	2% – 10% straight Line
Plant and machinery	10% – 20% straight line
Furniture and equipment	10% – 20% straight line
Computer equipment	25% – 33% straight line
Motor Vehicles	25% straight Line



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 a fixed asset and their realisable value are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Software purchased independently of computers is included in Intangible fixed assets in accordance with FRS 102.

### **1.8 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust, this is normally upon notification of the interest paid or payable by the bank.

### **1.9 Stocks**

Stocks are valued at the lower of cost or net realisable value after making due allowance for obsolete or slow-moving stock.

### **1.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discount.

### **1.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and highly liquid investments with a short maturity of 12 months or less from the date of acquisition or opening of the deposit or similar account.

### **1.12 Liabilities and provisions**

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 the Trust anticipates it will pay to settle the debt or the amount it has received as advance payments for the goods or services it must provide.

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which is likely to 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 risk specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### **1.13 Leased assets**

Rentals under operating leases are charged on a straight-line basis over the lease term. There were no benefits received as an incentive to sign an operating lease contract.

The Trust has four academies where the buildings are subject to a contract under the Private Finance Initiative (PFI). This transaction is accounted for as a leasing transaction as the Trust only enjoys the benefit of the premises subject to the restrictions under the PFI agreement. The Trust does not hold substantially all the risks and rewards of ownership of the premises and the property is, therefore, accounted for as an operating lease. Consequently, the premises are not recognised as assets in the financial statements of the Trust.

The annual charges under the PFI agreement are subject to a fixed formula but will vary over time, therefore, the annual charges are expensed to the income and expenditure account in the year they relate to as this treatment is considered more appropriate than recognition on a straight-line basis.

### **1.14 Financial instruments**

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### **1.15 Investments**

Investments are carried at cost. The Trustees' investment powers are governed by the Memorandum and Articles of Association and allow the Trust to invest in a wide range of investment vehicles without restriction.

### **1.16 Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and, therefore, it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation, in respect of





## Dixons Academies Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022

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.

#### 1.17 Pensions

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

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

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the 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 date. The amounts charged to operating surplus are the current service costs, and the cost 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 incorporating income and expenditure accounts 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.

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

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

##### Critical accounting estimates and assumptions

The Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual result. 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 discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions.

The assumptions used in determining the net cost (income) for pensions include the discount factor rate. Any changes in these assumptions, which are disclosed in note 29, 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.

#### 1.19 Reserves and Investment policy

The Trustees have accepted the need for general long-term reserves to be maintained at a level approximately equal to 5% of turnover.

To help fund short and medium-term investment, the Trustees may transfer to restricted funds an annual variable sum up to a maximum of 12% of government funds. This has not been necessary for the year ending 31 August 2022.

#### 1.20 Redundancy and severance payments

Where the Trust has a constructive liability to make a redundancy payment, this is recognised as and when the liability arises. Where the Trustees have agreed that it is in the interest of the Trust to make a severance payment which is not contractual, this is recognised as a liability once the decision to make a payment has been ratified at a meeting of the Board of Trustees.

#### 1.21 Agency arrangements

The Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 31.



## 2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Trust is not subject to limits on the amount of GAG that can be carried forward from one year to the next.

## 3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Capital grants	-	2,192	2,192	1,676
Transfer from local authority and single academy trust	2,095	23,804	25,899	-
Donated fixed assets	-	-	-	444
Defined pension obligation inherited	-	(9,038)	(9,038)	(627)
Other donations	35	-	35	8
	<u>2,130</u>	<u>16,958</u>	<u>19,088</u>	<u>1,501</u>

The income from donations and capital grants, excluding transfer from local authority and single academy trust, defined pensions obligation inherited and donated assets, was £2,227k (2021: £1,684k) of which £35k was unrestricted (2021: £8k) and £2,192k was restricted fixed assets (2021: £1,676k).

## 4 Funding for the Trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	70,618	70,618	48,164
Other DfE/ESFA grants	-	-	-	-
Start-up grants	-	444	444	370
UIFSM	-	293	293	298
Pupil Premium	-	4,161	4,161	2,811
Others	-	3,109	3,109	4,059
	<u>-</u>	<u>78,625</u>	<u>78,625</u>	<u>55,702</u>
<b>Other Government grants</b>				
Local authority grants	-	2,027	2,027	1,561
Other income from the academy	-	-	-	-
Trust's educational operations	-	-	-	122
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	-	-	628
COVID-19 recovery premium	-	612	612	-
Other DfE/ESFA COVID-19 funding	-	332	332	490
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Other COVID-19 funding	-	111	111	165
<b>Total</b>	<u>-</u>	<u>81,707</u>	<u>81,707</u>	<u>58,668</u>

The income from funding for educational operations was £81,707k (2021: £58,668k) of which £nil was unrestricted (2021: £98k) and £81,707k was restricted (2021: £58,570k).



#### 4 Funding for the Trust's educational operations (continued)

The other grants above include PE and Sports Grant, Teacher's pay grant, Teacher's pension grant, Project development grant, Rates relief, non-recoverable funding, Emergency support funding, academy lease rental and School Supplementary Grant.

The Trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus (COVID-19) outbreak. The funding received is shown above under 'COVID-19 additional funding (DfE/ESFA)'.

- The Academy Trust did not receive any catch-up premium funding in-year as this was replaced with the recovery premium funding. However, from the brought forward funding of £364k, cost incurred in respect of this funding totalled £346k, with the remaining £18k to be spent in 2022/23.
- The academy trust received £612k of recovery premium funding and cost incurred in respect of this funding totalled £178k, with the remaining £434k to be spent in 2022/23.
- The other DfE/ESFA COVID-19 funding includes National Tutoring Programme, COVID-19 Mass testing funding, COVID-19 Vaccination funding and the summer school programme fund totalling £332k and was fully expended in the year plus the opening balance of £77k. These costs are included in note 7 below as appropriate.
- The Trust has not furloughed any of its staff during the pandemic and, therefore, no claim was made under the Coronavirus Job Retention Scheme.
- The Other COVID-19 funding received of £111k relates to the winter fuel grant from the Local Authority and was fully expended in the year plus the opening balance of £34k. These costs are included in note 7 below as appropriate.

#### 5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Letting's income	269		269	57
Music income	24	-	24	24
Catering income	1,197	-	1,197	631
Other income	1,082	-	1,082	378
	<u>2,572</u>	<u>-</u>	<u>2,572</u>	<u>1,090</u>

The income from other trading activities was £2,572k (2021: £1,090k) of which £2,572k was unrestricted (2021: £1,090) and £nil was restricted (2021: £nil).

#### 6 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2022 £000	Total 2021 £000
Short term deposits	8	-	8	6
	<u>8</u>	<u>-</u>	<u>8</u>	<u>6</u>

The income from investment income was £8k (2021: £6k) of which £8k was unrestricted (2021: £6k) and £nil was restricted (2021: £nil).

**Dixons Academies Trust**  
**Notes to the Financial Statements for the Year Ended 31 August 2022**

**7 Expenditure**

**Non-Pay Expenditure**

	<b>Staff costs</b>	<b>Premises</b>	<b>Other</b>	<b>Total</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>2022</b>	<b>2021</b>
				<b>£000</b>	<b>£000</b>
Trust's educational operations:					
- direct costs	53,908	-	5,908	<b>59,816</b>	41,288
- allocated support costs	11,650	900	21,216	<b>33,766</b>	23,294
Teaching School	-	-	-	-	327
	<b>65,558</b>	<b>900</b>	<b>27,135</b>	<b>93,582</b>	<b>64,909</b>

**Net income/(expenditure) for the period includes:**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Operating lease rentals:		
PFI	<b>3,575</b>	1,452
Other operating leases	<b>294</b>	186
Depreciation	<b>4,535</b>	3,994
(Gain)/loss on disposal of fixed assets	<b>(7)</b>	(13)
Amortisation of intangible fixed assets (included within Charitable Activities – Trust's educational operations)	<b>35</b>	40
Fees payable to auditor for:		
- audit	<b>37</b>	36
- other services	<b>21</b>	46

	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
<b>Direct costs – educational operations</b>	<b>59,816</b>	41,288
<b>Support costs – educational operations</b>	<b>33,683</b>	23,185
<b>Support costs – governance</b>	<b>83</b>	109
	<b>93,582</b>	<b>64,582</b>

**Direct costs – educational operations**

	<b>Total</b>	<b>Total</b>
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	<b>40,106</b>	28,634
National insurance	<b>4,225</b>	2,841
Pensions costs	<b>8,092</b>	5,700
Supply teachers	<b>1,129</b>	604
Staff development	<b>356</b>	155
Educational supplies	<b>4,799</b>	2,610
Examination fees	<b>1,024</b>	682
Other costs	<b>85</b>	62
<b>Total</b>	<b>59,816</b>	<b>41,288</b>



## 7 Expenditure on charitable activities (continued)

	Total 2022 £000	Total 2021 £000
<b>Support costs – educational operations</b>		
Wages and salaries	8,863	6,538
National Insurance	708	472
Pensions costs	1,180	815
Supply staff	523	194
Recruitment and other staff costs	376	241
Technology costs	944	635
Maintenance of premises and equipment	900	639
Cleaning	384	286
Rent and rates	890	611
Heat and light	1,015	950
Insurance	256	192
Security and transport	185	113
Catering	1,908	1,335
Operating leases	3,869	1,638
Office overheads	1,255	914
Depreciation and amortisation	4,570	4,034
Education supplies	678	76
FRS102 pension costs	5,155	3,310
DfE laptops	-	181
Bank charges	24	11
<b>Total</b>	<b>33,683</b>	<b>23,185</b>
	2022 £000	2021 £000
<b>Support costs – Governance</b>		
Auditors' remuneration	58	82
Other costs	25	27
<b>Total</b>	<b>83</b>	<b>109</b>

## 8 Staff and Staff Costs

### Staff costs

<b>Staff costs during the period were:</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Wages and salaries	48,913	35,363
Social security costs (Includes Apprenticeship Levy)	4,933	3,334
Pension costs	9,272	6,565
	<b>63,118</b>	<b>45,262</b>
Supply staff costs	1,652	798
Staff restructuring costs	56	33
FRS102 pension adjustment	534	366
	<b>65,360</b>	<b>46,459</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments	29	22
Severance payments	27	11
	<b>56</b>	<b>33</b>



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 8 Staff and staff costs (continued)

#### Severance payments

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

£0 – £25,000	5
£25,001 – £50,000	0
£50,001 – £100,000	0
£100,000 – £150,000	0
£150,000+	0

#### Staff numbers

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

	2022 No.	2021 No.
Teachers	822	642
Administration and support	776	655
Management	28	24
	<b>1,626</b>	<b>1,321</b>
	2022 FTE	2021 FTE
Teachers	814	620
Administration and support	583	513
Management	28	24
	<b>1,425</b>	<b>1,157</b>

#### Higher paid staff

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

	2022 No.	2021 No.
£60,001 – £70,000	24	11
£70,001 – £80,000	15	13
£80,001 – £90,000	5	3
£90,001 – £100,000	2	4
£100,001 – £110,000	3	-
£110,001 – £120,000	4	2
£120,001 – £130,000	-	1
£130,001 – £140,000	-	-
£140,001 – £150,000	1	-
£180,001 – £190,000	-	-
£190,001 – £200,000	1	1

#### Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and NI) received by key management personnel for their services to the Trust was £3.405 million (2021 £2.845 million).



## 9 Trustees' remuneration and expenses

The Chief Executive Officer only receives remuneration in respect of services he provides undertaking his role of Chief Executive Officer. Trustees did not receive any payments other than reimbursed expenses from Dixons Academies Trust in respect of their role as Trustees.

During the year ended 31 August 2022, travel and subsistence expenses totalling £118 were reimbursed to 1 Trustee (2021 £184). No remuneration was paid to any Trustee in the year nor in the prior year.

## 10 Trustees and Officers insurance (RPA)

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where the 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 Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers' indemnity element from the overall cost of the RPA scheme membership.

## 11 Central services

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

- Chief Executive Officer
- Deputy Chief Executive Officer
- School improvement
- Finance, HR and payroll services
- Procurement services
- ICT network and services
- Estate and site management
- Marketing, communications, design services, website management and compliance
- Admissions management and appeals management
- Legal services
- Governance services

The Trust charges for these services at 7% of GAG income (2021 – 6% of GAG income for all academies except Unity charged at 7% to cover additional SLT support). The actual amounts charged during the year were:

	<b>2022</b>	2021
	<b>£000</b>	£000
Dixons City Academy	361	278
Dixons Allerton Academy	737	582
Dixons Trinity Academy	254	195
Dixons McMillan Academy	259	204
Dixons Kings Academy	347	280
Dixons Music Primary	127	102
Dixons Marchbank Primary	144	116
Dixons Trinity Chapelton Academy	308	192
Dixons Manningham Primary	124	102
Dixons Cottingley Academy	371	284
Dixons Sixth Form Academy	352	252
Dixons Unity Academy	409	372
Dixons Brooklands Academy	360	-
Dixons Broadgreen Academy	447	-
Dixons Fazakerley Academy	387	-
<b>Total</b>	<b>4,987</b>	<b>2,959</b>



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

A summarised Income and Expenditure Account for the year ended 31 August 2022 in respect of the above is as follows:

	2022 £000	2021 £000
<b>Income</b>		
Recharge to academies	4,987	2,959
Pre-opening grant	100	640
Emergency support grant	235	168
Other DfE grant	4	325
Trust development grant and appeals	53	47
Other income	128	205
Funds inherited on transfer of single academy trust	2,095	-
<b>Total</b>	<b>7,602</b>	<b>4,344</b>

	£000	£000
Staff costs	5,595	3,627
Consultancy	26	33
HR and legal services	35	49
Audit and accountancy	56	81
IT licensing and software	277	154
Recruitment and advertising	288	38
Admissions	31	43
Capital purchase	605	45
Other	295	163
<b>Total</b>	<b>7,208</b>	<b>4,233</b>

### 12 Other financial income

	2022 £000	2021 £000
Investment income on pension scheme assets	723	441
Interest on pension scheme liabilities	(1,257)	(807)
<b>Total</b>	<b>(534)</b>	<b>(366)</b>

### 13 Intangible fixed assets

	Computer software £000
<b>Cost</b>	
At 1 September 2021	563
Additions	18
At 31 August 2022	<b>581</b>
<b>Amortisation</b>	
At 1 September 2021	504
Charged in year	35
At 31 August 2022	<b>539</b>
<b>Carrying amount</b>	
At 31 August 2021	59
At 31 August 2022	<b>42</b>



**Dixons Academies Trust**  
**Notes to the Financial Statements for the Year Ended 31 August 2022**

**14 Tangible fixed assets**

	Freehold land and buildings	Leasehold land and buildings	Plant and machinery	Motor vehicles	Fixtures and fittings
	£000	£000	£000	£000	£000
<b>Cost</b>					
At 1 September 2021	36,365	89,691	2,288	66	8,176
Transfer from Single Academy Trust		23,520			140
Additions	134	514	-	-	908
Disposals	-	-	-	(9)	-
At 31 August 2022	36,499	113,725	2,288	57	9,224
<b>Depreciation</b>					
At 1 September 2021	9,445	11,256	2,088	40	4,975
Charged in year	723	2,109	157	11	521
Disposals	-	-	-	(9)	-
At 31 August 2022	10,168	13,365	2,245	42	5,496
<b>Net book values</b>					
At 31 August 2021	26,920	78,435	200	26	3,201
At 31 August 2022	26,331	100,360	43	15	3,728

The Trust's Freehold Properties are subject to charges held by the Secretary of State for Education. Leasehold Properties are held on a 125-year lease from the Local Authority and/or Department for Education.

	Assets under construction	Computer equipment	Total
<b>Cost</b>			
At 1 September 2021	-	10,175	146,761
Transfer from Single Academy Trust	-	144	23,804
Additions	497	2,001	4,054
Disposals	-	-	(9)
At 31 August 2022	497	12,320	174,610
<b>Depreciation</b>			
At 1 September 2021	-	8,049	35,853
Charged in year	-	1,014	4,535
Disposals	-	-	(9)
At 31 August 2022	-	9,063	40,379
<b>Net book values</b>			
At 31 August 2021	-	2,126	110,908
At 31 August 2022	497	3,257	134,231

**15 Stock**

	2022 £000	2021 £000
Finished goods and goods for resale	240	51
	240	51

The stock of goods consists of books, stationery, teaching consumables etc. purchased in 2021/22 for use in 2022/23.





**Dixons Academies Trust**  
**Notes to the Financial Statements for the Year Ended 31 August 2022**

**16 Debtors**

	2022	2021
	£000	£000
Trade debtors	106	91
VAT recoverable	1,199	333
Other debtors	117	14
Prepayments and accrued income	5,067	2,118
	<b>6,489</b>	<b>2,556</b>

**17 Creditors: amounts falling due within one year**

	2022	2021
	£000	£000
Trade creditors	2,235	892
Other taxation and social security	1,296	884
Other creditors	2,057	1,058
Accruals and deferred income	4,456	1,885
	<b>10,044</b>	<b>4,719</b>

**18 Deferred income**

	2022	2021
	£000	£000
Deferred income at 1 September 2021	480	1,002
Released from previous years	(480)	(1,002)
Resources deferred in the year	529	480
Deferred Income at 31 August 2022	<b>529</b>	<b>480</b>

	2022	2021
	£000	£000
Rates	157	175
UIFSM	173	172
Post 16 bursary	102	77
GAG clawback	65	39
Uniform	22	-
SEN	3	-
Music	1	-
Charity Fund	-	9
Emergency funding	6	8
	<b>529</b>	<b>480</b>

Deferred income held at 31 August 2022 relates to 2022/23 Rates, Universal Infant Free School Meals, P16 bursary etc. as shown above.



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 19 Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains and (losses) £000	Transfers £000	Balance at 31 August 2022 £000
<b>Restricted general funds</b>						
General Annual Grant (GAG)	4,295	70,618	(69,209)	-	(1,701)	4,003
Start-up grant	-	444	(444)	-	-	-
UIFSM	-	293	(293)	-	-	-
Pupil Premium	-	4,161	(4,161)	-	-	-
Recovery premium	-	612	(178)	-	-	434
Catch-up premium	364	-	(346)	-	-	18
Other DfE/ESFA COVID-19 funding	77	332	(409)	-	-	-
Other COVID-19 funding	34	111	(145)	-	-	-
Other grants	528	5,136	(4,438)	-	-	1,226
Pension reserve	(24,225)	(9,038)	(5,155)	34,974	-	(3,444)
	(18,927)	72,669	(84,778)	34,974	(1,701)	2,237
<b>Restricted fixed asset funds</b>						
Transfer of building/FFE	38,712	-	(873)	-	-	37,839
Transfer on conversion	46,642	23,804	(1,537)	-	-	68,909
DfE/ESFA capital grants	24,342	2,113	(2,014)	-	-	24,441
Transfers in on joining Trust	1,000	-	-	-	-	1,000
Private sector capital sponsorship	134	79	(15)	-	-	198
Capital expenditure from GAG	316	-	(131)	-	1,701	1,886
	111,146	25,996	(4,570)	-	1,701	134,273
<b>Total restricted funds</b>	<b>92,219</b>	<b>98,665</b>	<b>(89,348)</b>	<b>34,974</b>	<b>-</b>	<b>136,510</b>
<b>Total unrestricted funds</b>	<b>895</b>	<b>4,710</b>	<b>(4,234)</b>	<b>-</b>	<b>-</b>	<b>1,371</b>
<b>Total funds</b>	<b>93,114</b>	<b>103,375</b>	<b>(93,582)</b>	<b>34,974</b>	<b>-</b>	<b>137,881</b>

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

#### Restricted funds

Restricted funds represent the cumulative unspent General Annual Grant, other government grants/income and sponsorship income carried forward from previous years in respect of funding received for the specific purpose of the Trust's running costs excluding fixed asset. Under the funding agreement with the Secretary of State, the academies are not subject to a limit on the amount of GAG that can be carried forward as at 31 August 2022.

#### Unrestricted fund

Unrestricted funds represent surpluses generated from other trading activities and are to be used to support future general educational purposes either of a revenue or capital nature at the discretion of the Trust Board. This includes the net income transferred from Dixons Brooklands Academy.

#### Restricted fixed asset fund

This fund represents the cumulative net book value carried forward in respect of the Trust's tangible and intangible fixed assets plus any capital funding received from central/local government and other donors which has not been expended by the balance sheet date. The capital funding may be used to complete capital projects or undertake maintenance works on existing tangible fixed assets. The fund balance also includes the carrying value of fixed assets of an academy joining the Trust from another Trust and all other assets donated to the Trust.

#### Pension reserve

This fund includes the pension reserve which identifies the pension deficit of academies joining the Trust from another Trust and through which the pension scheme movements are recognised. Where a pension valuation report is received and a surplus or a deficit on the defined benefit pension scheme is reported, the movement is recognised where an asset or liability occurred. The reserve above is negative because it constitutes a liability.



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### Comparative information in respect of the preceding period

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Gains and losses £000	Transfers £000	Balance at 31 August 2021 £000
<b>Restricted general funds</b>						
General Annual Grant (GAG)	3,048	48,164	(46,568)	-	(349)	4,295
Start-up grant	-	370	(370)	-	-	-
UIFSM	-	298	(298)	-	-	-
Pupil Premium	-	2,811	(2,811)	-	-	-
Catch-up premium	-	628	(264)	-	-	364
Other DfE/ESFA COVID-19 funding	-	490	(413)	-	-	77
Other COVID-19 funding	-	165	(131)	-	-	34
Other grants	580	5,810	(5,862)	-	-	528
Pension reserve	(22,114)	(627)	(3,310)	1,826	-	(24,225)
	<b>(18,486)</b>	<b>58,109</b>	<b>(60,027)</b>	<b>1,826</b>	<b>(349)</b>	<b>(18,927)</b>
<b>Restricted fixed asset funds</b>						
Transfer of building/FFE	39,585	-	(873)	-	-	38,712
Transfer on conversion	46,642	-	-	-	-	46,642
DfE/ESFA capital grants	25,413	2,120	(3,191)	-	-	24,342
Transfers in on joining Trust	1,118	-	(118)	-	-	1,000
Private sector capital sponsorship	134	-	-	-	-	134
Capital expenditure from GAG	-	-	(33)	-	349	316
	<b>112,892</b>	<b>2,120</b>	<b>(4,215)</b>	<b>-</b>	<b>349</b>	<b>111,146</b>
<b>Total restricted funds</b>	<b>94,406</b>	<b>60,229</b>	<b>(64,242)</b>	<b>1,826</b>	<b>-</b>	<b>92,219</b>
<b>Total unrestricted funds</b>	<b>187</b>	<b>1,375</b>	<b>(667)</b>	<b>-</b>	<b>-</b>	<b>895</b>
<b>Total funds</b>	<b>94,593</b>	<b>61,604</b>	<b>(64,909)</b>	<b>1,826</b>	<b>-</b>	<b>93,114</b>

### Total Trust Reserves Balances

	2022 £000	2021 £000
Centrally held reserves – restricted and unrestricted funds (MAT)	7,052	6,193
Restricted fixed asset fund	134,273	111,146
Pension reserve	(3,444)	(24,225)
<b>Total</b>	<b>137,881</b>	<b>93,114</b>

The Trustees approved that all reserves held by the Trust would be centralised. This decision has been taken so that all academies within the Trust are supported. Consequently, the Trustees have decided to pool all reserves. Accordingly, no surpluses or deficits are attributed to particular academies, but all are held centrally. The Trustees are committed to ensuring that the balance of reserves (£7.052m as at 31 August 2022) will be used effectively for the benefit of each child who is educated within a Dixons academy.



**Dixons Academies Trust**  
**Notes to the Financial Statements for the Year Ended 31 August 2022**

**19 Statement of funds (continued)**

**Analysis of academies by cost**

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
Dixons City Academy	3,598	871	223	704	5,395	4,961
Dixons Kings Academy	3,625	794	281	1,101	5,801	5,384
Dixons Allerton Academy	7,808	1,401	748	1,182	11,139	10,485
Dixons Music Primary	1,349	402	89	281	2,121	1,934
Dixons Marchbank Primary	1,754	223	147	355	2,479	2,350
Dixons Trinity Academy	2,749	609	323	470	4,151	3,616
Dixons McMillan Academy	2,761	555	236	502	4,054	3,767
Dixons Manningham	1,517	291	107	255	2,170	2,044
Dixons Trinity Chapeltown	3,123	567	426	547	4,663	3,722
Dixons Cottingley	3,383	697	521	762	5,363	4,721
Dixons Unity Academy	3,986	427	456	1,684	6,553	6,088
Dixons Sixth Form Academy	3,101	646	378	602	4,727	3,811
Dixons Central Services	1,999	3,565	146	6,050	11,760	7,499
Teaching Institute	240	89	19	3	351	312
Dixons Fazakerley Academy	3,599	408	548	1,284	5,839	-
Dixons Broadgreen Academy	3,871	566	918	1,402	6,757	-
Dixons Brooklands Academy	3,735	518	531	905	5,689	-
	52,198	12,629	6,097	18,100	89,012	60,694

**20 Analysis of net assets between funds**

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	2022 Total Funds £000	2021 Total Funds £000
Intangible fixed assets	-	-	42	42	59
Tangible fixed assets	-	-	134,231	134,231	110,908
Current assets	1,371	15,725	-	17,096	11,091
Current liabilities	-	(10,044)	-	(10,044)	(4,719)
Non-current liabilities	-	-	-	-	-
Pension scheme liability	-	(3,444)	-	(3,444)	(24,225)
<b>Total net assets</b>	<b>1,371</b>	<b>2,237</b>	<b>134,273</b>	<b>137,881</b>	<b>93,114</b>

**21 Capital commitments**

	2022 £000	2021 £000
Contracted for, but not provided in the financial statements	283	-

This commitment is a capital project partly funded by the ESFA. This relates to the fit out of part of the Coach House building at Dixons Sixth Form Academy to include new windows, partition walls, finishes and mechanical and electrical installations including new platform lift etc.





# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 22 Long-term commitments, including operating leases

#### Operating Lease

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

	2022	2021
	£000	£000
Amounts due within one year	544	466
Amounts due between one and five years	1,542	1,384
Amounts due after five years	1,490	1,628
	<b>3,576</b>	<b>3,478</b>

#### Other contractual commitments

At 31 August 2022, the total of the Trust's future minimum payments under other contractual commitments was:

	2022	2021
	£000	£000
Amounts due within one year	3,557	1,084
Amounts due between one and five years	15,307	4,643
Amounts due after five years	28,887	14,682
	<b>47,751</b>	<b>20,409</b>

The Trust occupies premises which are subject to a private finance initiative (PFI) contract. The Trust itself is not party to this service concession contract, however the Trust has entered into a supporting agreement towards the costs of the local authority. The above relates to commitments to operating payments including costs for catering, cleaning, utilities, and other ancillary services.

### 23 Reconciliation of net income/(expenditure)

	2022	2021
	£000	£000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	9,793	(3,305)
Adjusted for:		
- Amortisation [note 13]	35	40
- Depreciation [note 14]	4,535	3,994
- Capital grants from DfE and other capital income	(2,192)	(2,120)
- Transfer from Single Academy Trust	(23,804)	-
- (Profit)/Loss on disposal of fixed asset	(7)	(13)
- Interest receivable [note 6]	(8)	(6)
- Defined benefit pension scheme obligation inherited	9,038	627
- Defined benefit pension scheme cost less contributions payable (note 30,31)	4,621	2,944
- Defined benefit pension scheme finance cost [note 30,31]	534	366
- (Increase)/decrease in stocks	(189)	19
- (Increase)/decrease in debtors	(3,933)	(97)
- Increase/(decrease) in creditors	5,325	(489)
<b>Net cash provided by/ (used in) operating activities</b>	<b>3,748</b>	<b>1,960</b>



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 24 Cash flows from investing activities

	2022 £000	2021 £000
Dividends, interest and rents from investments	8	6
Proceeds from sale of tangible fixed assets	7	13
Purchase of intangible fixed assets	(18)	(21)
Purchase of tangible fixed assets	(4,054)	(2,262)
Transfer from Single Academy Trust	(23,804)	-
Capital grants from DfE and other capital income	2,192	2,120
Transfer from Single Academy Trust	23,804	-
<b>Net cash provided by/(used in) investing activities</b>	<b>(1,865)</b>	<b>(144)</b>

### 25 Analysis of cash and cash equivalents

	At 31 August 2022 £000	At 31 August 2021 £000
Cash in hand and at bank	8,855	6,977
Deposit account (12 months)	1,512	1,507
<b>Total cash and cash equivalents</b>	<b>10,367</b>	<b>8,484</b>

### 26 Members liability

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

### 27 Pension and similar obligations

The 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 West Yorkshire Pension Fund, Greater Manchester Pension Fund and Merseyside Pension Fund. They are all multi-employer defined benefit schemes.

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

Contributions amounting to £1,088,662 were payable to the schemes at 31 August 2022 (2021: £769,594) and are included within creditors.

### 28 Teachers' Pension Scheme

#### Introduction

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

The TPS is an unfunded scheme to which both the member and the 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 earning growth is 4.45%

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

The employer's pension costs paid to TPS in the period amounted to £7.252 million (2021: £5.227 million).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

## 29 Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,626k (2021: £1,774k) of which employer's contributions totalled £1,897k (2021: £1,257k) and employees' contributions totalled £729k (2021: £517k). The agreed contribution rates for future years are between 23.68% for employers and between 5.5% and 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 an Academy Trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

### Principal actuarial assumptions

	At 31 August 2022	At 31 August 2021
	<b>Range</b>	
Rate of increase in salaries	<b>3.80% - 4.40%</b>	3.85%
Rate of increase for pensions in payment/inflation	<b>2.70% - 3.00%</b>	2.60%
Discount rate for scheme liabilities	<b>4.10% - 4.30%</b>	1.70%
Inflation assumption (CPI)	<b>2.70% - 3.05%</b>	2.60%
Pension accounts revaluation rate	<b>2.70%</b>	2.60%
Commutation of pensions to lump sums		

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

	At 31 August 2022	At 31 August 2021
	<b>Average</b>	
<i>Retiring today</i>		
Males	<b>21.0</b>	21.9
Females	<b>24.0</b>	24.7
<i>Retiring in 20 years</i>		
Males	<b>22.2</b>	22.6
Females	<b>25.7</b>	25.8

### Sensitivity analysis

	At 31 August 2022	At 31 August 2021
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>(1,199)</b>	(1,415)
Discount rate -0.1%	<b>1,202</b>	1,415
Mortality assumption – 1 year increase	<b>(698)</b>	2,150
Mortality assumption – 1 year decrease	<b>701</b>	(2,150)
CPI rate +0.1%	<b>1,083</b>	1,245
CPI rate -0.1%	<b>(1,080)</b>	(1,245)



# Dixons Academies Trust

## Notes to the Financial Statements for the Year Ended 31 August 2022

### The Trust's share of the assets in the scheme

	Fair value at 31 August 2022	Fair value at 31 August 2021
	£000	£000
Equity instruments	33,800	25,958
Bonds	5,186	4,013
Property	2,492	1,230
Cash and other	4,120	1,165
<b>Total market value of assets</b>	<b>45,598</b>	<b>32,366</b>

The actual return on scheme assets was £484,000 (2021: £5,407,000)

### Amount recognised in the statement of financial activities

	2022	2021
	£000	£000
Current service cost (net of employee contributions)	(6,489)	(4,201)
Net interest cost	(534)	(366)
Past service cost	(25)	-
Administrative expenses	(4)	-
<b>Total operating charge</b>	<b>(7,052)</b>	<b>(4,567)</b>

### Changes in the present value of defined benefit obligations

	2022	2021
	£000	£000
<b>At 1 September</b>	<b>56,591</b>	<b>47,395</b>
Upon conversion	-	-
Current service cost	6,489	4,201
Past service cost	25	-
Interest cost	1,257	807
Employee contributions	729	517
Actuarial (gain)/loss	(35,213)	3,140
Benefits paid	30	(635)
Net increase in assets from disposals/acquisitions	19,134	1,166
<b>At 31 August</b>	<b>49,042</b>	<b>56,591</b>

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

	2022	2021
	£000	£000
<b>At 1 September</b>	<b>32,366</b>	<b>25,281</b>
Upon conversion	-	-
Interest income	723	441
Return on plan assets (excluding net interest on the net defined pension liability)	-	-
Actuarial gain/(loss)	(239)	4,966
Employer contributions	1,897	1,257
Employee contributions	729	517
Benefits paid	30	(635)
Administrative expenses	(4)	-
Net increase in assets from disposals/acquisitions	10,096	539
<b>At 31 August</b>	<b>45,598</b>	<b>32,366</b>

The workings of the net valuation of the combined pension schemes shows a deficit of £2,649k which includes a net asset valuation of £795k for Dixons Brooklands Academy. However, the Trustees believe that in order to show a true and fair view the net asset should not be recognised and as a result we have adjusted the actuarial gain on the defined benefit obligations so that the adjusted deficit of £3,444k is recognised on the balance sheet.





### 30 Related party transactions

Owing to the nature of the 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 Trust have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account.

### 31 Agency arrangements

The Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022, the Trust received £298K (2021: £201K) and disbursed £138k (2021: £156K) from the fund. Each academy may retain up to 5% of the fund income to cover associated administration costs. Any unspent monies are retained for future years spending to a maximum of 2 years. The value of unspent funds as at 31 August 2022 and included in other creditors was £280k (2021: £120k).

	2022	2021
	£000	£000
Fund brought forward	120	75
Bursary funding received	298	201
<b>Total income</b>	<b>418</b>	<b>276</b>
Funds distributed	138	156
5% admin cost retention	-	-
<b>Total costs</b>	<b>138</b>	<b>156</b>
<b>Funds carried forward</b>	<b>280</b>	<b>120</b>

### Collaborative arrangement

During the year, the Trust entered a 3-year collaborative arrangement with large Trusts across the Bradford District running early careers framework/national professional qualifications and education endowment research. The Trust through its centre for growth provide training and coaching of key BDAT senior leaders from all BDAT schools in phase 1 rolling out to other leaders in phase 2. The Trust received £29,240 from BDAT in year 1 (2021/22) and in year 2 (2022/23) will receive £20,000 and £25,000 in year 3 (2023/24) totalling £74,240 in three years.

This work is being delivered at cost as it is collaborative work across Multi Academy Trusts. As such there is no profit to this work and ESFA has been notified of this arrangement.



### 32 Transfer of newly converted academies and existing academy into the Trust

During the year ended 31 August 2022, one Single Academy Trust and 2 secondary schools managed by Liverpool City Council were transferred into the Trust. At the date of transfer, the operations, assets and liabilities of the two schools managed by Liverpool City Council were transferred to the Trust for £nil consideration. All the academies joining the Trust in the year ended 31 August 2022 including those with a transfer of assets when joining are set out below.

#### Dixons Fazakerley Academy

Dixons Fazakerley Academy (formerly Fazakerley High School) managed by Liverpool City Council was transferred into the Trust on 1 September 2021. At the date of transfer in, the operations, assets and liabilities were transferred to the Trust at £nil consideration. Transferor retained the deficit of the academy and the only liability transferred was the defined benefit pension scheme liability, which is set out below. The fixed assets are financed under PFI contract, and the transactions are treated as operating lease as mentioned on page 32. Therefore, the fixed assets of Dixons Fazakerley are not recognised in the financial statement at the date of transfer.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	2022 Total Funds £'000
<b>Non-current liabilities</b>				
LGPS pension deficit inherited	-	(1,822)	-	(1,822)
<b>Net (assets/liabilities)</b>	-	(1,822)	-	- (1,822)

#### Dixons Broadgreen Academy

Dixons Broadgreen Academy (formerly Broadgreen International School) managed by Liverpool City Council was transferred into the Trust on 1 December 2021. At the date of transfer in, the operations, assets and liabilities were transferred to the Trust at £nil consideration. Transferor retained the deficit of the academy and the only liability transferred was the defined benefit pension scheme liability, which is set out below. The fixed assets are financed under PFI contract, and the transactions are treated as operating lease as mentioned on page 32. Therefore, the fixed assets of Dixons Broadgreen are not recognised in the financial statement at the date of transfer.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	2022 Total Funds £'000
<b>Non-current liabilities</b>				
LGPS pension deficit inherited	-	(3,638)	-	(3,638)
<b>Net (assets/liabilities)</b>	-	(3,638)	-	- (3,638)



## Dixons Academies Trust

### Notes to the Financial Statements for the Year Ended 31 August 2022

#### Dixons Brooklands Academy

Dixons Brooklands Academy (formerly Manchester Health Academy) was a Single Academy Trust transferred into Dixons Academies Trust on 1 January 2022. At the date of transfer in, the operations, assets and liabilities were transferred to the Trust at £nil consideration. The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their historic cost and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net (gain/loss) in the Statement of Financial Activities as Donations – transfer from Single Academy Trust.

The table below set out the values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	2022 Total Funds £'000
<b>Tangible fixed assets</b>				
Leasehold land and buildings	-	-	23,520	<b>23,520</b>
Other tangible fixed assets	-	-	284	<b>284</b>
<b>Current assets</b>				
Cash and Bank	2,101	-	-	<b>2,101</b>
Debtors	387	-	-	<b>387</b>
Current liabilities	(393)	-	-	<b>(393)</b>
<b>Non-current liabilities</b>				
LGPS pension deficit	-	(3,578)	-	<b>(3,578)</b>
<b>Net (assets/liabilities)</b>	<b>2,095</b>	<b>(3,578)</b>	<b>23,804</b>	<b>22,321</b>

#### 32 Post balance sheet events

On 1 November 2022, Dixons Croxteth Academy (formerly De La Salle Academy) is a Single Academy Trust to be transferred to the Trust. At the date of transfer in, the operations assets and liabilities will be transferred to the Trust at nil consideration. The transfer will be accounted for as a combination that is in substance a gift. The assets and liabilities transferred will be valued at fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net (gain/loss) in the Statement of Financial Activities as Donations – transfer from Single Academy Trust. At the time of finalising the accounts, the assets and liabilities were not available.



