

Company Registration Number: 09628754 (England & Wales)

Medway Anglican Schools Trust

(A company limited by guarantee)

Annual report and financial statements

for the year ended 31 August 2022

Medway Anglican Schools Trust
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Incorporated Rochester Diocesan Board of Education
J Clarke, Chair of the Board of Directors
S Davis
A Wooding-Jones
B Senior

Trustees

J Clarke, Co-Chair
R Jones
H Sanders¹
G Mond, Co-Chair¹
K Cook¹
S Coleman¹
V Maple, Vice Chair (appointed 20 September 2022)
D Welch (resigned 6 July 2022)¹

¹ Finance Committee

Company registered number

09628754

Company name

Medway Anglican Schools Trust

Principal and registered office

St Margarets C of E Junior School
Orchard Street
Rainham
Gillingham
Kent
ME8 9AE

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REFERENCE AND ADMINISTRATIVE DETAILS (continued)
for the year ended 31 August 2022

Company secretary

K Barker

Chief executive officer

H Sanders

Senior management team

H Sanders, Chief Executive Officer

K Barker, Chief Financial Officer

J Strachan, Head Teacher of All Saints C of E Primary School

N Milton, Assistant Head Teacher of All Saints C of E Primary School

J Akkrill, Assistant Head Teacher of All Saints C of E Primary School (resigned 31 December 2021)

K Forghani Ashraff, Assistant Head Teacher of All Saints C of E Primary School

L Williams, Head Teacher of St Margaret's C of E Junior School

C Dixon, Assistant Head Teacher of St Margaret's C of E Junior School

F Cordingley, Head Teacher of St James' C of E Primary School

S Palmer, Assistant Head Teacher St James' C of E Primary School

D West, Assistant Head Teacher of St James' C of E Primary

J Collman, Head Teacher of St John's C of E Infants' School

D Brown, Senior Teacher of St John's C of E Infants' School

Independent auditors

Kreston Reeves LLP

Statutory Auditor

37 St Margaret's Street

Canterbury

Kent

CT1 2TU

Bankers

Lloyds Bank plc

142 - 146 High Street

Chatham

Kent

ME4 4DQ

Solicitors

Thomson Snell & Passmore

3 Lonsdale Gardens

Tunbridge Wells

Kent

TN1 1NX

Internal auditors

Azets

Globe House

Eclipse Park

Sittingbourne Road

Maidstone

ME14 3EN

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Trustees' report
for the year ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year/period 1st September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

The trust operates four primary academies in the Medway area. Its academies have a combined pupil capacity of 975 from reception year to year 6 and had a roll of 913 in the school census in May 2022. All Saints CE Primary and St James CE Primary also offer nursery provision for children from age 2 with a combined capacity of 100 places. These places fill throughout the year as children reach their qualifying age – by the summer term census there were 93 nursery children on roll.

Structure, Governance and Management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Medway Anglican Schools Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Medway Anglican Schools Trust.

Details of the Trustees who served during the year and to the date these accounts are approved are included in the Reference and Administrative Details on page 1

Members' Liability

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

*As required in the Academy Trust's funding agreement/memorandum and articles of association.

Trustees' Indemnities

Cover for third party liability and all indemnities are provided through the Trust's purchase of membership of Risk Protection Arrangements from DfE. There were no third party claims during the 2021-2022 year.

Method of Recruitment and Appointment or Election of Trustees

Medway Anglican Schools Trust recruit Directors who have the experience and skills to be able to lead and manage the business of the Trust. Potential candidates complete a skills audit and are interviewed by Director(s) of the Board. The Board then discuss the candidate and vote on whether to appoint. An invitation to join the Board is then made. The Board also writes to the Members to confirm that they agree with, and confirm the appointment.

The Board of Directors annually reviews its effectiveness and skills set and recommends the recruitment and appointment of Directors as a result of this process. The Trust will consider appointing Directors from the local governing bodies of its academies which has the dual effect of enhancing the skills of the Trust Board and reinforcing the relationship with governance at local governing body level. The Trust has also used the National Ambassador Scheme in order to try to recruit and appoint governors with commercial expertise in the fields of finance and estates management.

There were four first Directors who are named in the Incorporation documents and were appointed by members, of these only the Chair of Board and Chief Executive Officer are still Directors. The Chief Executive Officer is an ex-officio Director for the period of their being in post.

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Trustees' report (continued)
for the year ended 31 August 2022

As laid out in the Articles of Association:

The number of Directors shall not be less than three, but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. Currently there are six Directors and the CEO as an ex-officio director.

The members appoint a minimum of five Directors. The Local Governing Bodies appoint Parent Governors, hence in accordance with the Articles of Association there is no requirement to appoint Parent Directors, although there may be Directors who are also parents of children in the Academies. Those Directors who are appointed by members can, with the agreement of the Diocese, appoint co-opted Directors. Future Directors shall be appointed or elected, as the case may be, under the Articles of Association.

Appointment of Directors

The Members shall appoint a minimum of 5 Directors.

The Members shall ensure that the total number of Directors including the Chief Executive Officer who are employees of the Company does not exceed one third of the total number of Directors.

Currently every Academy in the Medway Anglican Schools Trust has a local governing body and each Academy has two parent governor posts as part of its governing body. The parent governors are elected as detailed in the extract from the Articles of Association below:

Parent Directors

In circumstances where the Directors have not appointed Local Governing Bodies in respect of the Academies as envisaged in Article 101A there shall be a minimum of 2 Parent Directors and otherwise such number as the Members shall decide who shall be appointed or elected in accordance with Articles 54 - 56.

Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies shall be elected or appointed by the parents of registered pupils at one or more of the Academies and each must be a parent at the time when he is elected or appointed.

Notwithstanding Article 53, if no parents put themselves forward for election the number of Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Directors and Parent members appointed by the Directors.

The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Directors or Parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies. Any election of the Parent Directors or Parent members of the Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

In appointing a Parent Director or Parent member of a Local Governing Body or Advisory Body the Directors shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

Chief Executive Officer

The Chief Executive Officer shall be a Director for as long as they remain in office as such.

Co-opted Directors

The Directors appointed under Article 50 with the consent of the Diocesan Board of Education may appoint up to 2 Co-opted Directors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A 'Co-opted Director' means a person who is appointed to be a Director by being Co-opted by Directors who have not themselves been so appointed. In accordance with Article 50A, The Directors may not co-opt an employee of the Company as a Co-opted Director if thereby the number of Directors who are employees of the Company would exceed one third of the total number of Directors including the Chief Executive Officer.

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Trustees' report (continued)
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Term of Office

The term of office for any Director (other than Co-opted Directors under Article 58) shall be four years, save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

Resignation and Removal

A Director shall cease to hold office if he resigns his office by notice to the Company (but only if at least three Directors will remain in office when the notice of resignation is to take effect).

A Director shall cease to hold office if he is removed by the person or persons who appointed him. This Article does not apply in respect of a Parent Director.

Where a Director resigns his office or is removed from office, the Director or, where he is removed from office, those removing him shall give written notice thereof to the Clerk.

Disqualification of Directors

No person shall be qualified to be a Director unless he is aged 18 or over at the date of his election or appointment. No current pupil or current student of any of the Academies shall be a Director.

A Director shall cease to hold office if he becomes incapable by reason of illness or injury of managing or administering his own affairs.

A Director shall cease to hold office if he is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his office be vacated.

A person shall be disqualified from holding or continuing to hold office as a Director if:

- his estate has been sequestrated and the sequestration has not been discharged, annulled or reduced; or
- he is the subject of a bankruptcy restrictions order or an interim order.

A person shall be disqualified from holding or continuing to hold office as a Director at any time when he is subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification Act 1986 or to an order made under section 429(2)(b) of the Insolvency Act 1986 (failure to pay under county court administration order).

A Director shall cease to hold office if he ceases to be a Director by virtue of any provision in the Companies Act 2006 or is disqualified from acting as a trustee by virtue of section 178 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).

A person shall be disqualified from holding or continuing to hold office as a Director if he has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission or the High Court on the grounds of any misconduct or mismanagement in the administration of the charity for which he was responsible or to which he was privy, or which he by his conduct contributed to or facilitated.

A person shall be disqualified from holding or continuing to hold office as a Director where he has, at any time, been convicted of any criminal offence, excluding any that have been spent under the Rehabilitation of Offenders Act 1974 as amended, and excluding any offence for which the maximum sentence is a fine or a lesser sentence except where a person has been convicted of any offence which falls under section 178 of the Charities Act 2011.

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Trustees' report (continued)
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After the first Academy has opened, a person shall be disqualified from holding or continuing to hold office as a Director if he has not provided to the chairman of the Directors a criminal records certificate at an enhanced disclosure level under section 1138 of the Police Act 1997. In the event that the certificate discloses any information which would in the opinion of either the chairperson or the Chief Executive Officer confirm their unsuitability to work with children that person shall be disqualified. If a dispute arises as to whether a person shall be disqualified, a referral shall be made to the Secretary of State to determine the matter. The determination of the Secretary of State shall be final.

Where, by virtue of these Articles a person becomes disqualified from holding, or continuing to hold office as a Director; and he is, or is proposed, to become such a Director, he shall upon becoming so disqualified give written notice of that fact to the Clerk.

Articles 68 to 74, Articles 77 to 79 and Articles 97 to 98 also apply to any member of any committee of the Directors, including a Local Governing Body, who is not a Director.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees bring their key skills and experience to the Board but may have limited experience of how Academy Trusts operate and the roles and responsibilities of the Trust Board and Local Governing Bodies.

Upon the offer of appointment being accepted, the Director is required to complete and submit a Disclosure and Barring Service form. Once the enhanced check is received and checked, the Director is formally appointed.

When a Director is appointed, they undergo an induction programme which includes learning about the Academies within the Medway Anglican Schools Trust and their individual characteristics. They receive an induction pack which includes key documents to read as listed:

Articles of Association
Scheme of delegation
Master funding agreement
Supplemental funding agreement
Trustee code of conduct
Academies Financial Handbook
MAST financial manual
Governance handbook
Keeping Children Safe in Education 2022
MAST Structure Chart with Names
Last year's Board minutes
Last year's CEO reports
Last 2 LGB minutes from trust schools

They are given: a MAST e-mail address for Trust communications; training in safeguarding, including the Prevent Module, links to the Trust Academy websites; a list of Local Governing Body Governors; copies of the Ofsted framework and safeguarding framework and the opportunity to meet with the Chief Executive Officer and to visit Academies in the Trust.

They also have access to NGA Learning Link and are invited to attend the MAST governance training sessions.

Organisational Structure

The Board of Directors is ultimately responsible to the Members and the Secretary of State for Education for the performance of the Medway Anglican Schools Trust and its academies. The Directors are responsible for the strategic direction of the Trust and have the ultimate decision-making authority. This is exercised by the Directors through strategic planning which details the vision, purpose and objectives of the Trust and setting of policy. It is managed through business and financial planning, budget monitoring, performance management, the setting of expectations for standards and the implementation of quality management processes.

The Chief Executive Officer implements the decisions of the Directors and is responsible for the day to day operations of the Trust. The Chief Executive Officer operates within the limits of the Trust's policies and procedures as approved by the Board of Directors and the powers delegated to them. The Chief Executive Officer is the Accounting Officer.

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Trustees' report (continued)
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To ensure financial scrutiny and oversight, the Trust has a Finance Committee with the appropriate levels of delegation to undertake such scrutiny and oversight. For the purposes of internal control, review of systems and compliance with legislation and internal systems and policies, the Finance Committee acts as Audit Committee, with appropriate terms of reference. The committee monitors the systems and operations of the Trust and reviews the more detailed and independent internal audit work of a firm of accountants retained for these purposes as well as the work of the Trust's auditors. The membership of this committee is detailed in the reference and administrative section.

In order to provide increased monitoring and scrutiny of educational standards within the Trust academies, the Board of Directors has established from 1 September 2016 the Schools Standards Scrutiny Focus. This provides detailed analysis of standards, holding academies to account for learner achievement, encourage Trust wide initiatives to monitor individual school performance and encourage school to school support. While the last year has been disrupted due to Covid-19 and it hasn't been possible to hold every Schools Standards Scrutiny Focus meetings on site in the academies, the Board has been provided with detailed information on standards both academic, attendance, safeguarding and health and safety through the CEO reports to board meetings and the attendance of the headteacher and chair of local governing body either virtually or on site.

A local governing body under an agreed scheme of delegation operates each of the Trust's academies. The local governing body is a committee of the Board of Directors. The Directors have delegated to the local governing body of each academy the powers and responsibilities detailed in their respective schemes of delegation, which were reviewed and approved by the Directors on 1 September 2021. Unless a matter is identified as strategic or specifically reserved to the Directors, all power and responsibility for the academy in question is delegated to the local governing body including the expenditure of funds allocated to the academy within the limits agreed in the scheme of delegation and financial handbook. The local governing body is at liberty to delegate its powers to the Headteacher by means of a written scheme of delegation. This gives the Headteacher the responsibility and the commensurate powers to undertake the internal management of the academy so as to ensure that its day-to-day operations can be undertaken. The Headteacher carries out these responsibilities in conjunction with the leadership team.

Although not part of the Trust's formal structure, the Chief Executive Officer chairs the Management Group which consists of all the Headteachers and the Chief Finance Officer. This operational group is the lynchpin in achieving the implementation of the Trust's strategy, policies and procedures.

In order to ensure cohesion and proper systems, each local governing body is required to implement the policies and procedures laid down by the Directors. The Trust monitors the activities of each academy through the provision of local governing body minutes, educational data, financial information and internal systems reviews, which are reviewed by the Board of Directors, finance (including audit) committee as appropriate.

The Trust provides some central services; each academy must use the Trust's audited accounts and company secretarial services, including clerking and centrally procured consultants/contractors for human resources; payroll services and finance services managed by the Chief Finance Officer. The Trust is a charity, and all such services will be operated for the benefit of the academies on a cost basis. The Trust reserves the right to receive a contribution to these central costs from the academies. We have also appointed a MAST GDPR officer who trains all relevant members of MAST and fulfills the requirements of the role for the whole Trust.

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Trustees' report (continued)
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Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration for key management personnel is set using the school teachers pay and conditions document and guidance on school teachers pay and conditions. Each Headteacher has a pay scale range of 7 points linked to the group size of their school. The Chief Executive Officer pay point has been determined using the National Joint Council Recommendations for Local Government. All Headteachers and the Chief Executive Officer (CEO) are subject to performance management. The Trust commission an experienced external assessor, who supports the process for the CEO and Headteachers. This ensures that there are high expectations and consistent challenge across the Trust Academies throughout the performance management process. The Headteacher performance management panel has a minimum of one member of the Local Governing Body, a Director, the CEO as an adviser and the external assessor to support the process. CEO performance management is delivered by a minimum of two Directors with the external assessor to support the process. In all cases, there is a mid-year review. Following completion and full review of the performance management cycle, the panel members make a recommendation on pay awards and these are considered by the pay committee, which from 1 September 2021 forwards consists of at least two Directors and one member of a Local Governing Body. Deputy Headteachers and Assistant Headteachers who are also senior leaders are performance managed by the Headteachers who make a recommendation to the pay committee on pay awards. All teachers and key management personnel complete their appraisal by 31 October and receive written confirmation of their salary by 30 November.

Member schools

The Trust is made up of:

All Saints CE Primary School converted 1 September 2015
St John's CE Infants School converted 1 September 2015
St Margaret's CE Junior School converted 1 September 2015
St James Primary Academy transferred to MAST on 1 January 2019

Trade Union Facility Time

The Trust encourages membership of Trade Union and other professional organisations. During the year ended 31 August 2022 (including the period 31st March 2021 to 1st April 2022), there were no employees of the Trust acting as Trade Union representatives. The Trust purchased Trade Union Facilities from Medway Council under the Trade Union Facilities Scheme Pool Buy In. The total cost of the Trade Union Facilities Scheme Pool Buy In to Medway Anglican Schools Trust for the year ended 31 August 2021 was £1,597.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

Percentage of time spent on facility time

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

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Trustees' report (continued)
for the year ended 31 August 2022

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£1,597
Provide the total pay bill	£4,313,271
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) ×100	0.03%

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) ×100	0
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Related Parties and other Connected Charities and Organisations

The Trust is an educational establishment currently consisting of four primary academies, which operate independently in relation to the provision of education to the learners that attend the academy. The Trust provides certain central services such as human resources, payroll, finance, internal and external audit, central policies, company secretarial support including clerking, which the academies use and it also facilitates, shared expertise and development.

In furtherance of its religious objectives the academies within the Trust are also involved in the Rochester Diocesan Family of Schools and the Medway Anglican School Heads partnership. These are voluntary collaborations to promote the Church of England religious ethos within schools and do not of themselves impact on the operations of the Trust.

Each academy is also a member of a local zone group of Medway Education Leaders Association who meet regularly to collaborate to seek out and adopt best practice to raise standards and improve outcomes for pupils. The Trust is also a member of the Medway and North Kent MAT Alliance, which aims to increase collaboration between local MATs.

Staff working in the Trust are required to complete their related party information and this is included in this report and financial accounts. For 2021-2022, there is a related party at St John's CE Infants.

The Pilgrim Trust and St Mary's Island Church of England Voluntary Aided Primary School buy in clerking for their governance from Medway Anglican Schools Trust. This service is provided at cost, i.e. non-profit making.

The CEO of Medway Anglican Schools Trust is a governor at St Mary's Island CEVA Primary and was appointed to that post by the Director of Rochester Diocesan Board of Education. This is a voluntary post that doesn't have a salary attached.

During the Covid period from Autumn 2021 forward, meetings for governance, and between members of MAST and their local alliances continued using a combination of on-site and virtual means using MS Teams. This has enabled sharing of key information and support for all parties. For governance, it has meant that statutory duties and essential business has continued.

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Trustees' report (continued)
for the year ended 31 August 2022

Objectives and Activities

Objects and Aims

The Medway Anglican Schools Trust's Objects are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum. These will include: Church of England schools designated as such, which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and other Academies, whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos whether or not designated Church of England.

Aims:

- To improve outcomes for all pupils by promoting outstanding education across member schools
- To support and sustain high standards.
- To support each school in its individual vision.
- To share and implement best practice to face the challenges of the future in a local context.
- To offer support to other primary schools facing challenge, within the capacity of the group.

The core purpose of the MAST is to promote outstanding education for all our children in an increasingly changing and challenging educational landscape. It is essential that the strategic and operational function of the centre adds capacity to the individual schools, through:

- supporting school improvement, by providing open and transparent evaluation and feedback.
- promoting openness and information sharing across the trust for the benefit and support of all.
- promoting professional dialogue and support between all members of the MAST staff community.
- promoting shared continuing professional development to address new skills needed as an Academy Trust, including governance.
- best value for money through economy of scale purchasing and procurement of services.
- ensuring that statutory and legal duties are met through:
- financial oversight
- auditing including commissioning internal and external audits and audit of regulatory systems oversight of Headteacher performance management
- monitoring school performance and effectiveness and intervening where needed up to date and fit for purpose employment related policies
- health and safety policies and monitoring
- maintaining up to date safeguarding policies and practice.

Objectives, strategies and activities

Keeping focus on our core purpose and using the strategies above, during the period from 1 September 2021 - 31 August 2022 our objectives were:

Continue to strengthen and grow the Trust by increasing the number of schools in the Trust through conducting rigorous due diligence and forming strong open and honest relationships with schools who wish to join the Trust.

Improve outcomes for our pupils so that Trust schools are a first choice for parents by

- Improving progress for all pupils in EYFS, key stage 1 and key stage 2. Improving attainment for all pupils in EYFS, key stage 1 and key stage 2.
- Raise achievement in reading for all pupils and increase the proportion of higher attaining pupils compared to national benchmarks.
- Maintaining the unique character and ethos of each school so that pupils develop within a nurturing environment.
- Promoting attendance so that pupils are in school and ready to learn at the start of the school day.

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Trustees' report (continued)
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Continue to develop leadership and management across the Trust so that it moves towards outstanding by

- The recruitment and retention of talented individuals throughout the Trust, including Governors and Trustees.
- Strengthen and develop governance at all levels.
- Reviewing the management structure of schools to ensure that it is effective and efficient.
- Providing opportunities for career progression within the Trust so that talented individuals are retained.
- Prepare for and achieve good or better grades at SIAMs inspections

Raise the quality of teaching and learning by recruitment and retention of high quality teachers.

- Rigorous and robust quality assurance of teaching through joint lesson observations, book looks and moderation by senior leaders across the Trust.
- Investigating best practice in teaching mathematics.
- High quality CPD to support teachers and teaching support staff to increase their skills and raise expectations.

Continuing to deliver and promote a good quality of education during Covid-19 restrictions, while keeping our school communities safe through:

- Robust risk assessment with published guidance on how to mitigate risk of Covid-19 infection
- Keep our school communities safe by engaging with relevant agencies for advice and to report Covid-19 cases and support track and trace
- Directly reduce the risk of Covid and other infections through the purchase of air purifiers which provide both HEPA filtering and UV filtering and are value for money.
- Plan for and if needed deliver a good quality of remote learning that engages pupils and maintains the momentum of learning
- Provide direct support to keep children safe and best meet their needs either by provision of on-site education or through phone, email and Teams conversations and events
- Report to parents on the outcomes of their child's education during the year, using virtual means when necessary and on site where possible.
- Access government funding for the provision of remote devices and procure more if necessary.

Continue to maintain management and financial systems and procedure across the Trust which meet the requirements of the law and the Academies Financial Handbook

- Update and adopt MAST wide policies and procedural documents to meet statutory requirements, which are understood by all.
- The efficient procurement, shared central costs and collaborative working between schools.

All aspects of the Trust's activities during the 2021-2022 year linked to its charitable purposes namely the advancement of educational establishments for the public benefit.

These objectives were the Trust focus for the 2021-2022 academic year.

Through the use of robust risk reduction measures, the Trust aimed to keep all its academies fully open during the 2021-2022 academic year, despite staffing challenges caused both by Covid and also extended absent for some staff due to delayed medical treatments.

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Trustees' report (continued)
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Systems & Finance

Management and finance systems are in place across the Trust and deadlines for statutory returns have been met. There is an open and transparent sharing of both financial information and performance information so that all leaders and managers know and understand how the priorities for the Trust are determined, as well as knowing where we have performed well.

While there have been additional costs during the year for the purchase of air purifiers; additional cleaning costs; staff cover costs both for Covid reasons and extended absence for medical conditions/procedures, careful budget management since the commencement of the trust meant that costs were met from existing funds and no claims made to ESFA as per the guidance issued.

We continue to apply for condition improvement funding to carry out essential works in our schools. In this academic year the hall roof project was successful in the CIF bidding process and work will be completed by October 2022. Our bids for boiler replacement weren't successful this year, but we will bid again in 2022-2023. The boiler works are becoming increasingly urgent and the trust continues to explore all possible sources of funding.

All aspects of the Trust's activities are linked to its charitable purposes namely the advancement of educational establishments for the public benefit.

Public benefit

The Directors confirm that the objectives and activities of the Trust provide identifiable benefits, namely educational, which are in pursuance of the aims of the Trust. In setting our objectives and planning our activities the Trustees have: given careful consideration to the Charity Commission's general guidance on public benefit. This benefit is available to young people aged from 2 to 11.

Two of our schools are in areas of high deprivation (10% most deprived nationally) and the other two have pockets of deprivation. One is sited in one of the most remote villages in Kent and serves a rural community 14 miles away from the urban areas of Medway. Ofsted Inspections in 2018 confirmed that our strategies to meet the needs of disadvantaged pupils are impactful and are diminishing the difference. This has continued to be the case in 2021-2022 with disadvantaged pupils making good progress from their starting points and strategies applied being impactful. We remained open for all pupils throughout the period September 2021 – August 2022. The admission criteria of the academies are not unduly restrictive and are in keeping with the religious aims of the Trust. We successfully applied for a variation to our admissions criteria so that applicants were not disadvantaged by the closure of churches when completing the Supplementary Information Forms for oversubscription criteria. Furthermore, the Directors confirm that they have complied with their duty to have regard to the guidance on public benefit as published by the Charity Commission.

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Trustees' report (continued)
for the year ended 31 August 2022

Strategic Report

Achievements and Performance

The continuing high Covid infection rates during the Autumn and Spring terms of the 2021-2022 academic year did not distract from our core aims of providing the best possible education for children in our school communities. While the impact of the Covid pandemic was seen; both in infections, but also in increased staff absence due to delayed medical procedures, our long term financial management strategies meant that we were able to procure cover staffing both for teachers (insurance cover policy) and support staff.

The robust risk measures, including the use of high spec air purifiers, had a positive impact on: staff and stakeholder morale; attendance in school; lower rates of childhood diseases; improved air quality for our school close to a busy road. We were able to provide education on site for all throughout the year with out the need for remote education.

Attendance

Overall attendance in our schools appears to be above the national average (based on DfE data exploration tables) for the 2021-2022 academic year; the lowest attendance of 90.7% for St Johns CE Infants school is an improvement on the previous year.

All Saints CE Primary achieved 93.8% attendance for the year and this continues their positive trend of attendance in the highest 20% nationally, despite being a school in the highest areas of deprivation with 39% free school meal eligibility. Similarly, St James CE Primary Academy (91.8%) and St Margarets CE Junior (92.9%) were above the national figure.

All schools in the trust are proactive in promoting attendance and have rigorous systems in place to monitor and improve attendance. Where absence is high for individual pupils, the schools work with the Medway Attendance Advisory Practitioners and will commence court proceedings if there is no improvement.

Pupil Achievement

Key Stage 2

This was the first year of national testing at Key Stage 2 since 2019.

The outcomes of the tests confirmed that pupils had continued their improvement journey despite the disruption caused by Covid.

Progress in reading and mathematics improved in both All Saints CE Primary and St Margaret's CE Juniors. All Saints made progress in line with the national average moving up from significantly below average progress in 2019. St Margaret's CE Juniors increased its progress scores compared to 2019. Increasing progress to be in line or above the national average will be a key focus in 2022-2023. St James CE Primary progress is in line with national averages.

Information from the IDSR Ofsted dashboards, suggests that the proportion of pupils reaching the expected standard in the reading and mathematics tests is not significantly different from national.

However, 79% of the cohort at St James achieved the expected standard in both reading, writing and mathematics – this was significantly above national and in the highest 20% in 2022.

35% of the cohort at All Saints met the higher standard in the mathematics test and again this was significantly above national and in the highest 20% in 2022.

The tables below show attainment in the KS2 tests by pupil groups.

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Trustees' report (continued)
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MAST 2022 Year 6 Reading Test compared to 2022 Y6 Reading National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Margaret s Junior	MAST	National 2022	All Saints	St James	St Margaret s Junior	MAST
All	74%	71%	90%	66%	71%	28%	29%	24%	24%	26%
Boys	70%	63%	85%	55%	62%	23%	25%	31%	16%	21%
Girls	80%	81%	94%	76%	81%	33%	33%	19%	33%	30%
EAL Yes	73%	80%	na	25%	68%	27%	40%	na	0%	32%
EAL No	75%	67%	90%	67%	72%	28%	23%	24%	26%	25%
PP	62%	61%	100%	43%	61%	17%	22%	20%	13%	18%
Other	80%	78%	84%	73%	76%	32%	33%	26%	28%	29%
NoSEN	84%	81%	89%	74%	79%	33%	35%	26%	27%	29%
SEND K	44%	25%	100%	31%	32%	9%	0%	0%	13%	8%
SEND E	16%	na	100%	0%	50%	4%	na	0%	0%	0%

MAST 2022 Year 6 Writing Teacher Assessment compared to 2002 Writing National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Margaret s Junior	MAST	National 2019	All Saints	St James	St Margaret s Junior	MAST
All	69%	71%	83%	68%	71%	13%	13%	10%	0%	5%
Boys	63%	67%	92%	66%	69%	10%	21%	8%	0%	7%
Girls	76%	76%	75%	76%	73%	16%	5%	13%	0%	4%
EAL Yes	70%	67%	na	25%	58%	13%	13%	na	0%	11%
EAL No	70%	73%	83%	70%	73%	13%	13%	10%	0%	5%
PP	55%	67%	80%	48%	61%	6%	17%	10%	0%	8%
Other	75%	74%	84%	75%	76%	16%	11%	11%	0%	4%
NoSEN	80%	78%	89%	79%	81%	15%	16%	11%	0%	7%
SEND K	30%	38%	0%	19%	24%	3%	0%	0%	0%	0%
SEND E	11%	na	0%	0%	0%	1%		0%	0%	0%

MAST 2022 Year 6 Mathematics Test compared to 2022 Y6 Mathematics Test National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Margaret s Junior	MAST	National 2019	All Saints	St James	St Margaret s Junior	MAST
All	71%	71%	90%	68%	73%	22%	36%	17%	13%	20%
Boys	72%	71%	100%	68%	74%	25%	33%	23%	20%	25%
Girls	71%	71%	81%	67%	71%	20%	38%	13%	7%	16%
EAL Yes	75%	80%	na	50%	74%	28%	47%	#VALUE!	0%	37%
EAL No	71%	67%	90%	69%	72%	21%	30%	17%	14%	4%
PP	56%	61%	80%	52%	61%	12%	22%	10%	9%	14%
Other	78%	78%	95%	73%	78%	27%	44%	21%	15%	23%
NoSEN	81%	76%	93%	78%	76%	27%	41%	19%	16%	19%
SEND K	40%	50%	0%	25%	32%	7%	13%	0%	0%	4%
SEND E	15%		100%	0%	50%	3%		0%	0%	0%

Trustees' report (continued)
for the year ended 31 August 2022

MAST 2022 Year 6 Read, writing, maths combined compared to 2022 Y6 Combined National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Margaret s Junior	MAST	National 2022	All Saints	St James	St Margaret s Junior	MAST
All	59%	56%	79%	54%	59%	7%	11%	10%	0%	5%
Boys	55%	54%	85%	48%	56%	6%	17%	8%	0%	6%
Girls	63%	57%	75%	61%	63%	9%	5%	13%	0%	4%
EAL Yes	60%	67%	na	0%	53%	8%	13%	na	0%	11%
EAL No	58%	50%	79%	57%	60%	7%	10%	10%	0%	4%
PP	43%	39%	80%	35%	45%	3%	17%	10%	0%	8%
Other	65%	67%	79%	61%	65%	9%	7%	11%	0%	4%
NoSEN	69%	62%	85%	64%	68%	9%	14%	11%	0%	6%
SEND K	21%	25%	0%	13%	16%	1%	0%	0%	0%	0%
SEND E	7%	na	0%	0%	0%	0%	na	0%	0%	0%

Key Stage 1

Pupils undertaking national assessment in 2022 had their reception and year 1 education disrupted by the Covid pandemic. Throughout the pandemic we continued to provide learning opportunities for all pupils either through on site teaching or using remote teaching. The impact of that provision as well as the good and outstanding teaching delivered in the 2021-2022 academic year are evidenced in the outcomes achieved by the end of year 2.

Both All Saints CE Primary and St Johns CE Infants, are in the highest deprivation band. They achieved above national outcomes by the end of year 2 in 2022. The use of school led tutoring together with focused teaching matched to pupil needs resulted in all pupils making good progress. While the results at St James were below the national average they are judged as not significant in the IDSR. Pupils at St James made good progress during the year but were more affected during the pandemic.

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MAST 2022 Year 2 Reading compared to 2022 Y2 Reading National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Johns	MAST	National 2022	All Saints	St James	St Johns	MAST
All	67%	77%	62%	78%	73%	18%	16%	17%	22%	18%
Boys	63%	74%	63%	80%	71%	16%	17%	11%	20%	15%
Girls	71%	81%	60%	77%	75%	20%	14%	30%	23%	20%
EAL Yes	64%	74%	0%	67%	69%	16%	13%	0%	8%	11%
EAL No	68%	81%	64%	91%	75%	19%	19%	18%	36%	22%
Disadvanta	51%	71%	40%	86%	69%	8%	6%	0%	43%	14%
Other	72%	81%	67%	75%	75%	21%	22%	21%	13%	19%
NoSEN	75%	87%	74%	94%	85%	21%	18%	22%	22%	20%
SEND K	30%	17%	20%	20%	19%	4%	0%	0%	20%	6%
SEND E	12%		0%		0%	2%		0%		0%
MAST 2022 Year 2 Writing compared to 2022 Y2 Writing National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Johns	MAST	National 2022	All Saints	St James	St Johns	MAST
All	58%	68%	55%	70%	65%	8%	7%	7%	4%	6%
Boys	52%	70%	53%	70%	63%	6%	4%	0%	10%	4%
Girls	64%	67%	60%	69%	66%	10%	10%	20%	0%	9%
EAL Yes	57%	70%	0%	58%	64%	8%	9%	0%	0%	6%
EAL No	58%	67%	57%	82%	65%	8%	5%	7%	9%	7%
Disadvanta	42%	59%	20%	71%	55%	3%	0%	0%	14%	3%
Other	63%	74%	63%	69%	69%	10%	11%	8%	0%	7%
NoSEN	66%	76%	70%	83%	76%	9%	8%	9%	6%	8%
SEND K	20%	17%	0%	20%	13%	1%	0%	0%	0%	0%
SEND E	7%		0%		0%	0%		0%		0%
MAST 2022 Year 2 Mathematics compared to 2022 Y2 Mathematics National outcomes										
	Percentage at expected or better					Percentage at greater depth				
	National 2022	All Saints	St James	St Johns	MAST	National 2022	All Saints	St James	St Johns	MAST
All	68%	80%	62%	83%	75%	15%	14%	17%	13%	15%
Boys	68%	83%	63%	70%	73%	18%	13%	11%	20%	13%
Girls	67%	76%	60%	92%	77%	12%	14%	30%	8%	16%
EAL Yes	67%	83%	0%	67%	75%	16%	13%	0%	0%	8%
EAL No	68%	76%	64%	100%	75%	15%	14%	18%	27%	18%
Disadvanta	51%	71%	40%	100%	72%	7%	6%	0%	43%	14%
Other	73%	85%	67%	75%	76%	18%	19%	21%	0%	15%
NoSEN	75%	89%	74%	89%	85%	17%	16%	22%	17%	18%
SEND K	33%	17%	20%	60%	31%	4%	0%	0%	0%	0%
SEND E	14%		0%		0%	2%		0%		0%

Phonics

By the end of year 2 the proportion of pupils meeting the expected standard was above the national average for the Trust overall and in two schools, in the third it was in line with the national average.

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Trustees' report (continued)
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For year 1:

All Saint CE Primary was above the national average, both for pupils meeting the standard and with 72% of pupils achieving above 37/40 on the check compared to 41% nationally.

At St Johns CE Infants, while the overall percentage meeting the standard was 56% and below national, 88% of pupils who started with the school at the beginning of their reception year met the expected standard. The school is in an area with a number of short term rental premises and mobility is particularly high.

Similarly, at St James 57% of the cohort met the expected standard significantly below the national of 76%. However, further analysis shows that all children who started their education in the nurse cohort and 75% of those who started at the beginning of reception met the expected standard. Those not meeting the standard were either inwardly mobile during key stage 1 or SEND.

MAST 2022 Year 1 Phonics compared to 2022 Y1 phonics outcomes					
	Year 1	Percentage meeting the threshold			
	National 2	All Saints	St James	St Johns	MAST
All	75	84	57	56	71

MAST 2022 Year 2 Phonics compared to 2022 Y2 phonics outcomes					
	Year 2	Percentage meeting the threshold			
	National 2	All Saints	St James	St Johns	MAST
All	87	98	83	91	92

CPD, INSET & Training

As a trust we have continued to deliver on our aim of being an employer of choice and providing career progression for all through high quality CPD.

During 2021-2022, some teachers and support staff undertook accredited professional qualifications. These included: executive headteacher/CEO qualifications; senior leader NPQs; middle leader NPQs; early careers training; apprenticeships for teaching assistants; AAT level 3 finance qualification; health and safety training for premises staff; maths mastery hub membership; teaching strategies to support SEND; senior leader mental health course.

Those who undertook accredited training have either passed or are on track to achieve their qualification.

The focus on personal development as part of appraisal during 2021-2022 continues in the 2022-23 year, and succession planning remains a key aim.

The delivery of governor training through both virtual and face to face training, was impactful with more governors attending training and developing their skills. This approach will continue in the next academic year.

In conclusion, the Trust has seen pupils in all its Academies making good progress from their starting points during the year and continuing to move forward following their successful Ofsted inspections in the 2017-2018 year.

All Saints CE Primary report: <https://files.api.ofsted.gov.uk/v1/file/2783435>
 St John's CE Infants report: <https://files.api.ofsted.gov.uk/v1/file/2783933>
 St Margaret's CE Junior report: <https://files.api.ofsted.gov.uk/v1/file/50022236>
 St James Primary Academy, Grain: <https://files.api.ofsted.gov.uk/v1/file/2758661>

All schools received a SIAMS inspection between March 2019 (All Saints CE Primary) and November 2019 (October 2019 – St James CE Primary Academy; November 2019 St Johns CE Infants and St Margaret's CE Juniors) All schools achieved good inspections under the revised more rigorous SIAMS framework.

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Trustees' report (continued)
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All Saints CE Primary report:

<http://www.rdbe.org.uk/uploads/pdf/22.03.19%20Final%20report%20All%20Saints%20Chatham.pdf>

St John's CE Infants report:

<http://www.rdbe.org.uk/uploads/pdf/26.11.19%20St%20Johns%20infant%20SIAMS%20final%20report.pdf>

St Margaret's CE Junior report:

<http://www.rdbe.org.uk/uploads/pdf/PDF/22.%2011.19%20St%20Margarets%20Rainham%20Final.pdf>

St James Primary Academy, Grain:

<http://www.rdbe.org.uk/uploads/Grain%20St%20James%20-%20Oct%2019%20%20SIAMS%20report%200final.pdf>

Pupil Recruitment

Both All Saints CE Primary and St Margaret's CE Juniors are over-subscribed and maintain waiting lists of pupils wishing to enter the school.

The upward trend in pupil numbers at St James continues. For 1st September 2022 there will be 181 pupils on roll in the main school and 16 in the nursery. This is a 37% percent increase from when St James joined the Trust in January 2019. Some year groups are now full and one is above PAN.

The roll at St Johns CE Infants has fallen significantly for the third year in a row. This is because of low birth numbers in the area together with an increase in the number of school places with the opening of a 2 form entry free school. The free school is a Church of England primary with a nursery, and since St Johns feeder junior school isn't a faith school, parents wishing their child to have a faith based education are registering them at the newly opened school. St Johns CE Infants continues to provide a good education to the children attending as can be seen by the outcomes at the end of key stage 1.

Key performance indicators

The Trust undertakes monitoring of both a financial and non-financial nature, as follows:

Financial:

- Budget: income and expenditure to actual performance - budgets are reviewed regularly in line with the recommendations in the academies financial handbook.
- Management accounts are formally reviewed 3 times during the year by the Board Finance Committee who raise questions and all directors receive the monthly management accounts.
- Budget three year forecasting - this is undertaken on a rolling annual basis and it was noted that budgets in forthcoming years will be under extreme pressure due to government policy on pay awards together with increasing energy costs.
- Staff pay as a proportion of income - this is regularly reviewed and for the year represented 82% of income.
- Specific income and expenditure to targets - is reviewed regularly for each Academy and monitored by the Chief Finance Officer who prepares management accounts for the Heads, CEO and the Trust Board. The Trust maintains a detailed Risk Register, which is a live document and is reviewed at least monthly. Actions are put in place to mitigate both financial and reputational risks.
- During this year, we have continued to carefully monitor income and assess risk. The numbers in the nursery at All Saints have increased while those at St James have declined slightly. One member of the nursery team was redeployed into the main school during the year and this remains the case for the start of the 2022-23 academic year.
- Benchmarking across the academies and against other similar academies - The Board and Local Governing Bodies review benchmarking against DfE finance benchmarks.
- The CFO is an active member of the Medway and North Kent MAT Alliance CFO group and has been a member of two task and finish groups for the SEND strategy within Medway.
- All statutory and financial returns were completed and submitted within the deadlines given throughout the year.

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Trustees' report (continued)
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Non-Financial:

- Pupil numbers - reviewed by reference to each of the academy's published admission number and local and national demand for places. For 2021-2022 two academies in the Trust were full and St James saw an increase in numbers.
- St John's CE Infants had places free at the end of the year and there is relatively high inward and outward mobility due to the school not being full in September and then taking in pupils who are referred by Medway admissions.
- All schools have now received good SIAMs judgements during the last three years.
- Sports Premium and value for money - is reviewed regularly by the Local Governing Bodies and annually by the Board. Pupils have access to a wide range of sports both through the curriculum during the school day and after school and lunchtime clubs.
- Facilities - the condition of premises are monitored with and through the Local Governing Bodies and the necessary bids for funding will be made again in December 2022. St James CE Primary Academy benefitted from a successful CIF bid and the hall roof was replaced over the summer and early autumn of 2022.
- Health and safety is reviewed regularly by the Local Governing Body and external reviews are commissioned for all Trust schools. There have been some additional unplanned budget costs due to purchase of air purifiers, but these have been reduced through central purchasing and as mentioned earlier in the report have reduced infection and increased parental and staff confidence.
- Energy consumption and efficiency- this is monitored by reference to the available commercial rates. We have now renegotiated our contract, in collaboration with the Westbrook Trust. However, the sharp and unexpected rise in energy costs will present a challenge in 2022-23.
- Staff Performance - this is monitored through annual staff appraisal based on a single policy, the Trust ensures that staff performance is monitored and rewarded consistently and effectively. Clear expectations are communicated by the CEO/Headteacher management group to ensure consistency across the Trust. The Headteachers and CEO performance management are supported by an experienced external assessor, again this ensures impartial consistency and rigor for the process.
- Curriculum – The review and revision of the curriculum is embedding in all trust schools.. The revised curriculum is resulting in greater pupil engagement and challenge and is broad and balanced. Every school continues to provide a rich, broad and balanced curriculum.

Going concern

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

Financial review

The Trusts primary source of funding is pursuant to the Education and Skills Funding Agency master funding agreement and the academies supplemental funding agreements. In addition, the academies receive funds through lettings, donations from parents and donations and grants from local and national organisations.

During the period ended 31 August 2022, the Trust has incurred total expenditure of £5,300,129 in delivering the aims of the Trust as set out on page 12. This expenditure was covered by recurrent ESFA grant funding plus other incoming resources as noted above of £5,237,917. The excess of income over expenditure (excluding restricted fixed asset reserve and restricted pension reserve) is £380,250.

As at 31 August the Trust had consolidated free reserves of £1,595,805 (all reserves excluding restricted fixed asset reserve and restricted pension reserve).

The fixed asset reserve at 31 August 2022, representing the Trust's fixed assets and unspent capital grants, is £808,719. The land and buildings where the academies are sited, is owned (but not maintained) by Rochester Diocese, and is not included in this reserve.

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The restricted pension reserve at 31 August 2022 is a deficit of £459,000. The Trustees consider that this deficit will not have any impact on the Trust as this liability will only crystallise upon the event of the Trust ceasing to exist and without re-brokerage of the member schools. In the extremely unusual circumstances this may occur, the liability is covered by a DfE guarantee.

The Trust applies robust financial management and budgetary control. The budgets reflect the priorities of each academy and the Trust and are approved by the Board. The Trust Board's Finance Committee monitors individual academy financial performance against budget on a termly basis together with the Trust's central services budget. In the interim period between Finance Committee meetings, the Chair of the Board and the Chair of the Finance Committee receive and review monthly summary reports on financial performance against budget.

The Trust's financial policies and procedures have been approved by the Board and comply with the Academies Financial Handbook. These policies and procedures are reviewed and re-approved by the Board on a 3 yearly cycle and also upon changes to the Academies Financial Handbook and changes in Trust practice and procedure.

Reserves policy

The Directors 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 Directors determine the appropriate level of reserves on an annual basis. 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 Trust's level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) at the year-end 31 August 2022 is £998,578 and is retained to enable the Trust to pursue projects at the Directors' discretion. The Directors confirm that they consider the level of reserves to be adequate bearing in mind the future plans of the Trust.

Investment Policy

The Trust shall not undertake any form of investment in stocks, shares, bonds or any other similar investment vehicle or in property or buildings other than those related to the establishment, maintenance, carrying on, managing and developing of educational establishments. The suitability of the banking arrangements is reviewed every academic year.

Fundraising

The Charities (Protection and Social Investment) Act 2016 requires the Trust to make a statement regarding fundraising activities.

We do not undertake widespread fundraising from the general public and our fundraising activities are limited to seeking donations from the parents of pupils and seeking donations and grants from local and national organisations' via their corporate social responsibility schemes. These amounts are presented in our accounts as "Income from donations and capital grants." During the pandemic for this academic year, the opportunity to raise funds via parents so this income has decreased.

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the key management team, who are accountable to the Trustees.

The Trust has received no complaints in relation to fundraising activities. The appropriateness of our fundraising activity continues to form a natural part of our risk management framework and our scheme of delegation.

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Trustees' report (continued)
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Principal risks and uncertainties

The Trust's principal risk and uncertainty concerns the provision of funding from central Government which is the major source of income for the academies and hence funding for the Trust. The current economic climate may see a reduction in funding, which may result in the Trust having a deficit budget in the future. Although the Trust and its academies have taken steps to make savings, these alone will not compensate for a reduction in central funding. In addition, further economies within the academies might impact on educational standards. This together with the recent increase in the minimum wage and pension contribution changes may further reduce flexibility to maintain current staffing levels.

The Trust took action to mitigate risk because of a falling roll and reduced budget at St John's CE Infants in July 2019, carrying out a restructure of staffing. This has enabled us to operate the school during the 2021-2022 year within its means and continue to provide a good education. As the fall in roll has continued due to low birth numbers and increased choice of primary phase schools in the area, the Trust will be reviewing the future of the school in 2022-23.

There are increasing risks due to ageing boilers and buildings which may require substantial capital works and money has been set aside to meet these needs should they arise, so that business continuity can be maintained.

The succession planning for the Trust in relation to key Directors and senior leaders, who to date, have played a pivotal role in the development of the Trust may become an issue; however, the Board is actively working to recruit more Directors with skills which enhance and complement those of existing Directors.

The Trust and its academies also acknowledge the continued importance of up-to-date, suitable and secure IT systems at all its academies and the potential issues that can be experienced by staff and students as a result of any failures. The trust has policies and procedures in place which meet the increased expectations of the changes to data protection that came into effect in May 2018. These have continued to be effective during the 2021-2022 year with no notification of breaches needed to the ICO. All school staff have completed cyber security training and the trust has confirmed with its consultants that required backup systems are sufficient and in place. In addition, we commissioned a cyber security audit and are now putting in place further measures as suggested in the report.

The Trust intends to continue with its growth plan to increase the number of schools both faith and community within the trust. This will be a key workstream in the 2022-23 year. While growth will benefit all in the longer term, the trust ensures that it carries out rigorous due diligence before accepting a school into the trust family.

Recruitment and retention of a strong teaching staff is monitored and reviewed. All Trust schools were fully staffed during the 2021-2022 academic year, but the Trust is aware that it is becoming increasingly difficult to recruit to vacancies. The Trust is mitigating risk by developing career pathways within the Trust so that we are employers of choice. We ensure that there is meaningful career development for all staff and during the last year have provided opportunities for senior and middle leaders to gain skills.

The Trust is registered with a range of teacher training schemes (Teach First, Schools Direct) to attract excellent trainee teachers into post.

The Trust also acknowledges that negative public relations with stakeholders and the wider community as a result of a poor Ofsted or SIAMS inspection or safeguarding issues may damage the reputation of the Trust and affect pupil numbers. All academies in the Trust were judged good by Ofsted in their June/July 2018 inspection and all have a good SIAMS inspection judgement under the new SIAMs framework.

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Trustees' report (continued)
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The Trust maintains a live risk register which is reviewed regularly to assess changes and emerging risks. This register is available for review at Local Governing Body and Board meetings. The Directors are responsible for identifying risks faced by the Trust, establishing procedures to mitigate these risks, and ensuring that employees are aware of these procedures and of the implications of failing to implement them. The Directors have delegated the more detailed scrutiny of the risks faced by the Trust to the Board Finance Committee which also reviews the mitigation put in place to combat the risk. This committee advises the Directors on the significant risks faced by the Trust and its academies. The Directors confirm that the major risks, to which the Trust is exposed, as identified in the risk register, have been reviewed and systems and procedures are in place to manage these potential risks. Furthermore, the Directors are satisfied that each academy has undertaken a detailed review of those risks specific to the academy and procedures have been put in place to manage those risks. The Directors are satisfied that these procedures are consistent with the guidelines issued by the Charity Commission.

We commission internal audits and as a result are introducing additional controls to strengthen our cyber security.

The Directors acknowledge that they have overall responsibility for ensuring that the Trust has effective and appropriate systems of control, both financial and non-financial.

The risks and uncertainties associated with the Covid pandemic have been managed well during this academic year. We have been rigorous in producing and reviewing risk assessments to mitigate and reduce risk. We maintain an up to date knowledge of guidance that is released. The success of our actions can be found in the performance section. We continue to address the gaps in learning and social and emotional impact of the pandemic. We will use the funding grants to provide school led tutoring; and commission therapists and provision to address children's needs. If necessary draw on reserves for additional unfunded costs as presented to and approved by Board.

The term time only settlement negotiations continued during the academic year 2021-22. It is anticipated that the settlement payments will be made to staff in autumn 2022 and spring 2023. Funds were set aside for this in 2020. Any unused funds from the settlement will be redirected to the annual pay awards should the planned budget not meet the total award.

As the trust is not a large trust, it is not required to report on its emissions, energy consumption or energy efficiency activities.

Future developments

The Trust's key objective is the advancement of education in the United Kingdom for the public benefit. The Trust's strategic objectives support this key purpose by aiming to:

- Build a strong community of schools with a shared purpose and Christian ethos.
- Achieve the highest standards of learning and achievement for all children and adults. Achieve outstanding teaching and learning.
- Develop an engaging and exciting curriculum for the 21st Century. Build a reputation for excellence in the community.
- Ensure that every child leaving our Academies is well equipped for the next stage of their education.
- Use innovative approaches to joint procurement to achieve Trust efficiencies and value for money.
- Nurture School leadership including governance across the Trust empowering leaders to work beyond good and outstanding.
- Continue to apply high standards in infection control to minimize absence due to infectious diseases.

During 2021-2022 the Academies were able to return to a more usual way of working. This enabled us to strengthen our use of peer reviews and collaborative practice. Staff applied their learning and experience from INSET and accredited training and future leadership capacity increased as a result.

In 2022-2023 we will use summative and formative assessment to ensure that teaching is matched to learning needs so that we maintain the momentum of improvement post pandemic. This will enable all pupils to make good progress and build on the positive results from 2022.

Medway Anglican Schools Trust
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Trustees' report (continued)
for the year ended 31 August 2022

Key priority areas across the Trust are: every adult a leader of SEND; increase achievement of the phonics standard in year 1; consistently good and better teaching in reading and mathematics so that the progress and attainment of the bottom 20% of pupils improves. Continue to increase the proportion of pupils leaving our schools having attained the higher standard in core subjects.

We will continue to address the wellbeing of all children, families and staff – this will include working with other local organisations to reduce the impact of financial constraints on families.

We will continue to build on our good relationships with all stakeholders.

Funds held as custodian

The Incorporated Rochester Diocesan Board of Education (Company number 00046014) is the site Trustee for each Academy and should therefore be treated as the Custodian Trustee. The Incorporated Rochester Diocesan Board of Education is a Private Limited Company by guarantee without share capital use of 'Limited' exemption for the purpose of providing educational support services. The objectives and principal activities of the Incorporated Rochester Diocesan Board of Education (which is also a member of the Medway Anglican Schools Trust) are:

The Board's Corporate Funds are held to be applied in accordance with the objects clause of its Memorandum and Articles of Association which is:

- a. To maintain and extend education in and knowledge of the Christian religion in general and the faith and practice of the Church of England in particular to all sections of the community within the Diocese of Rochester.
- b. To carry out the functions of the Diocesan Board of Education for the Diocese of Rochester under the provisions of the Diocesan Boards of Education Measure 1991 and any legislation amending, supplementing or replacing the same.
- c. The Diocese of Rochester Consolidated Educational Endowments were created by a resolution of the Board passed on 9 November 1994 and are held on the terms of the Uniform Statutory Trusts under Schedule 36 of the Education Act 1996.

Employee involvement and employment of the disabled

The Trust has a policy to eliminate unlawful discrimination and harassment on the grounds of disability and to promote equal opportunities and a positive attitude towards disabled employees.

The Trust has management systems in place to provide information to and to consult staff on matters affecting them.

Political Donations

The Trust has not made any political donations during the year.

Provision of information to Auditor

In so far as the trustees are aware:

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

Medway Anglican Schools Trust
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Trustees' report (continued)
for the year ended 31 August 2022

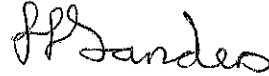
Auditors

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 6 December 2022 and signed on its behalf by:



J Clarke
Co-Chair of Trustees



H Sanders
CEO

Medway Anglican Schools Trust
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Governance Statement

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Medway Anglican Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Medway Anglican Schools Trust
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Governance Statement (continued)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The board of Trustees has formally met 7 times during the year.

Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Clarke, Co-Chair	5	7
H Sanders, CEO	7	7
G Mond, Co-Chair	6	7
S Coleman	6	7
K Cook	4	7
R Jones	4	7
D Welch (resigned July 2022)	4	6

During the seventh year of operation, the Board has continued to set the strategic direction of the Trust and checked that management systems and key policies are in place to so that the Trust meets the requirements of the law and the Education Funding Agency's Financial Handbook.

The Trust Board continuously evaluates its effectiveness and composition. It actively seeks to recruit Trustees with relevant skill sets and from September 2022 has recruited to the Board. His skill set complements those already covered by the existing Trustees and strengthens the skill set in relation to management, HR and local context.

The Board and its Local Governing Bodies, complete skills audits annually and these were used to plan a series of CPD sessions that were delivered virtually during the last year. The Board has monitored the work of the Local Governing Bodies to ensure that they are effective and follow the policies and procedures of the Trust. It has worked effectively to promote good communication from Local Governing Bodies to the Board and vice versa. The Governor training sessions were well attended and were more impactful as the principles and skills could be applied directly in context of the Academies and the Trust. Communication has improved across the year, attendance of Directors at Local Governing Body meetings when necessary provides quality assurance and the opportunity for robust discussions. There have been some changes in governance membership at Board and local governing bodies and the Board has reviewed the effectiveness of governance, feeding back to local Chairs and setting clear expectations for governance performance. Each local governing body writes and submits an annual impact statement and the Chair and headteacher are invited to attend standards board to review and challenge the school standards at least once during the year.

The Board continues to hold the Pay Review Committee for all schools in the trust and headteachers present their pay recommendations to the Board Review Committee; this ensures consistency across the Trust and that the members of the committee have the skills to make informed decisions.

The Board has continued to maintain its planned diary of Board meetings these were mainly held as virtual meetings and included both the standard agenda items as well as items relevant to the Covid-19 Pandemic. including. monitoring of: risk assessments; remote learning during lockdown; impact of staff and pupil absence on learning; use of data and information to compare attendance in Trust schools with that of pupils locally and nationally; use of additional Covid recovery funds to increase the momentum of learning for those most at risk of falling behind. The Trust Directors, continued to monitor academic standards through scrutiny of both summative baseline and end of year tests as well as teacher assessed pupil achievement during the year.

The Trust Board agenda, always includes coverage of items on: safeguarding; health and safety; risk assessment; standards (attendance, academic standards; absence (both staff and pupils); statutory compliance and timely returns to ESFA. The CEO as accounting officer, is held to account by the Board and is expected to provide information for every school in the Trust, which assists the Board in evaluating the performance of its schools.

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Governance Statement (continued)

Governance (continued)

The Finance and Audit Committee met on three occasions during the year. This was to ensure that statutory returns and controls were effective and compliant and to set the focus for internal audit. The committee review the management accounts, risk assessments, finance policies, cashflow and other documents as part of the agenda.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
G Mond	3	3
S Coleman, Chair of Finance	3	3
K Cook	1	3
D Welch (resigned 6 July 2022)	2	3
H Sanders, CEO and Accounting Officer	3	3

The Finance and Audit Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the Directors' Board, by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of the academy's public and private finances and resources including the buildings and:

- To ensure that the Academy undertakes proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the governing body on a regular basis.
- To refer major issues to the Executive Board for approval or ratification. To fulfil the functions required by law of the Audit Committee.

The Finance Committee met three times during the year.

The pay panel meets once a year, and interrogates and approves the pay awards for teachers across the Trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Clarke	1	1
G Mond	1	1
H Sanders, CEO and Accounting Officer	1	1
E Perkin, (LGB Governor)	1	1

The Pay Review committee is a sub committee of the main governing body. Its purpose is to assist the decision making of the Directors' Board in relation to pay awards.

The current terms of reference are:

- To implement the Pay Policy in a fair and objective manner and to consider any individual representations that may be made in respect of pay decisions;
- To undertake an annual pay review for each teaching member of staff based on the criteria set out in the Pay Policy with effect from 1 September;
- To observe all statutory and contractual obligations, including making arrangements to notify pay decisions to individual members of staff within appropriate timescales;
- To consider recommendations of the reviewer/Headteacher for pay rises and generically report these decisions to the next meeting of the Trust Board and Local Governing Body;
- To consider any written representations made by employees.
- To recommend to the Governing Body the annual budget required for pay purposes, including provision for discretionary pay advancement arising from performance reviews;
- To keep informed of relevant developments including legislation and statutory guidance affecting the Pay Policy and to review and to recommend changes or modification to the Trust Board, as appropriate and at least annually;

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Governance Statement (continued)

Governance (continued)

- To ensure the performance review of the Headteacher has been carried out and review the recommendation from the Headteacher performance management panel on the salary of the Headteacher for salary ratification.
- To ensure the Headteacher Performance management panel works with an External Adviser for the performance review of the Headteacher alongside the CEO, 1 director and Local Governing body Chair.

The pay review committee met once during the year.

Review of value for money

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

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

- Central procurement where this reduced costs and meant that supplies were available promptly. This included the purchase of air purifiers to reduce infection and protect our most vulnerable members of the school community.
- Ensuring that all available IT devices were obtained through the government laptop scheme for the benefit of pupils both during and beyond the pandemic.
- Joined with the Westbrook Trust to procure a catering contract and new energy contract with best value for money for both Trusts.
- Secured high quality teaching and leadership candidates so that our schools continue to provide a good quality of education.
- All statutory deadlines for information have been met within the usual timescales extensions were
- Schools remained open throughout the year for all and we promoted good attendance.
- Expenditure during the year was mainly within budget. Where expenditure exceeded budget, reserves were used for the benefit of children – e.g. employment of an additional teacher to meet infant class size rules. Employment of specialist teaching assistants for children with high needs.
- Our insurance cover offset the costs of long term absence due to delays in treatment due to the pandemic.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Medway Anglican Schools Trust for the period 1st September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

Medway Anglican Schools Trust
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Governance Statement (continued)

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from Azets.

The internal auditors role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included: testing of our cyber security arrangements.

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

Azets delivered their planned schedule of work and there were no material control issues arising. However, amendments were made to our documentation to support good cyber security and detail our expectations of contractors in relation to cyber security.

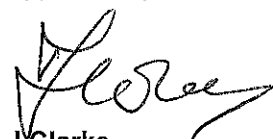
Review of effectiveness

As Accounting Officer, the Chief Executive Officer Hilary Sanders has responsibility for reviewing the effectiveness of the system of internal control. During the period 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 and the school resource management self-assessment too
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 6 December 2022 and signed on their behalf by:



J Clarke
Co-Chair of Trustees



H Sanders
Accounting Officer

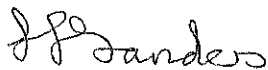
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Statement on Regularity, Propriety and Compliance

As accounting officer of Medway Anglican Schools Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy 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 board of Trustees are able to identify any material irregular or improper use of all funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Trust Handbook 2021.

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



H Sanders
Accounting Officer
Date: 6 December 2022

Medway Anglican Schools Trust
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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 and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of 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 with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



J Clarke
Co-Chair of Trustees
Date: 6 December 2022

Medway Anglican Schools Trust
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Independent auditors' Report on the financial statements to the Members of Medway Anglican Schools Trust

Opinion

We have audited the financial statements of Medway Anglican Schools 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; and
- 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 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'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.

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Independent auditors' Report on the financial statements to the Members of Medway Anglican Schools Trust (continued)

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 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 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's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

Independent auditors' Report on the financial statements to the Members of Medway Anglican Schools Trust (continued)

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:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Academy Trust and the sector as a whole, and through discussion with the Trustees and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to child protection and safeguarding, health and safety and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, Academies Accounts Direction, Academies Financial Handbook, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of land and buildings and revenue and noncompliance with financial management and governance requirements which are consistent with the obligations of public funded bodies). Audit procedures performed by the engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Consideration of income streams, completeness of income and compliance with the obligations of funders including the ESFA
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of corporate governance arrangements; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and

Medway Anglican Schools Trust
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Independent auditors' Report on the financial statements to the Members of Medway Anglican Schools Trust (continued)

- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Medway Anglican Schools Trust
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Independent auditors' Report on the financial statements to the Members of Medway Anglican Schools Trust (continued)

Use of our report

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's members those matters we are required to state to them in an 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Peter Manser FCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

7 December 2022

Medway Anglican Schools Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Medway Anglican Schools Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 18 August 2022 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 Medway Anglican Schools 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 Medway Anglican Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Medway Anglican Schools 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 Medway Anglican Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Medway Anglican Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Medway Anglican Schools Trust's funding agreement with the Secretary of State for Education dated 24 August 2015 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.

Medway Anglican Schools Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Medway Anglican Schools Trust and the Education & Skills Funding Agency (continued)
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's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed minutes of Governing Body minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Trust Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

Conclusion

In the course of our work, nothing has come to our attention which suggest 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.

Kreston Reeves LLP

Kreston Reeves LLP

Reporting Accountant
Chartered Accountants

Canterbury

Date: 7 December 2022

Medway Anglican Schools Trust
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	4	12,385	-	129,639	142,024	148,248
Other trading activities	6	132,728	-	-	132,728	74,200
Investments	7	181	-	-	181	147
Charitable activities	5	-	4,962,984	-	4,962,984	4,781,144
Total income		145,294	4,962,984	129,639	5,237,917	5,003,739
Expenditure on:						
Charitable activities	8	43,307	5,112,621	144,201	5,300,129	5,036,913
Total expenditure	9	43,307	5,112,621	144,201	5,300,129	5,036,913
Net income / (expenditure)		101,987	(149,637)	(14,562)	(62,212)	(33,174)
Transfers between funds	18	(31,394)	2,292	29,102	-	-
Net movement in funds before other recognised gains/(losses)		70,593	(147,345)	14,540	(62,212)	(33,174)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	3,139,000	-	3,139,000	(202,000)
Net movement in funds		70,593	2,991,655	14,540	3,076,788	(235,174)
Reconciliation of funds:						
Total funds brought forward		927,983	(2,853,428)	794,181	(1,131,264)	(896,090)
Net movement in funds		70,593	2,991,655	14,540	3,076,788	(235,174)
Total funds carried forward		998,576	138,227	808,721	1,945,524	(1,131,264)

The Statement of financial activities includes all gains and losses recognised in the year.

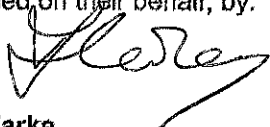
The notes on pages 42 to 70 form part of these financial statements.

Medway Anglican Schools Trust
(A company limited by guarantee)
Registered number: 09628754

Balance sheet
as at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	805,619	753,544
Current assets			
Debtors	16	233,496	198,250
Cash at bank and in hand		1,905,744	1,478,537
		<u>2,139,240</u>	<u>1,676,787</u>
Creditors: amounts falling due within one year	17	(540,335)	(420,595)
Net current assets		<u>1,598,905</u>	<u>1,256,192</u>
Total assets less current liabilities		<u>2,404,524</u>	<u>2,009,736</u>
Defined benefit pension scheme liability	25	(459,000)	(3,141,000)
Total net liabilities		<u>1,945,524</u>	<u>(1,131,264)</u>
Funds of the academy			
Restricted funds:			
Fixed asset funds	18	808,721	794,181
Restricted income funds	18	597,227	287,572
Restricted funds excluding pension asset	18	<u>1,405,948</u>	<u>1,081,753</u>
Pension reserve	18	(459,000)	(3,141,000)
Total restricted funds	18	<u>946,948</u>	<u>(2,059,247)</u>
Unrestricted income funds	18	<u>998,576</u>	<u>927,983</u>
Total funds		<u>1,945,524</u>	<u>(1,131,264)</u>

The financial statements on pages 39 to 70 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



J Clarke
 Co-Chair of Trustees

Date: 6 December 2022

The notes on pages 42 to 70 form part of these financial statements.

Medway Anglican Schools Trust
(A company limited by guarantee)

Statement of cash flows
for the year ended 31 August 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	20	520,663	120,158
Cash flows from investing activities	21	(93,456)	(32,555)
Change in cash and cash equivalents in the year		427,207	87,603
Cash and cash equivalents at the beginning of the year		1,478,537	1,390,934
Cash and cash equivalents at the end of the year	22, 23	1,905,744	1,478,537

The notes on pages 42 to 70 form part of these financial statements

Medway Anglican Schools Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2022

1. General information

Medway Anglican Schools Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is St Margaret's C of E Junior School, Orchard Street, Rainham, Gillingham, Kent, ME8 9AE. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic 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.

Medway Anglican Schools Trust meets the definition of a public benefit entity under FRS 102.

The academy trust's functional and presentational currency is Pounds Sterling.

The academy trust's financial statements are presented to the nearest pound.

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern.

The Trustees confirm that there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Notes to the financial statements
for the year ended 31 August 2022

2. Accounting policies (continued)

2.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

• **Donated fixed assets (excluding transfers on conversion or into the academy)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's accounting policies.

Notes to the financial statements
for the year ended 31 August 2022

2. Accounting policies (continued)

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Taxation

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

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

2.7 Tangible fixed assets

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

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

Notes to the financial statements
for the year ended 31 August 2022

2. Accounting policies (continued)

2.7 Tangible fixed assets (continued)

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:

Depreciation is provided on the following bases:

Fixtures and fittings	- Over 5 - 10 years straight line
Computer equipment	- Over 3 years straight line

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

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

The Rochester Diocesan Board of Education own the legal title of the land and property of the sites of the schools that the Academy Trust operates. In these circumstances, in the opinion of the trustees, the Academy Trust's rights over the premises does not meet the definition of an asset as the Academy Trust does not have control over the premises. Accordingly, the Academy Trust has not recognised any land and property in the financial statements. There are no formal leases in place and the Rochester Diocesan Board of Education does not charge any rent for the use of these properties.

2.8 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 discounts due.

2.9 Cash at bank and in hand

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

2.10 Liabilities

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

2.11 Provisions

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

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

Notes to the financial statements
for the year ended 31 August 2022

2. Accounting policies (continued)

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

2.13 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.14 Pensions

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

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

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

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

Medway Anglican Schools Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2022

2. Accounting policies (continued)

2.15 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Investment income, gains and losses are allocated to the appropriate fund.

Notes to the financial statements
for the year ended 31 August 2022

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

Multi-employer defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £805,619 at the reporting date (see note 15). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

The Rochester Diocesan Board of Education own the legal title of the land and property of the sites of the schools that the Academy Trust operates. Accordingly, the Academy Trust has not recognised any land and property in the financial statements.

Critical areas of judgment:

Multi-employer defined benefit pension scheme

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 25 for further details.

Medway Anglican Schools Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2022

3. Critical accounting estimates and areas of judgment (continued)

Lease commitments

The Academy Trust has entered into a range of lease commitments in respect of equipment. The classification of these leases as either financial or operating leases requires the governors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

4. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	12,385	27,000	39,385	33,358
Capital Grants	-	102,639	102,639	114,890
	<u>12,385</u>	<u>129,639</u>	<u>142,024</u>	<u>148,248</u>
Total 2021	<u>6,058</u>	<u>142,190</u>	<u>148,248</u>	

Medway Anglican Schools Trust
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Notes to the financial statements
for the year ended 31 August 2022

5. Funding for the academy's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	4,078,191	4,078,191	3,750,565
Other DfE/ESFA grants			
Other ESFA grants	193,967	193,967	259,089
Pupil Premium	402,989	402,989	327,922
Teacher's Pay Grant	13,597	13,597	179,386
	<u>4,688,744</u>	<u>4,688,744</u>	<u>4,516,962</u>
Other Government grants			
Local Authority grants	274,240	274,240	264,182
	<u>4,962,984</u>	<u>4,962,984</u>	<u>4,781,144</u>
	<u><u>4,781,144</u></u>	<u><u>4,781,144</u></u>	
Total 2021			

6. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trip income	40,465	40,465	9,460
Consultancy income	3,082	3,082	3,049
Music services income	3,947	3,947	3,023
Catering income	24,678	24,678	15,695
Uniform income	374	374	-
Supply Teacher Insurance income	35,700	35,700	14,950
Miscellaneous income	24,482	24,482	28,023
	<u>132,728</u>	<u>132,728</u>	<u>74,200</u>
Total 2022			
	<u><u>74,200</u></u>	<u><u>74,200</u></u>	
Total 2021			

Medway Anglican Schools Trust
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Notes to the financial statements
for the year ended 31 August 2022

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	181	181	147
	<u>181</u>	<u>181</u>	
Total 2021	147	147	
	<u>147</u>	<u>147</u>	

8. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Educational operations:					
Direct costs	3,219,640	-	232,076	3,451,716	3,332,984
Support costs	1,093,631	205,159	549,623	1,848,413	1,703,929
	<u>4,313,271</u>	<u>205,159</u>	<u>781,699</u>	<u>5,300,129</u>	<u>5,036,913</u>
Total 2021	<u>4,152,537</u>	<u>193,424</u>	<u>690,952</u>	<u>5,036,913</u>	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	3,451,716	1,848,413	5,300,129	5,036,913
	<u>3,451,716</u>	<u>1,848,413</u>	<u>5,300,129</u>	<u>5,036,913</u>
Total 2021	<u>3,332,984</u>	<u>1,703,929</u>	<u>5,036,913</u>	

Medway Anglican Schools Trust
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Notes to the financial statements
for the year ended 31 August 2022

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	3,219,640	3,162,442
Education supplies	209,937	151,324
Absence insurance	22,139	19,218
	3,451,716	3,332,984

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Pension interest cost	50,000	40,000
Staff costs	1,093,631	990,095
Depreciation	144,201	129,555
Staff training	14,170	10,039
Staff recruitment costs	3,573	20,277
Maintenance and premises and equipment	63,118	65,020
Cleaning	37,376	35,009
Rates	33,937	36,655
Light and heat	70,702	56,661
Insurance	24,364	25,414
Staff travel	685	335
Catering costs	106,037	88,334
Computer costs	94,709	91,633
Printing, postage and stationery	15,320	23,366
Telephone	7,579	10,493
Sundry admin costs	36,922	30,394
Legal and professional	52,089	50,649
	1,848,413	1,703,929

Medway Anglican Schools Trust
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Notes to the financial statements
for the year ended 31 August 2022

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Depreciation of tangible fixed assets	144,201	129,555
Fees paid to auditors for:		
- audit	10,420	9,475
- other services	6,800	5,900
	=====	=====

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	2,957,090	2,904,649
Social security costs	248,497	232,988
Pension costs	1,052,633	951,853
	=====	=====
	4,258,220	4,089,490
Agency staff costs	55,051	63,047
	=====	=====
	4,313,271	4,152,537
	=====	=====

b. Staff numbers

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

	2022	2021
	No.	No.
Teachers	40	37
Administration and support	89	93
Management	11	12
	=====	=====
	140	142
	=====	=====

Medway Anglican Schools Trust
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Notes to the financial statements
for the year ended 31 August 2022

11. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	3	1
In the band £70,001 - £80,000	2	1
	=====	=====

Four (2021: two) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2022, pension contributions for these employees amounted to £63,765 (2021: £32,077). One (2021: none) of the above employees participated in the Local Government Pension Scheme. During the year ended 31 August 2022, pension contributions for these employees amounted to £13,249 (2021: £nil)

d. Key management personnel

The key management personnel of the academy comprise the Trustees and the senior management team as listed on page 2. The total salaries received by key management personnel for their services to the academy trust was £673,028 (2021: £675,213). Employer pension contributions were a total of £159,886 (2021: £146,996) and employer national insurance contributions were a total of £82,304 (2021: £72,971).

12. Central services

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

- Educational support services
- Legal, financial and professional services
- HR services
- Others as arising

The academy charges for these services on the following basis:

A flat percentage of 6% (2021: 6%) of total General Annual Grant income.

The actual amounts charged during the year were as follows:

	2022	2021
	£	£
All Saints C of E Primary School	81,128	79,064
St Margaret's C of E Junior School	91,641	81,900
St John's C of E Infants' School	23,479	24,489
St James' C of E Primary School	44,105	39,565
Total	240,353	225,018
	=====	=====

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13. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£	£
H Sanders	Remuneration	50,000 -	45,000 -
		55,000	50,000
	Pension contributions paid	10,000 -	10,000 -
		15,000	15,000

During the year ended 31 August 2022, expenses totalling £112 were reimbursed or paid directly to 1 Trustee (2021 - £688 to 1 Trustee).

14. Trustees' and Officers' insurance

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

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Notes to the financial statements
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15. Tangible fixed assets

	Assets under construction	Fixtures and fittings	Computer equipment	Total
	£	£	£	£
Cost or valuation				
At 1 September 2021	-	862,316	157,869	1,020,185
Additions	108,760	62,793	24,723	196,276
At 31 August 2022	<u>108,760</u>	<u>925,109</u>	<u>182,592</u>	<u>1,216,461</u>
Depreciation				
At 1 September 2021	-	185,652	80,989	266,641
Charge for the year	-	96,298	47,903	144,201
At 31 August 2022	<u>-</u>	<u>281,950</u>	<u>128,892</u>	<u>410,842</u>
Net book value				
At 31 August 2022	<u>108,760</u>	<u>643,159</u>	<u>53,700</u>	<u>805,619</u>
At 31 August 2021	<u>-</u>	<u>676,664</u>	<u>76,880</u>	<u>753,544</u>

16. Debtors

	2022	2021
	£	£
Trade debtors	51,368	8,408
Other debtors	28,112	19,158
Prepayments and accrued income	154,016	170,684
	<u>233,496</u>	<u>198,250</u>

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Notes to the financial statements
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17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	152,529	114,494
Other taxation and social security	61,951	56,613
Other creditors	109,033	90,633
Accruals and deferred income	216,822	158,855
	<u>540,335</u>	<u>420,595</u>
	<u><u>540,335</u></u>	<u><u>420,595</u></u>
	2022	2021
	£	£
Deferred income at 1 September 2021	42,129	61,991
Resources deferred during the year	37,814	42,129
Amounts released from previous periods	(42,129)	(61,991)
	<u>37,814</u>	<u>42,129</u>
	<u><u>37,814</u></u>	<u><u>42,129</u></u>

At the balance sheet date the academy trust was holding funds received for universal free school meals in respect of the following financial year.

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Notes to the financial statements
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18. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
CIF match funding	96,000	-	-	19,000	-	115,000
School improvement fund	100,000	-	-	50,000	-	150,000
Development of central services	57,000	-	-	-	-	57,000
Repairs fund	200,000	-	-	-	-	200,000
St Margaret's - future roof project	30,000	-	-	-	-	30,000
	483,000	-	-	69,000	-	552,000
General funds						
General Funds	444,983	145,294	(43,307)	(100,394)	-	446,576
Total Unrestricted funds	927,983	145,294	(43,307)	(31,394)	-	998,576
Restricted general funds						
General Annual Grant (GAG)	229,827	4,078,191	(3,476,907)	(255,475)	-	575,636
Other ESFA grants	57,745	609,553	(645,707)	-	-	21,591
Other government grants	-	275,240	(533,007)	257,767	-	-
Pension reserve	(3,141,000)	-	(457,000)	-	3,139,000	(459,000)
	(2,853,428)	4,962,984	(5,112,621)	2,292	3,139,000	138,227

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Notes to the financial statements
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18. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Assets held for depreciation	753,544	27,000	(144,201)	169,278	-	805,621
DfE/ESFA capital grants	40,637	102,639	-	(140,176)	-	3,100
	<u>794,181</u>	<u>129,639</u>	<u>(144,201)</u>	<u>29,102</u>	<u>-</u>	<u>808,721</u>
Total Restricted funds	<u>(2,059,247)</u>	<u>5,092,623</u>	<u>(5,256,822)</u>	<u>31,394</u>	<u>3,139,000</u>	<u>946,948</u>
Total funds	<u><u>(1,131,264)</u></u>	<u><u>5,237,917</u></u>	<u><u>(5,300,129)</u></u>	<u><u>-</u></u>	<u><u>3,139,000</u></u>	<u><u>1,945,524</u></u>

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

The CIF match funding represents amounts held aside with regards to capital works for school renovations and refurbishments.

The school improvement fund is for mentoring and coaching of early careers teachers and outreach between Trust schools.

GAG represents funds to be used to cover normal running costs of the Academy Trust.

Other DfE/ESFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

Other government grants represents grants provided for specific purposes, such as SEN funding which is used to support pupils with special education needs.

DfE/ESFA capital grants funds is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities.

The restricted fixed asset fund represents the assets which were donated upon conversion to academy status, and the value of fixed assets purchased since conversion including depreciation to the balance sheet date.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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Notes to the financial statements
for the year ended 31 August 2022

18. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
CIF match funding	65,600	-	-	30,400	-	96,000
School improvement fund	100,000	-	-	-	-	100,000
Development of central services	57,000	-	-	-	-	57,000
Repairs fund	200,000	-	-	-	-	200,000
St Margaret's - future roof project	-	-	-	30,000	-	30,000
	<u>422,600</u>	<u>-</u>	<u>-</u>	<u>60,400</u>	<u>-</u>	<u>483,000</u>
General funds						
General Funds	429,104	80,405	(2,690)	(61,836)	-	444,983
Total Unrestricted funds	<u>851,704</u>	<u>80,405</u>	<u>(2,690)</u>	<u>(1,436)</u>	<u>-</u>	<u>927,983</u>
Restricted general funds						
General Annual Grant (GAG)	58,693	3,750,565	(3,349,964)	(229,467)	-	229,827
Other ESFA grants	-	259,089	(201,344)	-	-	57,745
Pupil Premium	-	327,922	(327,922)	-	-	-
Teacher's Pay Grant	-	179,386	(179,386)	-	-	-
Other government grants	-	264,182	(482,052)	217,870	-	-
Pension reserve	(2,575,000)	-	(364,000)	-	(202,000)	(3,141,000)
	<u>(2,516,307)</u>	<u>4,781,144</u>	<u>(4,904,668)</u>	<u>(11,597)</u>	<u>(202,000)</u>	<u>(2,853,428)</u>

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18. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Assets held for depreciation	738,283	27,300	(129,555)	117,516	-	753,544
DfE/ESFA capital grants	30,230	114,890	-	(104,483)	-	40,637
	<u>768,513</u>	<u>142,190</u>	<u>(129,555)</u>	<u>13,033</u>	<u>-</u>	<u>794,181</u>
Total Restricted funds	<u>(1,747,794)</u>	<u>4,923,334</u>	<u>(5,034,223)</u>	<u>1,436</u>	<u>(202,000)</u>	<u>(2,059,247)</u>
Total funds	<u>(896,090)</u>	<u>5,003,739</u>	<u>(5,036,913)</u>	<u>-</u>	<u>(202,000)</u>	<u>(1,131,264)</u>

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
All Saints C of E Primary School	684,090	513,831
St Margaret's C of E Junior School	482,424	328,436
St John's C of E Infants' School	128,252	121,795
St James' C of E Primary	242,607	190,309
Medway Anglican Academy Trust - central services	58,430	61,184
Total before fixed asset funds and pension reserve	1,595,803	1,215,555
Restricted fixed asset fund	808,721	794,181
Pension reserve	(459,000)	(3,141,000)
Total	1,945,524	(1,131,264)

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Notes to the financial statements
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18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2022	Total 2021
	£	£	£	£	£	£
All Saints C of E Primary School	1,207,203	183,712	43,085	179,382	1,613,382	1,580,152
St Margaret's C of E Junior School	1,111,258	126,085	88,292	163,964	1,489,599	1,475,057
St John's C of E Infants' School	294,091	85,852	21,260	70,356	471,559	442,475
St James' C of E Primary	607,088	110,377	53,787	95,144	866,396	829,770
Medway Anglican Academy Trust - central services	-	587,605	-	127,387	714,992	579,904
Academy	3,219,640	1,093,631	206,424	636,233	5,155,928	4,907,358

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Notes to the financial statements
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	805,619	805,619
Current assets	998,576	1,137,562	3,102	2,139,240
Creditors due within one year	-	(540,335)	-	(540,335)
Provisions for liabilities and charges	-	(459,000)	-	(459,000)
Total	998,576	138,227	808,721	1,945,524

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	753,544	753,544
Current assets	927,983	708,167	40,637	1,676,787
Creditors due within one year	-	(420,595)	-	(420,595)
Provisions for liabilities and charges	-	(3,141,000)	-	(3,141,000)
Total	927,983	(2,853,428)	794,181	(1,131,264)

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Notes to the financial statements
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20. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(62,212)	(33,174)
Adjustments for:		
Depreciation	144,201	129,555
Capital grants from DfE and other capital income	(102,639)	(114,890)
Interest receivable	(181)	(147)
Defined benefit pension scheme cost less contributions payable	405,000	322,000
Defined benefit pension scheme finance cost	52,000	42,000
(Increase)/decrease in debtors	(35,246)	128,798
Increase/(decrease) in creditors	119,740	(356,760)
Loss on disposal of Tangible Fixed Assets	-	2,776
Net cash provided by operating activities	520,663	120,158

21. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	181	147
Purchase of tangible assets	(196,276)	(147,592)
Capital grants from DfE Group	102,639	114,890
Net cash used in investing activities	(93,456)	(32,555)

22. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	1,905,744	1,478,537
Total cash and cash equivalents	1,905,744	1,478,537

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Notes to the financial statements
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23. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,478,537	427,207	1,905,744
	<u>1,478,537</u>	<u>427,207</u>	<u>1,905,744</u>

24. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements	<u>19,123</u>	<u>-</u>

Notes to the financial statements
for the year ended 31 August 2022

25. Pension commitments

The academy'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 Kent County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £74,525 were payable to the schemes at 31 August 2022 (2021 - £70,123) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £387,267 (2021 - £399,550).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

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Notes to the financial statements
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25. Pension commitments (continued)

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 £329,000 (2021 - £293,000), of which employer's contributions totalled £258,000 (2021 - £226,000) and employees' contributions totalled £ 71,000 (2021 - £67,000). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.95	3.90
Rate of increase for pensions in payment/inflation	2.95	2.90
Discount rate for scheme liabilities	4.25	1.65
Inflation assumption (CPI)	2.95	2.90

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

	2022	2021
	Years	Years
Retiring today		
Males	21.0	21.6
Females	23.5	23.6
Retiring in 20 years		
Males	22.3	22.9
Females	24.9	25.1

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(96)	(154)
Discount rate -0.1%	98	158
Mortality assumption - 1 year increase	127	274
Mortality assumption - 1 year decrease	(123)	(263)
Salary rate +0.1%	11	21
Salary rate -0.1%	(11)	(21)

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25. Pension commitments (continued)

Share of scheme assets

The academy's share of the assets in the scheme was:

	At 31 August 2022	At 31 August 2021
	£	£
Equities	2,535,000	2,388,000
Gilts	22,000	20,000
Other bonds	512,000	506,000
Property	455,000	375,000
Cash	66,000	104,000
Absolute return fund	278,000	254,000
Total market value of assets	<u>3,868,000</u>	<u>3,647,000</u>

The actual return on scheme assets was £(47,000) (2021 - £440,000).

The amounts recognised in the Statement of financial activities are as follows:

	2022	2021
	£	£
Current service cost	(663,000)	(548,000)
Interest income	62,000	49,000
Interest cost	(112,000)	(89,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of financial activities	<u>(715,000)</u>	<u>(590,000)</u>

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

	2022	2021
	£	£
At 1 September	6,788,000	5,517,000
Current service cost	663,000	548,000
Interest cost	112,000	89,000
Employee contributions	71,000	67,000
Actuarial (gain)/loss	(3,248,000)	593,000
Benefits paid	(59,000)	(26,000)
At 31 August	<u>4,327,000</u>	<u>6,788,000</u>

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Notes to the financial statements
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25. Pension commitments (continued)

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

	2022	2021
	£	£
At 1 September	3,647,000	2,942,000
Interest income	62,000	49,000
Actuarial (losses)/gains	(109,000)	391,000
Employer contributions	258,000	226,000
Employee contributions	71,000	67,000
Benefits paid	(59,000)	(26,000)
Administration expenses	(2,000)	(2,000)
At 31 August	3,868,000	3,647,000

26. Operating lease commitments

At 31 August 2022 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Not later than 1 year	13,264	13,545
Later than 1 year and not later than 5 years	20,411	33,675
	33,675	47,220

27. Members' liability

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

28. Related party transactions

Owing to the nature of the academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

Certain Trustees have received remuneration and expenses, already disclosed in note 13.

These transactions were conducted on normal commercial terms, at arm's length, without the exercise of any influence by the related party involved.

29. Controlling party

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.