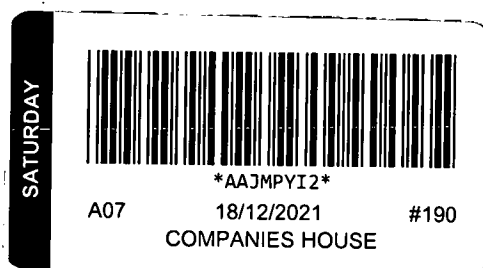


REGISTERED COMPANY NUMBER: 7736448 (England and Wales)

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
TENTERDEN SCHOOLS TRUST**

McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Invicta Business Centre
Monument Way
Orbital Park
Ashford
Kent
TN24 0HB



TENTERDEN SCHOOLS TRUST

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FOR THE YEAR ENDED 31 AUGUST 2021**

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TENTERDEN SCHOOLS TRUST

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 AUGUST 2021

Members	Mrs V Hardy (died 30 Sept 2021) Mr I Kirkland (died 5 Jan 2021)	Rev Canon L Hammond The Diocese of Canterbury Academies Company Ltd
Trustees/Board	Mrs T Buckley Mrs V Hardy Mr D Harding Mr M Hill Mr G Jones Mrs S Lees Mrs N Paterson Mr S Reeves Ms K Smith Mr C Thomas Mr N Vincer Ms J Vos	Director (appointed 13 October 2020) Chair (Diocesan Rep for St Michael's)(died 30 September 2021) Director (resigned 31 March 2021) Director Director Chief Executive Officer Diocesan Director Director (appointed 31 August 2021) Director Director Director Director
Secretary	Mrs K Douglas	
Senior executive team	Mrs S Lees Mr J Single Mrs S Williamson Mrs T McIntosh Mr N Leggat Mrs S King Mr S Pusey Mrs N Callingham Mr M Seymour	Chief Executive Officer Principal (Homewood) Headteacher (St Michael's C of E Primary school) Head of Schools (Tenterden Primary Federation) Head of School (Rolvenden) Vice Principal (Homewood) Vice Principal (Homewood) HR Director Chief Operating Officer
Registered Office	Homewood School & Sixth Form Centre Ashford Road Tenterden Kent TN30 6LT	
Company Registration Number	07736448	(England and Wales)
Auditors	McCabe Ford Williams Invicta Business Centre Monument Way Orbital Park Ashford Kent TN24 0HB	
Bankers	Lloyds TSB Plc 81 High Street Ashford TN24 8SS	

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

The trustees who are also directors of the charitable company for the purposes of the Companies Act 2006, present their report with the financial statements of the trust for the year ended 31 August 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The main aim of the multi-academy Trust is to provide a broad based curriculum across the full ability range of pupils from ages 0 to 4 in the nursery and from 4 to 19 in the primary and secondary schools. The second aim of the Trust is for the facilities to be enjoyed by the public and used by them when available and for the financial benefit of the Trust. The aims and objects link with the Articles of Association primary objects as noted above.

The objectives for the year 2020/21 were set out in the Trust Development Plan for this period. Some of these areas are noted as follows:

Strategic Development of the trust

- Deliver school improvement strategy to ensure that all schools meet or exceed national standards for attainment and progress in 2021.
- At least one primary school identified to join the trust in 2021/22.
- Deliver all 2020/21 budgets without deficits and set balanced budgets for 2021/22.
- Make all necessary preparations to support schools entering the Ofsted and SIAMS inspection windows.
- Prepare budget model, business case and timescale to appoint a full time CEO.
- Progress made towards identifying a secondary school to work in partnership with the trust.

0 - 19 Learning Journey

- To continue to develop a coherent 0-19 learning journey across the trust.
- To continue to identify and support vulnerable learners across key stages.
- To use the new performance management procedures to support all teaching staff in adopting a professional enquiry approach to developing an aspect of their teaching.

Public benefit

The trustees confirm that they have complied with the duties in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Public benefit from the Trust's operations is manifested in a number of different ways:

- In the education of pupils across all ability levels from ages 0 to 19.
- In the availability of facilities to the general public, from sports halls and school halls to the theatre to adult education classes, in the evening.
- In community events run by the schools on behalf of the local community.
- In the community and educational links with the local Tenterden Rural alliance and other primary schools.
- In the activity days, master classes and summer school activities run out of hours for the benefit of primary age children in the surrounding area and Ashford.

The Trustees have complied fully with their duty to have due regard to the guidance on public benefit as published by the Charity Commission in exercising their powers and duties.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

Achievement and performance

The Tenterden Schools Trust has been established since 1 December 2016. On 1 November 2019, Rolvenden Primary School converted to Academy status and joined the Trust so the Trust now comprises Homewood School & Sixth Form Centre, Tenterden Primary Federation (Tenterden Infants' School and Tenterden CE Junior School), St Michael's CE Primary School, Rolvenden Primary School and Home Farm Nursery School. John Mayne CEP School has applied to become an academy and to join the Trust in 2022. St Michael's pre-school joined the Home Farm Nursery business on 1 September 2021.

Tenterden Primary Federation - Due to the COVID situation, there were no SATs at KS1 or KS2 in 2021. Tracking data throughout the pandemic indicated that good progress was being made in all year groups but there are significant gaps in learning due to variable home learning situations. Excellent communication with parents took place during period of lockdown.

St Michael's CE Primary School - Due to the COVID situation, there were no SATs at KS1 or KS2 in 2021. Tracking data throughout the pandemic indicated that progress is good but there are variable gaps in learning for some students. The new curriculum is being embedded this year. Excellent communication with parents took place during the period of partial closure due to COVID.

Rolvenden Primary School - Due to the COVID situation, there were no SATs at KS1 or KS2 in 2021. An intensive programme of curriculum reform, new approaches to the teaching of Maths and Literacy and clear policies on behaviour and assessment have had an impact on progress, particularly at KS1, but the impact on outcomes in public SATs exams is not yet confirmed. Very good relationships with parents were secured throughout the pandemic

Homewood - There were no public exams in 2021 due to the COVID crisis. However, a rigorous process was undertaken to produce Teacher Assessed Grades for every student in every subject. We are encouraged that Year 11 outcomes are broadly in line with expectations. Year 13 results confirmed the strength of sixth form achievement in recent years with another set of excellent outcomes. For the second time, Homewood students were successful in gaining a place at Oxbridge. Significant curriculum development work now demonstrates logical sequencing within a 3 year KS3 and a 2 year KS4. Very effective development of the Google classroom ensured that home learning could be very successfully managed during the pandemic.

Recruitment into Year 7 at Homewood continues to be strong and reached a new high in 2021 with 414 in Year 7 on census date in October 2021. 6th form numbers have also increased with over 120 enrolled into Year 12. The proposed closure of High Weald Academy has seen an influx of students into Homewood.

COVID-19: The Trust schools continue to support each other throughout the pandemic. The impact on primary schools is linked to parents having to isolate but there are very few primary student cases. Throughout the year, secondary cases have been rising but have been well managed with on site testing and in-house track and trace activity in line with PHE guidance. The disruption at secondary continues to be highly significant with up to 80 daily cases in September 2021 and a high of 200 daily cases in October 2021. We have worked closely with PHE to monitor the situation. Testing continues and we look forward to the vaccination programme for 12-15 year olds starting later in the year.

The Trust continues to maintain its buildings to a high standard and we are delighted to report the success of the CIF bids made during 2020-21. A total of £2.8m was secured to tackle projects across all our Trust schools, including fire safety upgrades, electrical upgrades, roofing repairs and window replacements. Further bids are now in preparation for 2021-22. We are therefore in a stronger position than in previous years to invest in the maintenance and development of our building stock across the Trust.

The financial element is covered in the financial section to follow.

Key financial performance indicators

The Trust schools' Key performance indicators are set out on the attached Appendix 5.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

Financial review

Financial position

In common with most educational establishments 2020/21 was a difficult year educationally with the Covid-19 interruptions. Financially there were pressures too, with the Trust exceeding its cleaning costs alone by £50k due to the pandemic and with a loss of over £60k in lettings and other income compared to pre covid levels. There was government support for running the testing centres at the secondary school and for an element of the additional Covid related costs. Despite the challenging background here, the trust had a sound financial outcome with a surplus position in year of £156k in the management accounts which reflects in the SOFA in the audited accounts. Under the national funding formula all schools benefited in 2020/21 with further increases due in 2021/22. The trust had a good year when considered against this challenging backcloth and was able to clear the small deficit position in the unrestricted reserves to provide a surplus position of £124k. The trust schools were all kept open during the period of general closure from January to early March for vulnerable children and others needing schooling. Remote learning was effective in that period for all schools.

The trust was very successful in 2021 in obtaining more Condition Improvement Grant funding and £2.8m was agreed across the four sites. These funds are fully reflected in the financial statements.

In 2021/22 the trust will look to further build funds in the unrestricted balances. High needs funding continues to be an issue across all schools in the trust and is particularly challenging in the smaller primaries. The Central fund was adjusted by additional year end transfers and the contributions of 5.4% of GAG fell short in 2020/21 so these have been increased as agreed by the trustees in July 2021 to 5.9% of GAG. The Financial controls have been well maintained and the new in-year auditors have supported the Responsible Officer in this regard. The Financial Regulations manual was updated in September 2021 in accordance with the changes in the ESFA Academies Handbook and this has been used as the guide for auditors. The audit reports have been presented at the subsequent audit committee and directors' meetings. The COVID 19 outbreak will continue to have an impact in 2021/22.

It can be seen from the accounts on the following pages that the central ESFA grant funding (GAG or general annual grants) plus local authority grants, which are the majority of the Trust's income have been fully utilised in the operations of the various schools.

GAG funding is broken down into various elements which includes, 4 - 11 funding, 11 - 16 funding, sixth form funding and then special educational needs funding which in turn is derived from a number of different factors. The main element to funding is the pupil count which is reported by the various academies in the annual census in October. There is always a lag of one year so the main grants paid in 2020/21 reflect the census numbers in October 2019.

The pupil premium funding is an important element of the government's plans and this is included in the GAG element. A full breakdown of how this was spent in the financial year is shown on each of the schools' websites. It is very difficult to accurately budget for the pupil premium with year on year changes. There has been an increase in the number of pupils that have been registered for the premium according to the January 2021 census.

Investment policy and objectives

The trust holds reserves and invests on the basis that it can meet its short term requirements for cash flow purposes but also to maximise the interest earned. In 2020/21 there were no investments made on the money market. All funds were held in current account balances but we will consider using the money markets when returns are stronger and particularly as rates may rise moving forward. Short and longer term investments are available via Lloyds Bank PLC.

The Trustees are comfortable that given the cash flow needs of the trust, best possible use is made of the investments available.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

Financial review

Reserves policy

The Directors have considered the need to establish a reasonable level of reserves given the size of the trust and the age of some of the buildings across the schools in the trust. However, it is noted that unlike many charities who need to take a very cautionary approach with their reserves given the uncertainty of their income, the academy has knowledge of regular grant funding from the ESFA and the local authority and thus a similar view is not warranted. Nonetheless, it has been agreed by the Directors that the level of reserves should be maintained at or around the level of two weeks of total staff costs. For the 2021/21 year this calculates at £464k based on total staff costs of £12.5m less the guaranteed teacher's additional pension grant. As staff costs are over 79% of all costs this covers by far the largest item on the cost side of running the trust. This level of reserves will provide 1.5 weeks cover for all of the academy's costs and not just staff costs.

The Trust held fund balances at 31 August 2021 of £29.3m (2020 :£30.7m) comprising £29.1m (2020: £30.8m) of restricted funds and £124K (2020 : Deficit £33K) of unrestricted general funds, the unrestricted funds being the Trust's free reserves. In addition at 31 August 2021, there was a balance of £227K within fixed asset reserves relating to a land sale from 2019/20. This balance will reduce the amounts to be spent from free reserves in the coming year on property maintenance meaning that reserves are at £351k which is at a level of 76% of the desired reserves position. The Trustees are looking to increase the reserves to the agreed two weeks of salary costs level in due course but this position is much stronger than it was two years ago. Total restricted funds include £38.3m in the restricted fixed assets fund. Of this £35.6m can only be realised by disposing of tangible fixed assets.

The restricted funds include a pension reserve deficit of £9.2m but this is not an immediate liability. Teacher pension employer contribution increases from 16.48% to 23.6% occurred in September 2019. These were fully funded by the DfE in 2019/20 and 2020/21 with the additional pensions grant. This will then be established in the GAG funding from September 2021.

Going concern

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

Fundraising

The Trust applied for funding by way of grant bids only in 2020/21. This included funds from the Apollos Trust towards the Take Up the Challenge Student Initiative and Headstart funding from KCC for emotional and mental health areas. The trust worked with professional bid writers in preparing bids for the Condition Improvement Fund. During the year there were no complaints regarding fundraising. The trust does not fundraise from individuals or directly raise funds for its activities. The primary schools have active PTAs who run fundraising events and the Trust does benefit from payments from these PTAs but they are separate charities and responsible for their own accounts.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

**Financial and risk management objectives and policies
including principal risks and uncertainties**

The risk assessment process for the Trust has already been outlined. The sections under the financial category in the risk register include the risk of a budget deficit and that performance is not checked against budget on a regular basis. The risk register is updated and reviewed at least annually. A potential threat of cyberfraud has been identified this year and it was necessary to include the effect of the COVID-19 outbreak in the risk register again. The internal control procedures are well tested and supported by the external audits. There are risks in future years of falling rolls in some of the primary schools which will affect funding. The stability of numbers in all schools is key. Year R will be a challenge over the next few years based on the KCC Commissioning Plan. Year R at Tenterden Infants in September 2021 was stronger at 50 than it has been for four years (34 in 2017) which is encouraging. At St Michael's year R fell to 14 in September 2017 but was 25 this year and this was pleasing. At 151 the school is just down 3 on last year but this is against a background of growth. We are working hard to recruit into these schools. The Tenterden C of E Junior school has 210 pupils and carries through the small year group which joined the Infants in 2017. It may see a small drop off over the next two years before growing again. Rolvenden came into the trust with 102 pupils but has fallen in September 2020 to 94 which has meant a challenging year in 2021/22 given the one year lag in funding. This has further reduced to 90 in September 2021 and year R was 3 below PAN at 11. An area to watch going forward. Recruitment into year 7 at Homewood was below KCC and our expectations at 327 (last year 394). However, the school has benefitted significantly from students moving over from High Weald academy which the DfE announced will close in July 2022. Homewood gained 44 by census day with 21 of these in year 7 and 9 in year 8. Sixth form numbers have increased by 22 to 371 which is a result of strong retention of year 11 students. We anticipate reasonable levels of recruitment into year 7 at Homewood over the next three years. Teachers pay raises averaging 3.1% were made in 2020/21 but in 2021/22 there will only be raises for those going up a grade and no cost of living increase. The DfE has announced additional funds for the 2022 to 2025 spending review period but it is expected that the minimum salary for an M1 teacher will be raised to £30k which means significant increases in the main pay range. This will probably take up most of the additional funding. Teacher pension grants have increased over the past two years by £600k per annum. These costs are incorporated into the GAG funding from 2021/22 rather than paid as a pension grant apart from an element that relates to sixth form students.

Financial risks are regularly assessed and the Trust is already working on its plans for 2022/23 and thereafter. Overall GAG funding in 2021/22 has increased across the trust with the second of three tranches of additional funding agreed by the Government. In particular, this is better in the secondary sector although all schools have benefited. Despite the increases we have some challenges with smaller rolls in some schools. Salaries are increasing on the incremental scale in 2021/22 but there is no cost of living raise. The Trust will need to manage the reduced pupil numbers in Rolvenden and to a lesser extent the Tenterden Junior school as these will hit budgets hard from 2022. The Infant school should grow a little in the next few years. Rolvenden has a school establishment of 98 and is 8 under which it should recover as a popular village school. St.Michael's has grown well over the last two years and now stabilised. Homewood stands well placed despite the disappointment of a requires improvement overall Ofsted in September 2019. The school will benefit from the potential closure of the High Weald Academy at Cranbrook. By census day in 2021 there had already been 44 students transfer and there will almost certainly be more to follow. The sixth form has grown a little this year. Demand will be reasonably high over the next three years according to the commissioning plan, despite the potential new secondary school at Chilmingdon. That has always been an area of concern but with the potential closure of High Weald academy and the local numbers in the plan it does seem that the demand for places will continue.

Financial risks in terms of payments by debtors are low and cash flow risk is also low. The Trust has now built up a reasonable level of free reserves and fixed reserves. This is always an area that is closely monitored with monthly cash flow forecasts etc. The main risk to the trust apart from the number of pupils on roll, is the provision of the same level of additional income streams. The COVID 19 impact has seen a fall in lettings and this underlines the reliance of the trust on these additional income areas. 2018/19 saw a strong performance in these areas but 2019/20 was difficult with almost six months of closure of the 3G pitch and theatre at Homewood and the closure of the primary schools for lettings and before and after school clubs. In 2020/21 there was a fall in income again but from September 2021 it is hoped that there will be a return to pre Covid levels of lettings income. There is also a risk that COVID 19 related costs bring financial pressure in 2021/22 and with additional supply teaching costs, cleaning costs and sanitising costs, this could be significant. The trust is receiving COVID catch up funding in all schools in 2021/22 to support pupils in catching up on lost learning during the lockdown period.

The three year finance budgets enable the Trust to plan for any necessary changes to ensure that where possible surplus budgets will be maintained in the years ahead. These budgets were presented to the Directors in July 2021 and approved. In the last month there has been a spending review for the period to 2025 which will see additional funding into education and we await the detail of this agreement.

One area to be noted is the Local Government Pensions scheme with a deficit of £9.2m at year end. This represents an increase in the deficit of £1.4m over the year. These figures are taken from the latest actuarial valuation undertaken for the Trust by Barnett Waddingham public sector consulting. There has been an overall negative view in financial assumptions which have taken account of Brexit, the markets, rising interest rates, Covid 19 and the McCloud case regarding transitional protection for changes in civil service pension schemes.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRATEGIC REPORT

Future plans

Each academy has a three year budget plan and this extends to 2023/24. The Trust then has an overall budget plan including the summary of the schools and the central fund. Incorporated into this plan are the three year premises development plans and the three year ICT plans. These two areas form the highest areas of expenditure after staff costs and thus the budgets are drawn from the underlying plans. The trust considers that it has detailed planning processes embedded into its operations and these help considerably with the financial plans for the coming years. There are factors that will change each year, including the ability to bid for new MAT funding, projects for capital funding, new ICT opportunities and other work that was not anticipated when budgets were initially set. These will be considered and progressed, if necessary, at the time. Within the Trust the individual schools in the trust will each have balanced budgets, as far as possible. The Trust budget for 2021/22 shows a surplus of £73k with capital adjustments and there will be regular reviews of performance against that budget via the management accounts. The coming years will continue to be challenging but there is additional funding in the system with further increases from 2022/23. Details are awaited and it is expected that much of the increase will be used to cover the increases in teachers' salaries from 2022 which should be quite significant. There will also be further Section 106 secondary school funding from new housing developments in the area which will come to the Trust. Discussions continue with regard to the disposal of land in Appledore Road once planning permission can be secured. The housing application appeal is to be heard in February 2022 in this respect.

The Trust will continue to invest in its building stock and the main focus will be to prepare the schools for the numbers projected in the Kent Commissioning Plan. Whilst this will mainly impact on Homewood at the secondary stage there may be some growth in the primary schools from the new housing. As noted, S106 funds will be coming to the Trust over the next three years for additional secondary provision and also for primary provision in due course although that will be subject to growth in pupil demand and places made available. There will be the need to create extra science labs at Homewood and also for mobile accommodation. Following the success of our CIF (Condition Improvement Fund) bids in 2019-20 (total £2.6m), there was further success in the 2020-21 round with another £2.8m approved. There are additional bids being prepared for all of the schools for the 2022 bidding round.

There are still plans to grow the trust further in due course. From September 2021 the trust is providing executive headship for John Mayne Church of England Primary school at Biddenden with an interim headteacher services agreement in place with KCC. The governors of the school have agreed to join the trust and the Diocese of Canterbury have also granted an in principle agreement. A formal application has been made to the DfE and we expect the school to join the trust during the spring/summer 2022. The Directors remain committed to the idea of a local Trust and with this in mind, we will seek engagement with local schools. The priority to engage with another secondary school is likely to be addressed through strategic partnerships rather than, in the near future, bringing another secondary school into the Trust. We have an Ofsted inspection due at Rolvenden. Homewood will also be looking forward to their next Ofsted inspection. All these may be delayed by COVID, but we will be well prepared for them whenever they happen.

Expansion remains a strategic priority for the Directors - there is the aim of taking the pupil numbers above 3000 across the trust so that fairly substantial automatic capital funding can be obtained and it is the Directors' view that growth will benefit the education of pupils in both the primary and secondary sectors. This has been clearly demonstrated already in the experience of Rolvenden, now part of the Trust and benefiting from additional financial investment, strong leadership and a rigorous approach to improving teaching and learning and outcomes for children. We have a model which can now be extended to other schools, thus supporting strong educational provision in the area. In planning for further expansion, the Directors will ensure that any new schools joining the Trust can retain their individual ethos appropriate to the community they serve, whilst working together with the other Trust schools under a shared vision and shared values, with a focus on high quality teaching and learning, inclusion, strong links with the community and a diverse and exciting curriculum.

The Trust is developing a succession plan for its future leadership, with a new full-time CEO appointed from 1 September 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The 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 act as the governors for the charitable activities of Tenterden Schools Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Tenterden Schools Trust.

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

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 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 cease to be a member.

Trustees' Indemnities

No third party indemnity provisions were made during the year.

Principal activities

The Trust's objects are specifically restricted to the following: "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum". In addition, "to promote for the benefit of Ashford, Kent and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have reason of their need for such facilities or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants".

The Trust includes the following academies:

Homewood School & Sixth Form Centre which is a mixed ability school and there is an emphasis on the individual needs of all students including pupils with special educational needs.

St. Michael's Church of England Primary School which is a primary school covering years R to 6 (age 4 to 11).

Rolvenden Primary School which is a primary school covering years R to 6 (age 4 to 11).

Tenterden Infant School which is an infant school for years R to 2 (age 4 to 7).

Tenterden Church of England Junior School which is a junior phase school from years 3 to 6 (age 7 to 11).

Method of recruitment and appointment or election of trustees

The Trustees' term of office is four years but they are eligible for re-election at the meeting at which they retire. At the first Full Trustees' meeting of the year the Trustees will elect a Chairman and a Vice-Chairman and these automatically become the Chairman and Vice-Chairman of the Company. The method of recruitment and appointment of trustees is set out in appendix 4.

The total number of staff trustees will not exceed a quarter of the total number of trustees.

Organisational structure

The structure chart for the Trust Executive team is shown with areas of responsibilities (appendix 3). This is essentially a strategic leadership team which will report to the Board. In addition, underlying this there is a Trust Strategy team represented by leaders in all of the schools and covering strategic, achievement, curriculum and learning and student welfare areas across the Trust. The operational level discussions are made within this framework but also by each of the individual schools within their own leadership structures. Decisions at a strategic level are made through the Trust Executive team. Strategic level recommendations go via the Trust Executive team to the Board of Trustees.

The CEO is the Accounting Officer for the Trust and as such takes overall responsibility on behalf of the Governing body for the finances of the Multi-academy trust.

Arrangements for setting pay and remuneration of key management personnel

The Trust body has a Pay Review Committee which is made up of the Chairs of the Local Governing Bodies for each of the schools in the Trust and one other director (not a staff director). This group meets with the CEO to review the pay of all senior teaching and associate staff. This meeting is usually in October each year after the year-end appraisals but additional meetings are held during the year as necessary.

The Committee question the CEO closely on the proposals and comparisons are made to other schools and the marketplace to ensure that salary levels are appropriate.

The Committee make recommendations to the Trustees on the level of the CEO's salary. The Trustees make the final decision on all salary decisions taking into account the circumstances of the Trust, the various responsibilities of the people being appraised and value for money.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Policies and procedures adopted for the induction and training of trustees

All newly appointed trustees are provided with an induction pack which includes a guide to the law, an overview of roles and responsibilities within the current governing body and a copy of the school improvement plan. During their first year they will join all of the trustees in a training day and any specific induction needs covered during that session. They will be supported by the clerk and by longer term serving members of the board, as required.

Employees and disabled persons

We will give full and fair consideration and ensure the equal treatment of disabled applicants for any vacancy and candidates will be considered solely on their ability to do the job. Wherever possible, after any necessary rehabilitation training, we will seek to retain or transfer to more suitable work, any otherwise capable employees who become disabled during their employment with us. We will provide disabled employees the same opportunities for promotion, career development and training as those afforded to other employees.

Employee consultation

Tenterden Schools Trust consults with employees and recognised unions to promote harmonious working relationships. Meetings are held termly with all staff to disseminate information regarding matters affecting them. Consultation always takes place in the event of proposed changes to terms and conditions, pay and performance management policies and employment policies and procedures.

Trade union facility time

This information is published in accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017 because the charitable company had a full-time equivalent employee number of more than 49 throughout the entirety of any seven of the months within the year ended 31 August 2021.

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

	£
Total cost of facility time	Nil
Total pay bill	13,573,206

Percentage of the total pay bill spent on facility time calculated as:

$$(\text{total cost of facility time} \div \text{total pay bill}) \times 100 \quad 0\%$$

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:

$$(\text{total hours spent on paid trade union activities by relevant union officials during the relevant period} \div \text{total paid facility time hours}) \times 100 \quad 0\%$$

Related parties

Home Farm Children's Nursery Limited

The nursery is situated on the school site and there are seven directors who are school staff and one other who has connections with the trust but is not employed by the trust. The Company secretary is the same for both companies.

The nursery became a subsidiary company to Homewood School & Sixth Form Centre on 1 April 2014. It has an annual turnover of about £330k (although this has reduced during the pandemic period) and employs 15 staff. During this period the nursery made no donations to Homewood school or the trust. The nursery accounts showed a deficit of £10k for the twelve months to 31 August 2020 and reserves at the year end of £59k. During the year ended 31 August 2021, the nursery had to close for periods when staff contracted Covid-19. This together with less furlough scheme support meant a deficit of c£29k for the year ended 31 August 2021 with reserves at the year end of £30k.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Engagement with employees

In discharging its obligations under The Companies (Miscellaneous Reporting) Regulations 2018 the Trust takes into account the need to consult with employees and to encourage employee involvement in the Trust's performance, among other considerations.

The Board regularly receives information and data from the Executive leaders with respect to the activities and considerations of each individual academy and its staff. The Board also receives regular reporting on staff absences and Health and Safety.

The Leadership teams of all academies regularly conduct Staff surveys with the support of the Human Resources department. They consult with staff as to any matters arising and report to the Board in their leadership reports. Staff are encouraged to apply to become Staff Governors of the Local Governing Bodies as vacancies arise and the Trust has an open door policy for its leadership team, which encourage staff to voice concerns or opinions throughout the year. Staff are also encouraged to speak to their governor or union representatives to similarly raise concerns or voice opinions.

The Trust provided benefits to the staff such as annual flu jabs and on-site parking.

Equal opportunities policy

The Trust is an equal opportunity organisation and is committed to take a positive stand to ensure all stakeholders have a right to equality of opportunity and achievement regardless of race and ethnicity, faith, belief and religion, disability and access, age, sex, sexual orientation, transsexualism, and marital status.

Our Equality Policy is inclusive of our whole school community, students, staff, parents/carers, visitors and partner agencies - who we have engaged with and who have been actively involved in and contributed to its development

We comply fully with legislation which protects our staff (including teachers, teaching assistants, supervisors and student teachers) from discrimination based on the protected characteristics. With regard to disability, we make such reasonable adjustments as are necessary to prevent a disabled person being at a substantial disadvantage in comparison with people who are not disabled. This includes discrimination in relation to recruitment, terms and conditions, promotions, transfers, dismissals, training and employment practices (such as dress codes) and disciplinary procedures.

We make efforts to ensure that the diversity of our workforce reflects that of our local community and wider society. In accordance with the Equality Act we do not enquire about the health of an applicant until a job offer has been made or require job applicants to complete a generic 'all encompassing' health questionnaire as part of the application procedure.

Employee involvement and employment of the disabled

Lifts, ramps and disabled toilets are installed where possible and door widths are adequate to enable wheelchair access to all main areas of the Trust. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making support resources available and through training and career development.

Engagement with suppliers, customers and others

The Trust is aware that under The Companies (Miscellaneous Reporting) Regulations 2018 its needs to have an awareness of the matters in section 172(1) (a) to (f) of the Companies Act 2006 including the likely consequences of any decision in the long term, the need to foster the company's business relationships with suppliers, customers and others, and the impact of the company's operations on the community and the environment.

The Trust endeavours, where possible, and where it is appropriate to achieving Value for Money, to use local suppliers and tradespeople. By investing in the local community in this way it not only helps to sustain the local economy but also has an impact on the life and job opportunities of the trust's leavers and the families of the Trust's students.

The Finance Team of the trust ensure that suppliers are paid in a timely fashion and trade disputes are therefore rare.

The Trust works on community projects and supports students who are involved in charitable activities; the Events and Marketing Manager has developed links with local press and achievements both of the students and within the academies is celebrated.

The Trust works to ensure that where other stakeholders have any concerns these are addressed and action taken.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The Trust has undertaken a review of the risks it has exposure to and has detailed these in a risk register. This register covers strategic and reputational risks, operational risks, compliance risks and financial risks. It has been completed with input from all the Trust Executive team staff and the trustees of the board. The register is fully reviewed on an annual basis and updated as necessary.

Promoting the success of the company

The Trust Finance Director produces regular reports for the Board covering all aspects of finance and premises.

As is the remit of the Board, the Trustees scrutinise the figures and assumptions behind the detailed figures produced for each meeting.

The Trust has an Executive Leadership team, which includes the Executive leaders of all of the schools in the trust. This group are involved in both short and long term financial planning to ensure that all schools in the trust have surplus budgets and that there are sufficient day to day funds in the Trust. This would include investing in capital projects or providing additional resources in line with the Trust's educational purpose or would involve a cost reduction strategy and efficiency savings across the Trust in order to bring the reserves to the required level.

The Trust is required to complete Budget Forecast Returns for the ESFA including 3-year projections of direction of travel in financial terms. Additionally the Chair of the Trustees has a copy of the monthly management accounts for the trust and each constituent academy to review and approve.

The Trust ensures that it has adequate risk protection in the form of insurances and is a member of the Risk Protection Arrangement scheme through the ESFA.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse Gas emissions and energy use data for the year ended 31 August 2021

	2020/21	2019/20
Energy consumption used to calculate emissions (kWh)	3,629,350	3,091,963
Scope 1 emissions in metric tonnes CO2e		
Fuel oil	313.3	201.8
Gas Consumption	238.5	277.5
Owned transport - minibuses	2.7	8.7
Total Scope 1	554	488
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	235.8	182.5
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	0	0
Total gross emissions in metric tonnes CO2e	790	670
Intensity ratio Tonnes CO2e per pupil	0.29	0.25

Quantification and reporting methodology

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

Intensity measurement

The measurement in the table shown above is total gross emissions in metric tonnes CO2e per pupil as the recommended ration for the education sector.

Benchmarking for Tenterden Schools Trust

In 2020/21 the TST figure for electricity kWh per square metre was 36.8 and this compares with 40 per kWh as a benchmark figure from the CIBSE TM54 data 2008. For fossil fuels it was 81.8 against 150. The figures for the trust are thus well below the national averages.

Measures taken to improve energy efficiency

- LED light fittings continue to be fitted across all schools in the trust. This is an on-going project.
- Increased roof insulation with replacement roofs in several buildings across the trust schools.
- Renewed electrical distribution and rewiring in the secondary school.

TENTERDEN SCHOOLS TRUST
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2021

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ~~31-12-21~~..... and signed on the board's behalf by:



.....
Mr Neil Vincer - Trustee

TENTERDEN SCHOOLS TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Tenterden 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.

The Directors have delegated the day-to-day responsibility to Mrs S Lees, as Accounting Officer up to 31 August 2021, and Mr S Reeves, as Accounting Officer from 1 September 2021, 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 master funding agreement between Tenterden Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the Directors any material weaknesses or breakdowns in internal control.

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

Governance

The appendices set out on pages 17 to 22 detail the Structure of Trustee Governance and the Leadership Team Areas Of Responsibility. This includes details of the delegated responsibilities for the various layers in the Trust governance.

The Directors provided support to the Executive leadership during the year and also to the local governing bodies. The local governing bodies supported the Directors at local school level and also gave strong support to each school's leadership team. As a local body they work closely with their school in terms of educational performance overall but they also cover specialist areas such as Pupil Premium, SEN/D and child protection. Governors from local bodies are attached to these specific areas to support their local school with this reflected in both the primary and secondary sectors. The Scheme of Delegation sets out in detail the responsibilities and roles of local governing bodies and where decision making is delegated to these bodies. It is acknowledged that the Board of Directors are responsible overall for the performance of the Trust and the schools within it and that broadly the local bodies are more of an advisory group. They do, however, have input towards the decision making process, for example involvement in the appointment of a new Headteacher or Executive Headteacher. They also hold delegated responsibilities as detailed in the Scheme of Delegation including child protection and holding the Head/Executive Head to account for school performance.

The information on trustees included here supplements that described in the trustees' Report and in the Statement of Trustees' responsibilities. The Board of Directors met a total of seven times during the year. Attendance during the year at these meetings was as follows:

	Name	Meetings attended	Out of a possible
Director	Mrs T Buckley	6	7
Chair (Diocesan Rep for St Michaels)	Mrs V Hardy	6	6
Director (Diocesan Rep from Tenterden Juniors)	Mr D Harding	4	5
Director	Mr M Hill	6	7
Director	Mr G Jones	6	7
CEO	Mrs S Lees	7	7
Diocesan Director	Mrs N Paterson	7*	7
(* cover from Diocese for 1)			
Director	Ms K Smith	7	7
Director	Mr C Thomas	7	7
Director	Mr N Vincer	7	7
Director	Ms J Vos	2	3
(Maternity leave)			
Clerk	Mrs K Douglas	7	7

TENTERDEN SCHOOLS TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

Review of Value for Money

As Accounting Officer, the CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for 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 on a regular basis. The Trust has delivered value for money during the year adhering closely to the Financial Regulations Manual in all of its financial transactions and by comparing its performance with other academy schools from ESFA benchmarking data to ensure that expenditure levels are reasonable for an academy of this size.

The Financial Regulations Manual is the guide in this area which the school, the Directors and the auditors use. This is updated each year to fit closely to the Academies Handbook (last updated September 2021). It establishes the financial roles, powers and responsibilities of the CEO as Accounting Officer, the Finance Director and the Board of Directors. There are specific guidelines on purchases across the Trust:

- 1 All service contracts over the OJEU limit must go via a tendering process with the obligatory European advertisements duly placed.
- 2 All orders over £10k must evidence "best value" - whether this be by alternative quotations in full or by a study of what other organisations have paid or evidence given of reasonable market rates for the goods/services to be supplied. In practice this is applied to all purchases over £1k.
- 3 All purchases over £20k must have evidence of three alternative quotations.
- 4 Homewood - the principal teachers and all other budget holders must have all purchase orders over £1k countersigned by the Trust Accountant up to £4k and over that amount the Finance Director (COO).
- 5 Homewood - the principal teachers and budget holders will have their budgets agreed by the Finance Director (COO) or Trust Accountant before the academic year and these will link with their department plans which are agreed by the CEO.
- 6 Homewood - the Principal can agree a new commitment up to £15k.
- 7 Primary schools - the Executive Head and Head can agree purchase orders up to £5k. The School Business Manager(Primaries) signs and manages all orders to £1k and the Finance Director (COO) signs all above these unless the Heads have signed those up to £5k.
- 8 Primary schools - all budgets are agreed with the Executive Head/Head for the year.

All of these above help to ensure that the schools in the Trust achieve value for money in its purchasing and that the purchases link with whole school plans.

The internal accounting controls are strengthened by the auditors undertaking a full accounting year audit as is standard practice. In addition, there are three in-year checks by the separate firm of auditors - Williams Giles. These cover the full list of financial areas as before plus several non-financial areas. The interim audits cover purchasing, payments and salaries as well as income areas. Areas to be covered and volume of checks undertaken are detailed in the Financial Regulations Manual. The report is sent to the Clerk to the Directors who is the Responsible Officer and she in turn reports to the Board of Directors. The Responsible Officer is not on the Board and has a reporting role to the Directors so can hold them to account. During 2020/21 these audits showed that financial matters were being conducted well with very minor areas for improvement. The Directors and the Trust schools appreciate the depth and breadth of these reviews. A summary of the findings in those reviews has been presented to the directors and will be sent to the ESFA. The internal scrutiny checks undertaken by Williams Giles includes safeguarding, HR processes, risk review, fraud, health and safety, pupil numbers, ESFA returns, whistleblowing and governance structures.

In addition, the Education and Skills Funding Agency provide an Accounts Direction document for the year end audit. An area of continued focus is a review of contracted work undertaken by related parties of the Charity trustees for the benefit of the school. During the year there were no related party transactions.

We strongly believe that Tenterden Schools Trust delivered value for money during the 2020/21 academic year. The imperative to ensure value for money is one of the cornerstones of what we do and firmly engrained into all of our expenditure plans as we move into 2021/22. Examples of this in 2020/21 are detailed below:

- 1 For each of the CIF (Condition Improvement Fund) bids, three quotations have been obtained by the consultants involved for each project across all of the trust schools to manage costs.
- 2 Homewood - retractable theatre seating - four quotations obtained and the Chair of Directors was involved in the final decision as these were reviewed.
- 3 Homewood - installation of two large mobiles for the learning support departments - three quotations obtained and detailed research into each one.
- 4 All primary schools - an updated range of classroom computers for teaching staff following the central ICT team using their procurement channels and best value quotes.

TENTERDEN SCHOOLS TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Tenterden Schools Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the charitable company 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 charitable company's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

The 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:

- * the key elements of the risk management strategy, including the way in which risk (or change in risk) is identified, evaluated, and controlled. Explicitly how risks to information are being managed and controlled as part of this process;
- * the internal audit / Responsible Officer function;
- * key ways in which risk management is embedded in the activity of the organisation;
- * the key elements of the way in which public stakeholders are involved in managing risks which impact on them (where relevant);
- * comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- * regular reviews by the Board of Directors 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 trustees appointed Williams Giles, a firm of Chartered Accountants in Sittingbourne, Kent to undertake the internal scrutiny checks during the 2020/21 academic year in line with the Financial Regulations Manual. This included internal audit of several non-financial areas. Their reports were sent to the Responsible Officer ('RO'). The RO's role includes presenting these findings to the audit committee. There were three reports in 2020/21 and an annual summary. This work is undertaken by a different firm of auditors to the year end auditors and this ensures a separate view which strengthens the financial controls.

TENTERDEN SCHOOLS TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

Review of Effectiveness

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

- * the work of the Responsible Officer;
- * the work of the external auditor;
- * the financial management and governance self-assessment process;
- * the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- * other explicit review/assurance mechanisms.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Directors 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 14-12-21..... and signed on its behalf by:



.....
Mr Neil Vincer - Trustee



.....
Mr Stuart Reeves - Accounting Officer

TENTERDEN SCHOOLS TRUST

**APPENDICES TO THE REPORT OF TRUSTEES AND GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

Appendix 1	-	Structure of Trust Governance
Appendix 2	-	Governance - Delegated responsibilities
Appendix 3	-	Leadership Team Areas of Responsibility
Appendix 4	-	Method of Recruitment and Appointment of Trustees
Appendix 5	-	Key Performance Indicators

TENTERDEN SCHOOLS TRUST
STRUCTURE OF TRUST GOVERNANCE
FOR THE YEAR ENDED 31 AUGUST 2021

There is a detailed scheme of delegation setting out all of the responsibilities of the various bodies and the delegated powers from the directors.

<u>Members:</u> Lindsay Hammond Ian Kirkland (died 5 Jan 2021) Vanessa Hardy (died 30 Sept 2021) The Diocese of Canterbury Academies Company Ltd

<u>Board Directors</u> Sally Lees – CEO Vanessa Hardy – Chair (died 30 Sept 2021) Teresa Buckley David Harding Mike Hills Graham Jones Niki Paterson Kate Smith Clive Thomas Neil Vincer Jo Vos <i>Karen Douglas - Clerk</i>
--

<u>Homewood Local GB</u>		<u>St Michaels Local GB</u>	
Jonathan Capstick	Parent	Nick Brooks	Parent
Gillian Guthrie - Chair	Community	Hilary Honeysett - Chair	Foundation
Louise Jennings	Parent	Jeanette Kennett	Co-opted
Sue Mash	Partnership	Jo Paskhin	Associate
Jeremy Single	Principal	Diana Tyler	Foundation
Jane Ross Smith	Staff – support	Joanna Vos	Co-opted
Kate Smith	Partnership	Sara Williamson	Head Teacher
<i>Karen Douglas</i>	<i>Clerk</i>	<i>Jane Phillips</i>	<i>Clerk</i>

<u>TPF Local GB</u>		<u>Rolvenden Local GB</u>	
Kimberely Craggs	Staff	Frances Clifford	Parent
Sam Crinnion	Executive Head Teacher	Sam Crinnion	Executive Head Teacher
Duncan Edgar	Community	Nick Leggatt	Staff – Head of School
David Harding - Chair	Community	Antonius Kox	Parent
Louise Kavanagh	Parent	Susan Morgan	Co-opted
Maureen Kavanagh	Foundation	<i>Trisha Ferrus</i>	<i>Clerk</i>
Tina McIntosh	Head of School		
Seren Welch	Parent		
<i>Trisha Ferrus</i>	<i>Clerk</i>		

We have now approved the amalgamation of both the TPF and Rolvenden LGBS – they will work together on their schools' governance.

TENTERDEN SCHOOLS TRUST

SUMMARY OF KEY DELEGATED RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2021

Members	Directors	Members of Local Governing Body
<ul style="list-style-type: none"> · determine constitution · oversee the Directors · recognise any strategic partnerships · delegate governance and management responsibility to the Directors (appointing and removing Directors where necessary) 	<ul style="list-style-type: none"> · determine strategic vision and overarching strategic plan · provide strategic leadership and governance · provide challenge and support to senior leaders · develop and decide strategic and operational policies · facilitate collaboration · oversee expenditure ensuring the trust and individual Academies work within their budgets and implement the Trust risk and financial management policies · co-ordinate and oversee shared services and resources · develop and oversee the implementation of action plans · set performance benchmarks · determine curriculum priorities 	<ul style="list-style-type: none"> · ensure the implementation of the MAT strategic vision, creating accountability and monitoring progress at school level in realising this vision · set and safeguard the school ethos of high expectations of everyone in the school community, including the fundamental British values. · ensure high expectations on behaviour, progress and attainment of all pupils and for the conduct and professionalism of both staff and local governors · governors appointed by the diocese have a specific role in preserving and developing the ethos of the school, including its religious character. · ensure school policy and practice include risk assessments to safeguard and promote pupils' welfare · implement the strategic framework set out by The Executive Board · support the implementation of any Academy plan, focussing particularly on school performance targets · support, monitor and evaluate the actions of the headteacher and senior leadership team, holding them to account for the day to day running of the school(s) including the performance management of staff · holding the headteacher and other senior leaders to account for pupil performance, using school data to monitor and challenge school outcomes · support the senior leadership team in the development and review of an appropriate staffing structure

TENTERDEN SCHOOLS TRUST

**SUMMARY OF KEY DELEGATED RESPONSIBILITIES (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

Members	Directors	Members of Local Governing Body
	<ul style="list-style-type: none"> · set overall Trust budget and approve of Academy budgets · monitor expenditure in accordance with appropriate authorisations · develop and implement a risk management strategy · determine the Trust's reserves/contingency policy · ensure appropriate insurance or risk cover is put in place · undertake recruitment and performance management of head teachers and other senior leaders · develop staff training programmes and opportunities for professional development · support the development and building of leadership and governance capacity at Academy level · approve of site and asset management strategy · oversee any significant capital expenditure and building projects · approve funding applications · decision maker for all appeals 	<ul style="list-style-type: none"> · promote collaboration with other Academies in the Trust · contribute to the development and review of Academy policies (e.g. admissions, pupil behaviour, safeguarding) · provide advice and feedback to the Directors, ensuring the Academy is meeting the needs of its community · monitor and hold the headteacher and senior leadership team to account in relation to curriculum and school budgeting priorities · undertake all and any appropriate community consultation · provide a point of contact for parents, carers and other members of the local community · maintain effective links with the school community and the wider local community

TENTERDEN SCHOOLS TRUST
Leadership Structure 2020-21
EXECUTIVE TEAM
Areas of Responsibility

Chief Executive Officer

The CEO is the Accounting Officer for the Trust and is directly responsible for the strategic development of the Multi-Academy Trust, relations with Trust Board, contractual matters concerning Trust staff, line management of Headteachers, Trust Finance Director and Trust HR Director

Principal Homewood		Executive Headteacher Tenterden Primary Federation and Rolvenden Primary School		Headteacher St Michael's Primary School	Trust Finance Director	Trust HR Director
<p>The Principal is directly responsible for standards and outcomes; curriculum; approval of staff absence; fixed term and permanent exclusion of students; Performance Management of staff; quality assurance and self-evaluation; safeguarding, employment of staff to the Academy, links with Kent Association of Headteachers and Local Education Authority, liaison with Local Governing Body.</p> <p>The Principal supports the CEO in the strategic development of the Multi-Academy Trust</p>		<p>MAT responsibilities:</p> <p>Primary School Lead for Standards and Achievement</p> <p>The EH supports the CEO in the strategic development of the Multi-Academy Trust</p>		<p>MAT responsibilities:</p> <p>Primary School Lead for Staff Development</p> <p>The HT supports the CEO in the strategic development of the Multi-Academy Trust</p>		
Vice Principal (Learning)	Vice Principal (Students)	Head of School TPF	Head of School Rolvenden			
<p>MAT responsibilities</p> <ul style="list-style-type: none"> 0-19 Curriculum and Learning journey <p>Homewood responsibilities</p> <ul style="list-style-type: none"> Learning HDT Line management of KS4 Heads of College Curriculum Development QA in Teaching and Learning Timetable 	<p>MAT responsibilities</p> <ul style="list-style-type: none"> 0-19 Student welfare overview <p>Homewood responsibilities</p> <ul style="list-style-type: none"> Student HDT Inclusion Tutoring Student Welfare Attendance PSHE/Citizenship Ethos for Learning Multi-agencies Alternative Curriculum Transport – students (with Colleges) Healthy Schools oversight 	<p>The EH and Heads of School are responsible for standards and outcomes; curriculum; approval of staff absence; fixed term and permanent exclusion of students; Performance Management of staff; quality assurance and self-evaluation; links with Local Education Authority; safeguarding; employment of staff to the Academy, liaison with Local Governing Body</p>		<p>The HT is responsible for standards and outcomes; curriculum; approval of staff absence; fixed term and permanent exclusion of students; Performance Management of staff; quality assurance and self-evaluation; links with Local Education Authority; safeguarding; employment of staff to the Academy; liaison with Local Governing Body</p>	<p>MAT responsibilities</p> <ul style="list-style-type: none"> Legal and contractual aspects of MAT developments Finance lead across the Trust. Premises lead across the Trust. Health and Safety ICT procurement Contracts Management Income Generation Marketing Trips and Visits – finance and insurance 	<p>MAT responsibilities:</p> <ul style="list-style-type: none"> Oversight of all HR matters across the Trust <p>For Homewood:</p> <ul style="list-style-type: none"> Staff/Events HDT Leader Safe Recruitment Personnel liaison Contracts Single Central Record CRB compliance Staff support Overseeing Staff duties Overseeing Staff Planner and Staff Handbook Overseeing Blue Sky

TENTERDEN SCHOOLS TRUST STRATEGY TEAM (includes EXECUTIVE TEAM MEMBERS)
Areas of responsibility

Assistant Vice Principal Partnerships	Assistant Vice Principal Teaching and Learning	Assistant Vice Principal Staff Development	Director of I-College	Director of Learning Support	Assistant Vice Principal Inclusion
<ul style="list-style-type: none">• Head of World College• Nursery School• Looked After Children/EAL• Child Protection advisor• International links• Trips and Visits – EVC• Duke of Edinburgh• Community links	<ul style="list-style-type: none">• Learning HDT Leader• Head of Discovery College• Primary Liaison and Admissions• Curriculum Development• QA in Teaching and Learning• Co-construction of Learning• Teaching Staff Training (with AVP Staff Development)• Overview of Masterclasses	<ul style="list-style-type: none">• Head of Arts College• Staff Training including budget management (with AVP T&L)• Leadership Development Programme• TSST programme• ITT programme• NQT induction• Research and Development• Kent and Medway Teaching Schools Network	<ul style="list-style-type: none">• Head of I-College• IBCP Co-ordinator• Teach Early• Manager of Student Support Centre <div>Director of 6th Form College</div> <ul style="list-style-type: none">• Head of 6th Form College• IAG and Careers• Apprenticeships	<ul style="list-style-type: none">• SENCO• Learning support• Assessment of SEND• Interventions (SEND)• Annual reviews• Exam access arrangements• Ashford LIFT Meetings• KS2/KS3 Transition (SEND)	<ul style="list-style-type: none">• Behaviour for Learning across the school• Focus on Fundamentals• Alternative Curriculum provision• Oversight of LIFE Centre• Lead Behaviour Professional• Alternatives to Exclusion• Ashford Screening Meeting representative
Director of Student Development	Primary Deputy Headteacher	Primary Deputy Headteacher	Primary SENCOs		
<ul style="list-style-type: none">• Head of Enterprise College• Student Leadership<ul style="list-style-type: none">◦ Student Groups◦ Health Champions◦ Charity events◦ Staff appointments• Character development	<ul style="list-style-type: none">• Curriculum and Learning• Line management of English, Maths and Science• Curriculum Development• English Leader• Mentoring• Student Welfare• Timetable• Safeguarding/DSO• RW Inc Lead• Art and DT Leader• Year 6/Year 7 transition• Marking• Data & Achievement• Class teaching responsibility Y5 four days a week	<ul style="list-style-type: none">• Junior Curriculum• Leading on coaching and mentoring programme (quality first teaching-Juniors)• Developing the 1 learning zones in the Juniors• NQT mentor• Member of the safeguarding team• Year 6/Year 7 transition• 3 days Y6 teaching commitment	<ul style="list-style-type: none">• SEND provision• Safeguarding lead• High Needs Funding• Learning Support		

TENTERDEN SCHOOLS TRUST

METHOD OF RECRUITMENT AND APPOINTMENT OF TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2021

Method of Recruitment and Appointment of Trustees

There are ten Trustees (Directors) on the board and it is established at the level of 12, if needed.
Diocesan representation must be 25% and all three trustees require the Diocesan Board of Education approval.
The others are appointed by the members.
There can be no more than 33% of the Board as staff governors (max 4).
The Directors are appointed for 4 years.

Diocese representatives - 3

Representative of St Michael's Church of England Primary School
Chair of Tenterden Church of England Junior School and Infant school federation
Diocesan Director as appointed by the Canterbury Diocesan Board of Education

Staff - 1

CEO

Other - 6

These positions are filled by individuals with specific skills and knowledge in education, business and finance.
They are recommended by the members or existing directors and then appointed to the board by the directors.

Parent Governors

There are no parent governors on the Trust board but there are two parent governors on each of the local governing boards including Homewood and seven were filled across the Trust as at 31 August 2021.

TENTERDEN SCHOOLS TRUST
KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 31 AUGUST 2021

Achievements and Performance

Homewood School & Sixth Form Centre

Section 8 Ofsted May 2017 – The school remains "Good" and safeguarding is effective;

Section 5 Ofsted September 2019 "Requires Improvement" and Safeguarding effective

Examination tracking 2021 (compared with 2020)

	Measure	2019	2020**	2021**
Key Stage 4				
	Cohort	340	306	337
	% 9-4 GCSE in English (A*-C)	67	72	70
	% 9-5 GCSE in English	45	56	53
	% 9-4 GCSE in Maths (A*-C)	60	65	65
	% 9-5 GCSE in Maths	35	39	39
	% 9-4 GCSE in Maths and English (A*-C)	51	57	56
	% 9-5 GCSE in Maths and English	28	35	35
	% English Baccalaureate	8	10	10
	Attainment 8	37.82	42.71	6
	Progress 8	-0.41	0.1	-0.15
Key Stage 5*	Cohort	135	145	166
	A*/A grades	9	19	15
	A*/B grades	25	38	34
	A*/C grades	50	62	59
	A*/E grades	96	98	97
	APS per examination entry (Academic)	26.86	34.11	31.9
	APS per examination entry (Applied)	25.86	27.66	27.4

* This data is weighted to take account of qualification size (eg A Level and As Level)

**No exams taken, outcomes based on moderated Teacher Assessed Grades

Tenterden Primary Federation

Tenterden Infants' School: Section 8 Ofsted February 2019 -

The school remains "Good" and safeguarding is effective

Tenterden CE Junior School: Section 8 Ofsted December 2018 -

The school remains "Good" and safeguarding is effective

SIAMS inspection February 2020 - outcome "Good" with excellent community engagement

	Measure	2019	2020*	2021*
		Expected/Greater Depth		
EYFS	Good Level of Development	63%	No information available due to Covid-19	
Year 1	Phonics	81%		
Year 2	Re-take Phonics	71%		
	Reading	82%/29%		
	Writing	75%/25%		
	Maths	86%/32%		
	RWM	69%/22%		
Year 6	Reading	69%/36%		
	Writing	83%/31%		
	Maths	66%/32%		
	GPS	73%/34%		
	RWM	57%/20%		
	Progress in Reading			
	Progress in writing			
	Progress in Maths			

TENTERDEN SCHOOLS TRUST
KEY PERFORMANCE INDICATORS
FOR THE YEAR ENDED 31 AUGUST 2021

Rolvenden Primary School

	Measure		2020*	2021*
			No information available due to Covid-19	
EYFS	Good Level of Development			
Year 1	Phonics			
Year 2	Re-take Phonics			
	Reading			
	Writing			
	Maths			
	RWM			
Year 6	Reading			
	Writing			
	Maths			
	GPS			
	RWM			
	Progress in Reading			
	Progress in writing			
	Progress in Maths			

St Michael's Primary School: Section 5 Ofsted December 2018 -

The school is "Good" in every category with outstanding personal development and welfare

	Measure	2019	2020*	2021*
		Expected/Greater Depth	No information available due to Covid-19	
EYFS	Good Level of Development	71%		
Year 1	Phonics	100%		
Year 2	Re-take Phonics	50%		
	Reading	68%/21%		
	Writing	79%/42%		
	Maths	79%/42%		
	RWM	63%		
Year 6	Reading	63%/13%		
	Writing	63%/13%		
	Maths	53%/13%		
	SPaG	60%/23%		
	RWM	47%/7%		
	Progress in Reading			
	Progress in Writing			
	Progress in Maths			

* No SATs taken in 2021 so no outcomes available

TENTERDEN SCHOOLS TRUST

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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

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



.....
Mr Stuart Reeves - Accounting Officer

Date:14-12-21.....

TENTERDEN SCHOOLS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2021

The trustees (who act as governors of Tenterden Schools Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with the Academies Accounts Direction issued 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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 the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are 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 auditors are aware of that information.

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 board of trustees on 14-12-21 and signed on its behalf by:



Mr Neil Vincer - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TENTERDEN SCHOOLS TRUST

Opinion

We have audited the financial statements of Tenterden Schools Trust (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TENTERDEN SCHOOLS TRUST

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the education sector, particularly Academy Schools;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, the Charities SORP 2019, the Academies Financial Handbook 2020 and the Accounts Direction 2020 to 2021 issued by the Education and skills Funding Agency (ESFA), environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit; and
- reviewing the results of the internal scrutiny reports produced by external consultants for the benefit of management.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- consulting the charitable company's assessment of the risks set out in its own risk register.

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- reviewing the results of the internal scrutiny reports produced by external consultants for the benefit of management;
- checking specifically that authority delegated to the Accounting Officer by the ESFA had been exercised correctly;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators and the charitable company's legal advisors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
TENTERDEN SCHOOLS TRUST**

Our responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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

John Sheather BSc FCA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Invicta Business Centre
Monument Way
Orbital Park
Ashford
Kent
TN24 0HB



Date: 16 DECEMBER 2021

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

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

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

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

The accounting officer is responsible, under the requirements of Tenterden Schools Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the 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 charitable company's income and expenditure.

The work undertaken to draw our conclusion includes:

- Review of the internal control environment which is designed to ensure compliance with regulations;
- Review of the accounting officer's consideration of issues surrounding regularity, propriety and compliance;
- Review of the work and reports of the responsible officer during the period;
- Analytical procedures regarding declaration of potential conflicts of interest by key staff and the governing body;
- Review of fixed asset transactions against the requirements of the funding agreements between Tenterden Schools Trust and the Secretary of State and the Academies Financial Handbook;
- Testing of grants and other income for application in accordance with the terms and requirements attached;
- Review of the academy trust's activities to check they are in line with the Academies Framework and the academy trust's charitable objectives;
- Review of bank statements and financial transactions for indications of any items which may be improper;
- Review of bank accounts to check that they are operated within the terms of the Trust's governing document and borrowing limits imposed by the funding agreement are not exceeded;
- Testing of expenditure, including expense claims for signs of transactions for personal benefit;
- Review of any extra-contractual payments made to staff;
- Review of procurement activity during the period.
- Review of governance arrangements and procedures and related compliance with the requirements of the Academies Financial Handbook, including the distribution and contents of management accounts and quantity of meetings.

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

Conclusion

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

McCabe Ford Williams
Chartered Accountants
Reporting Accountant
Invicta Business Centre
Monument Way
Orbital Park
Ashford
Kent
TN24 0HB



Date: 16 DECEMBER 2021

TENTERDEN SCHOOLS TRUST

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

					2021	2020
	Notes	Unrestricted fund £	Restricted Fixed Assets Fund £	Restricted General funds £	Total funds £	Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and capital grants	2	76,238	2,901,526	67,891	3,045,655	2,869,503
Transfer from Local Authority on conversion		-	-	-	-	831,501
Charitable activities						
Funding for the academy's educational operations	3	-	-	15,550,304	15,550,304	14,190,119
Other trading activities	4	398,848	-	35,050	433,898	617,566
Investment income	5	206	-	-	206	442
Other income		-	-	-	-	326,117
Total		475,292	2,901,526	15,653,245	19,030,063	18,835,248
EXPENDITURE ON						
Raising funds	7	153,102	-	52,109	205,211	354,582
Charitable activities						
Academy's educational operations	8	165,764	3,038,504	16,618,136	19,822,404	15,518,515
Total	6	318,866	3,038,504	16,670,245	20,027,615	15,873,097
NET INCOME/(EXPENDITURE)		156,426	(136,978)	(1,017,000)	(997,552)	2,962,151
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	-	(477,000)	(477,000)	(2,078,000)
Net movement in funds		156,426	(136,978)	(1,494,000)	(1,474,552)	884,151
RECONCILIATION OF FUNDS						
Total funds brought forward		(32,626)	38,489,223	(7,712,000)	30,744,597	29,860,446
TOTAL FUNDS CARRIED FORWARD		123,800	38,352,245	(9,206,000)	29,270,045	30,744,597

The notes form part of these financial statements

TENTERDEN SCHOOLS TRUST (REGISTERED NUMBER: 7736448)

**BALANCE SHEET
31 AUGUST 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	14	35,608,173	35,588,610
CURRENT ASSETS			
Stocks	15	39,467	32,558
Debtors	16	2,627,983	2,260,709
Prepayments and accrued income		421,892	786,225
Cash at bank and in hand		<u>1,390,099</u>	<u>903,825</u>
		4,479,441	3,983,317
CREDITORS			
Amounts falling due within one year	17	<u>(1,422,436)</u>	<u>(1,115,330)</u>
NET CURRENT ASSETS		<u>3,057,005</u>	<u>2,867,987</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		38,665,178	38,456,597
CREDITORS			
Amounts falling due after more than one year	18	(189,133)	-
PENSION LIABILITY	23	<u>(9,206,000)</u>	<u>(7,712,000)</u>
NET ASSETS		<u>29,270,045</u>	<u>30,744,597</u>
FUNDS	22		
Restricted funds:			
Pension reserve		(9,206,000)	(7,712,000)
Fixed Asset Fund		<u>38,352,245</u>	<u>38,489,223</u>
		<u>29,146,245</u>	<u>30,777,223</u>
Unrestricted funds:			
General fund		<u>123,800</u>	<u>(32,626)</u>
TOTAL FUNDS		<u>29,270,045</u>	<u>30,744,597</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 14-12-21 and were signed on its behalf by:



Mr Neil Vincer - Trustee

The notes form part of these financial statements

TENTERDEN SCHOOLS TRUST
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(2,318,393)	(379,068)
Interest paid		<u>(15,648)</u>	<u>(5,334)</u>
Net cash provided by/(used in) operating activities		<u>(2,334,041)</u>	<u>(384,402)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(126,227)	(14,716)
Capital grants from DfE/EFA		2,694,469	574,708
Sale of tangible fixed assets		-	330,000
Interest received		<u>206</u>	<u>442</u>
Net cash (used in)/provided by investing activities		<u>2,568,448</u>	<u>890,434</u>
Cash flows from financing activities			
New loans in year		<u>251,867</u>	<u>-</u>
Net cash provided by financing activities		<u>251,867</u>	<u>-</u>
Cash transferred on conversion to an academy		<u>-</u>	<u>21,501</u>
Change in cash and cash equivalents in the reporting period		486,274	527,533
Cash and cash equivalents at the beginning of the reporting period		<u>903,825</u>	<u>376,292</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,390,099</u></u>	<u><u>903,825</u></u>

The notes form part of these financial statements

TENTERDEN SCHOOLS TRUST

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(997,552)	2,962,151
Adjustments for:		
Depreciation charges	106,665	97,250
Capital grants from DfE/ESFA	(2,901,525)	(2,693,689)
Transfer from Local Authority on conversion	-	(831,501)
Profit on disposal of fixed assets	-	(326,117)
Interest received	(206)	(442)
Interest paid	15,648	5,334
(Increase)/decrease in stocks	(6,909)	6,451
Decrease/(increase) in debtors	204,113	(127,304)
Increase/(decrease) in creditors	244,373	(162,201)
Difference between pension charge and cash contributions	<u>1,017,000</u>	<u>691,000</u>
Net cash provided by/(used in) operations	<u>(2,318,393)</u>	<u>(379,068)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20 £	Cash flow £	At 31.8.21 £
Net cash			
Cash at bank and in hand	<u>903,825</u>	<u>486,274</u>	<u>1,390,099</u>
	<u>903,825</u>	<u>486,274</u>	<u>1,390,099</u>
Debt			
Debts falling due within 1 year	-	(62,733)	(62,733)
Debts falling due after 1 year	-	<u>(189,133)</u>	<u>(189,133)</u>
	-	<u>(251,866)</u>	<u>(251,866)</u>
Total	<u>903,825</u>	<u>234,408</u>	<u>1,138,233</u>

The notes form part of these financial statements

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2020 to 2021 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

Consolidated Accounts

Consolidated accounts have not been prepared as the results, assets and liabilities of the only subsidiary, Home Farm Children's Nursery Limited, are not considered material to the group. Further details of the subsidiary are included within note 28.

Going concern

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

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received 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 period is deducted from income and recognised as a liability.

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

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and the subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 27.

Other income

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

Donated goods, facilities and services

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

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES - continued

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Raising funds

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

Charitable activities

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

Tangible fixed assets

Land and buildings inherited from the Local Education Authority are stated in the balance sheet at valuation on the basis of depreciated replacement cost, as the open market value for existing use is not readily obtainable. Land and buildings acquired since incorporation are included in the balance sheet at cost.

Leasehold land and buildings are leased from Kent County Council for a period of 125 years. Rentals payable in respect of this lease are one peppercorn per annum. Under the terms of the leases the risks and rewards of ownership have been substantially transferred to Tenterden Schools Trust and accordingly, to reflect its use, the value of the property transferred on conversion is included in fixed assets with an appropriate credit to voluntary income within the restricted fixed asset fund. The properties were valued at fair value by professional valuers who specialise in public sector property valuation. The valuation was specifically carried out in accordance with the capital accounting requirements of the Charities SORP (FRS 102).

The buildings at Tenterden Church of England Junior School and St Michael's Church of England Primary School were not transferred to the Trust on conversion. The buildings are retained by the Canterbury Diocesan Board of Finance and the Trust has a licence to occupy these buildings with a minimum notice period of two years on a rolling basis. The Trust does not have control over these premises and as such they are not recognised as fixed assets. The Diocese is committed to providing the land and buildings rent free for a further 24 months from the year end. The trustees do not believe that the likely benefit to the Trust can be reliably measured and accordingly, no amounts are recognised within income, expenditure or debtors for notional donations receivable or notional rental expenses.

Subsequent expenditure on existing fixed assets:

Where significant expenditure is incurred on tangible fixed assets it is charged to the income and expenditure account in the period it is incurred, unless it meets one of the following criteria, in which case it is capitalised and depreciated on the relevant basis:

Assets costing £5,000 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.

Where significant capital expenditure is incurred on land and buildings retained by the Canterbury Diocesan Board of Finance in which the Trust has a licence to occupy, a Site Improvement asset is recognised and is carried at cost, net of depreciation and any provision for impairment.

Depreciation is provided on all tangible fixed assets other than freehold land and buildings, at rates calculated to write off the cost less estimated residual value of each asset over its expected useful lives, as follows:

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Improvements to property	10%	Straight line method
Site Improvements	10%	Straight line method
Motor vehicles	20%	Straight line method
Plant and equipment	20%	Straight line method
Computer equipment	33%	Straight line method

In the case of freehold and leasehold properties, annual depreciation would not be material and hence no depreciation is provided.

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.

Financial instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due from the charity's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 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 charity's wholly owned subsidiary are held at face value less any impairment.

Stocks

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value on a first in first out basis. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education & Skills Funding Agency and Department for Education.

Pension costs and other post-retirement benefits

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

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

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

Liabilities

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

Provisions

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

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

Leased Assets

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Donations	76,238	67,892	144,130	175,814
Grants	-	2,901,525	2,901,525	2,693,689
	<u>76,238</u>	<u>2,969,417</u>	<u>3,045,655</u>	<u>2,869,503</u>

Grants received, included in the above, are as follows:

	2021 £	2020 £
Devolved Capital Grant	63,177	62,987
Condition Improvement Fund	<u>2,838,348</u>	<u>2,630,702</u>
	<u>2,901,525</u>	<u>2,693,689</u>

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
DfE/ESFA grants				
General Annual Grant(GAG)	-	12,619,620	12,619,620	11,772,276
Other DfE/ESFA Grants	-	274,708	274,708	224,652
Start Up Grants	-	-	-	25,000
Teachers' Pay Grant	-	172,109	172,109	169,063
Teachers' Pension Grant	-	496,739	496,739	488,135
Pupil Premium	-	629,586	629,586	590,609
UFSM	-	83,809	83,809	72,547
	<u>-</u>	<u>14,276,571</u>	<u>14,276,571</u>	<u>13,342,282</u>
Other Government grants				
Local Authority Grants	-	726,282	726,282	646,958
s106 grants	-	248,506	248,506	144,402
	<u>-</u>	<u>974,788</u>	<u>974,788</u>	<u>791,360</u>
Exceptional Government Funding				
Covid-19 catch up premium	-	208,338	208,338	-
Other DfE/ESFA Covid-19 funding	-	63,107	63,107	46,477
	<u>-</u>	<u>271,445</u>	<u>271,445</u>	<u>46,477</u>
Other income from the academy's educational operations	<u>-</u>	<u>27,500</u>	<u>27,500</u>	<u>10,000</u>
	<u>-</u>	<u>15,550,304</u>	<u>15,550,304</u>	<u>14,190,119</u>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under "exceptional government funding".

The academy trust received £208,338 of funding for catch up premium and £63,107 for other support. Costs incurred in respect of this funding are included in notes 6 and 8 as appropriate.

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Trip income	-	35,050	35,050	140,550
Copier income	72,748	-	72,748	74,327
Farm income	3,453	-	3,453	7,654
Hire of facilities	51,540	-	51,540	62,194
Catering income	124,979	-	124,979	119,024
Shop income	100,836	-	100,836	93,134
Supply Course income	8,878	-	8,878	1,100
Consultancy income	1,570	-	1,570	33,101
PGCE Income	3,584	-	3,584	4,568
ICT recharges	4,315	-	4,315	1,794
Exam income	483	-	483	2,225
Departmental and other income	26,462	-	26,462	77,205
English and Maths Workshops	-	-	-	690
	<u>398,848</u>	<u>35,050</u>	<u>433,898</u>	<u>617,566</u>

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Short term deposits	<u>206</u>	<u>-</u>	<u>206</u>	<u>442</u>

6. EXPENDITURE

	Non-pay expenditure			2021	2020
	Staff costs £	Premises £	Other costs £	Total £	Total £
Raising funds					
Costs incurred by trading for a fundraising purpose					
Direct costs	-	-	205,211	205,211	354,582
Charitable activities					
Academy's educational operations					
Direct costs	10,723,274	-	1,261,316	11,984,590	11,051,659
Allocated support costs	<u>2,882,843</u>	<u>3,892,926</u>	<u>1,062,045</u>	<u>7,837,814</u>	<u>4,466,856</u>
	<u>13,606,117</u>	<u>3,892,926</u>	<u>2,528,572</u>	<u>20,027,615</u>	<u>15,873,097</u>

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Auditors' remuneration	25,250	24,000
Auditors' remuneration for non audit work	1,350	4,910
Depreciation - owned assets	106,664	97,251
Surplus on disposal of fixed assets	-	(326,117)
Operating lease rentals	<u>65,422</u>	<u>45,970</u>

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

7. RAISING FUNDS

Costs incurred by trading for a fundraising purpose

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Purchases	83,986	52,109	136,095	288,532
Copying fundraising	<u>69,116</u>	<u>-</u>	<u>69,116</u>	<u>66,050</u>
	<u>153,102</u>	<u>52,109</u>	<u>205,211</u>	<u>354,582</u>

8. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Direct costs	165,764	11,818,826	11,984,590	11,051,659
Support costs	<u>-</u>	<u>7,837,814</u>	<u>7,837,814</u>	<u>4,466,856</u>
	<u>165,764</u>	<u>19,656,640</u>	<u>19,822,404</u>	<u>15,518,515</u>

	2021 Total £	2020 Total £
Analysis of support costs		
Support staff costs	2,882,843	2,595,985
Technology costs	39,189	28,593
Premises costs	3,892,926	1,024,875
Legal costs - new academy	-	6,110
Legal costs - other	20,664	32,272
Other support costs	955,628	739,320
Governance costs	<u>46,564</u>	<u>39,701</u>
Total support costs	<u>7,837,814</u>	<u>4,466,856</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

The CEO only received remuneration in respect of services provided undertaking the role of CEO and not in respect of their service as trustee. Other trustees did not receive any payment from the academy trust in respect of their role as trustees.

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

Mrs S Lees, CEO and trustee		
Remuneration	£55,000 - £60,000	(2020 - £50,000 -£55,000)
Employer's pension contributions	£0 - £5,000	(2020 - £10,000 - £15,000)

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

10. STAFF COSTS

	2021 £	2020 £
Wages and salaries	9,455,387	8,986,442
Social security costs	900,022	836,430
Operating costs of defined benefit pension schemes	2,958,592	2,533,739
Apprenticeship levy	32,911	29,645
	<u>13,346,912</u>	<u>12,386,256</u>
Supply teacher costs	259,205	167,634
Compensation payments	-	3,276
	<u>13,606,117</u>	<u>12,557,166</u>

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2021	2020
Teachers	139	139
Administration and support	183	184
Management	19	19
	<u>341</u>	<u>342</u>

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

	2021	2020
£60,001 - £70,000	9	7
£70,001 - £80,000	-	2
£80,001 - £90,000	1	-
£90,001 - £100,000	1	1
	<u>11</u>	<u>10</u>

Ten of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2021 employer's pension contributions for these staff amounted to £167,658 (2020 - nine employees £149,533). The other employee participated in the Local Government Pension Scheme. Employer's pension contributions amounted to £12,456 (2020 - £13,914).

The key management personnel of the trust comprise the senior executive team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the trust was £765,405 (2020 - £664,516).

Included in staff costs are non statutory/non contractual severance payments of £nil (2020- one payment of £3,276).

11. TRUSTEES' AND OFFICERS' INSURANCE

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

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted Fixed Assets Fund £	Restricted General funds £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and capital grants	14,049	2,693,688	161,766	2,869,503
Transfer from Local Authority on conversion	21,501	974,000	(164,000)	831,501
Charitable activities				
Funding for the academy's educational operations	-	-	14,190,119	14,190,119
Other trading activities	477,016	-	140,550	617,566
Investment income	442	-	-	442
Other income	-	326,117	-	326,117
Total	513,008	3,993,805	14,328,435	18,835,248
EXPENDITURE ON				
Raising funds	145,697	-	208,885	354,582
Charitable activities				
Academy's educational operations	338,355	205,610	14,974,550	15,518,515
Total	484,052	205,610	15,183,435	15,873,097
NET INCOME/(EXPENDITURE)	28,956	3,788,195	(855,000)	2,962,151
Other recognised gains/(losses)				
Actuarial gains/(losses) on defined benefit schemes	-	-	(2,078,000)	(2,078,000)
Net movement in funds	28,956	3,788,195	(2,933,000)	884,151
RECONCILIATION OF FUNDS				
Total funds brought forward	(61,582)	34,701,028	(4,779,000)	29,860,446
TOTAL FUNDS CARRIED FORWARD	(32,626)	38,489,223	(7,712,000)	30,744,597

13. CENTRAL SERVICES

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

- management services
- human resources
- financial services
- legal services
- educational support services

The trust charges for these services on the basis of 5.4% (2020 - 5.4%) of General Annual Grant income received with additional charges made when appropriate.

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

13. CENTRAL SERVICES - continued

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Homewood School & Sixth Form Centre	571,670	574,242
St Michael's Church of England Primary School	35,132	32,916
Tenterden Infant School	31,472	31,668
Tenterden Church of England Junior School	48,333	50,788
Rolvenden Primary School	27,481	22,680
	<u>714,088</u>	<u>712,284</u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Improvements to property £	Plant and machinery £
COST				
At 1 September 2020	31,839,478	3,201,200	881,450	25,121
Additions	<u>-</u>	<u>-</u>	<u>70,348</u>	<u>18,732</u>
At 31 August 2021	<u>31,839,478</u>	<u>3,201,200</u>	<u>951,798</u>	<u>43,853</u>
DEPRECIATION				
At 1 September 2020	-	-	362,885	25,121
Charge for year	<u>-</u>	<u>-</u>	<u>94,240</u>	<u>1,041</u>
At 31 August 2021	<u>-</u>	<u>-</u>	<u>457,125</u>	<u>26,162</u>
NET BOOK VALUE				
At 31 August 2021	<u>31,839,478</u>	<u>3,201,200</u>	<u>494,673</u>	<u>17,691</u>
At 31 August 2020	<u>31,839,478</u>	<u>3,201,200</u>	<u>518,565</u>	<u>-</u>
	Site Improvements £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 September 2020	28,450	110,000	-	36,085,699
Additions	<u>-</u>	<u>-</u>	<u>37,147</u>	<u>126,227</u>
At 31 August 2021	<u>28,450</u>	<u>110,000</u>	<u>37,147</u>	<u>36,211,926</u>
DEPRECIATION				
At 1 September 2020	6,513	102,570	-	497,089
Charge for year	<u>4,317</u>	<u>4,548</u>	<u>2,518</u>	<u>106,664</u>
At 31 August 2021	<u>10,830</u>	<u>107,118</u>	<u>2,518</u>	<u>603,753</u>
NET BOOK VALUE				
At 31 August 2021	<u>17,620</u>	<u>2,882</u>	<u>34,629</u>	<u>35,608,173</u>
At 31 August 2020	<u>21,937</u>	<u>7,430</u>	<u>-</u>	<u>35,588,610</u>

The Trust occupies land and the buildings provided to it by the Diocesan Trustees under a license (also referred to as a Church Supplemental Agreement) which contains a two-year notice period. Having considered the fact that the Trust occupies the land and buildings by a license that transfers to the Trust no rights or control over the site save that of occupying it at the will of the Diocesan Trustees under the agreements, the Trustees have concluded that the value of the land and buildings occupied by the Trust will not be recognised or valued within fixed assets.

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

15. STOCKS

	2021	2020
	£	£
Clothing	<u>39,467</u>	<u>32,558</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	40,740	52,209
Other debtors	2,326,035	2,118,981
VAT	<u>261,208</u>	<u>89,519</u>
	<u>2,627,983</u>	<u>2,260,709</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 19)	62,733	-
Trade creditors	612,137	285,864
Social security and other taxes	228,518	198,263
Other creditors	398,675	367,896
Accrued expenses	<u>120,373</u>	<u>263,307</u>
	<u>1,422,436</u>	<u>1,115,330</u>

Deferred income

	2021	2020
	£	£
Deferred income at 1 September 2020	75,617	89,966
Released from previous years	(75,617)	(89,966)
Resources deferred in the year	<u>66,554</u>	<u>75,617</u>
Deferred income at 31 August 2021	<u>66,554</u>	<u>75,617</u>

At the balance sheet date the academy trust was holding funds received in advance in respect of trip income and voluntary fund income.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Other loans (see note 19)	<u>189,133</u>	<u>-</u>

19. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>62,733</u>	<u>-</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>62,733</u>	<u>-</u>
Amounts falling due between two and five years:		
Other loans - 2-5 years	<u>88,200</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments:		
Other loans more than 5yrs	38,200	-

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

19. LOANS - continued

During the year ended 31 August 2021, the Academy Trust received CIF loans of £150,000 and Salix loans of £101,867 as a result of its Condition Improvement Fund applications. The interest rates and repayment terms of the loans are as follows:

CIF loan for Fire Safety improvements (Homewood) £150,000, 2% interest, maturity August 2024
Salix loan for Fire Safety improvements (Homewood) £79,920, 0% interest, maturity August 2029
Salix loan for Fire Safety improvements (Rolvenden) £10,718, 0% interest, maturity August 2029
Salix loan for Fire Safety improvements (St Michael's) £11,229, 0% interest, maturity August 2029

20. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while 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 cease to be a member.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	2021		
	Unrestricted fund	Restricted Fixed Assets Fund	Restricted General funds
	£	£	£
Fixed assets	14,716	35,593,457	-
Current assets	825,140	3,010,656	643,645
Current liabilities	(716,056)	(62,735)	(643,645)
Long term liabilities	-	(189,133)	-
Pension liability	-	-	(9,206,000)
	<u>123,800</u>	<u>38,352,245</u>	<u>(9,206,000)</u>
			<u>29,270,045</u>

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

	2020		
	Unrestricted fund	Restricted Fixed Assets Fund	Restricted General funds
	£	£	£
Fixed assets	14,716	35,573,894	-
Current assets	472,113	2,915,329	595,875
Current liabilities	(519,455)	-	(595,875)
Pension liability	-	-	(7,712,000)
	<u>(32,626)</u>	<u>38,489,223</u>	<u>(7,712,000)</u>
			<u>30,744,597</u>

22. MOVEMENT IN FUNDS

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
Restricted general funds			
Pension reserve	(7,712,000)	(1,494,000)	(9,206,000)
Fixed Asset Fund	<u>38,489,223</u>	<u>(136,978)</u>	<u>38,352,245</u>
	<u>30,777,223</u>	<u>(1,630,978)</u>	<u>29,146,245</u>
Unrestricted fund			
General fund	<u>(32,626)</u>	<u>156,426</u>	<u>123,800</u>
TOTAL FUNDS	<u>30,744,597</u>	<u>(1,474,552)</u>	<u>29,270,045</u>

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
School voluntary fund	102,940	(102,940)	-	-
General Annual Grant	12,619,621	(12,619,621)	-	-
UIFSM	83,809	(83,809)	-	-
Pupil Premium	629,586	(629,586)	-	-
Teachers' Pay Grant	172,109	(172,109)	-	-
Teachers' Pension Grant	496,739	(496,739)	-	-
Catch-up premium	208,338	(208,338)	-	-
Other DfE/ESFA Covid 19 funding	63,107	(63,107)	-	-
Other DfE/ESFA grants	274,708	(274,708)	-	-
Pension reserve	-	(1,017,000)	(477,000)	(1,494,000)
Other Government Grants	974,788	(974,788)	-	-
Other income	27,500	(27,500)	-	-
Fixed Asset Fund	2,901,526	(3,038,504)	-	(136,978)
	<u>18,554,771</u>	<u>(19,708,749)</u>	<u>(477,000)</u>	<u>(1,630,978)</u>
Unrestricted fund				
General fund	475,292	(318,866)	-	156,426
	<u>475,292</u>	<u>(318,866)</u>	<u>-</u>	<u>156,426</u>
TOTAL FUNDS	<u>19,030,063</u>	<u>(20,027,615)</u>	<u>(477,000)</u>	<u>(1,474,552)</u>

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	At 31.8.20 £
Restricted general funds			
Pension reserve	(4,779,000)	(2,933,000)	(7,712,000)
Fixed Asset Fund	<u>34,701,028</u>	<u>3,788,195</u>	<u>38,489,223</u>
	<u>29,922,028</u>	<u>855,195</u>	<u>30,777,223</u>
Unrestricted fund			
General fund	(61,582)	28,956	(32,626)
	<u>(61,582)</u>	<u>28,956</u>	<u>(32,626)</u>
TOTAL FUNDS	<u>29,860,446</u>	<u>884,151</u>	<u>30,744,597</u>

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
School voluntary fund	302,314	(302,314)	-	-
General Annual Grant	11,772,278	(11,772,278)	-	-
UFSM	72,547	(72,547)	-	-
Pupil Premium	590,609	(590,609)	-	-
Teachers' Pay Grant	169,063	(169,063)	-	-
Teachers' Pension Grant	488,135	(488,135)	-	-
Other DfE/ESFA Covid-19 funding	46,477	(46,477)	-	-
Other DfE/ESFA grants	224,652	(224,652)	-	-
Start Up Grant	25,000	(25,000)	-	-
Pension reserve	(164,000)	(691,000)	(2,078,000)	(2,933,000)
Other Government Grants	791,360	(791,360)	-	-
Other income	10,000	(10,000)	-	-
Fixed Asset Fund	3,993,805	(205,610)	-	3,788,195
	<u>18,322,240</u>	<u>(15,389,045)</u>	<u>(2,078,000)</u>	<u>855,195</u>
Unrestricted fund				
General fund	513,008	(484,052)	-	28,956
	<u>18,835,248</u>	<u>(15,873,097)</u>	<u>(2,078,000)</u>	<u>884,151</u>

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

General Annual Grant (GAG) must be used for the normal running costs of the Academy. The Academy is allowed to use the GAG for general purposes at the discretion of the Academy, including capital purposes.

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

The pension liability has been charged to restricted reserves. This is because the obligation to fund the deficit is met from the General Annual Grant funding which is accounted for through restricted reserves and therefore it is more appropriate to charge the deficit to restricted reserves. The same treatment is applied to borrowing obligations taken over from the Local Authority.

Amounts included within Voluntary Income, Other Income and amounts received from Local Government are for specific projects undertaken by the Academy. Restricted fixed asset funds were funded by Government Grants and a transfer from restricted general funds.

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	Total 2021 £	Total 2020 £
Homewood School & Sixth Form Centre	67,130	(94,251)
St Michael's Church of England Junior School	10,670	38,194
Tenterden Infants School	453	(1,137)
Tenterden Church of England Junior School	15,385	3,341
Rolvenden Primary School	28,675	20,441
Central Services	<u>1,487</u>	<u>786</u>
Total before fixed assets and pension reserve	123,800	(32,626)
Restricted fixed assets fund	38,352,247	38,489,223
Pension reserve	<u>(9,206,000)</u>	<u>(7,712,000)</u>
	<u>29,270,047</u>	<u>30,744,597</u>

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

22. MOVEMENT IN FUNDS - continued

Total cost analysis by academy

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £
Homewood School & Sixth Form Centre	8,148,686	1,267,404	467,712
St Michael's Church of England Junior School	589,873	58,588	23,097
Tenterden Infants School	579,920	50,397	20,820
Tenterden Church of England Junior School	803,311	69,688	26,349
Rolvenden Primary School	462,265	54,514	15,671
Central Services	94,051	490,252	15,035
Academy Trust	<u>10,678,106</u>	<u>1,990,843</u>	<u>568,684</u>

	Other costs (excluding) depreciation £	Total 2021 £	Total 2020 £
Homewood School & Sixth Form Centre	3,429,691	13,313,493	11,273,217
St Michael's Church of England Junior School	668,873	1,340,431	722,436
Tenterden Infants School	397,104	1,048,241	800,501
Tenterden Church of England Junior School	637,036	1,536,384	1,120,997
Rolvenden Primary School	417,239	949,689	498,526
Central Services	116,374	715,712	671,096
Academy Trust	<u>5,666,317</u>	<u>18,903,950</u>	<u>15,086,773</u>

23. PENSION AND SIMILAR OBLIGATIONS

The charity'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 to the period ended 31 March 2019.

Contributions amounting to £243,461 were payable to the schemes at 31 August 2021 (2020 - £224,164) and are included within creditors.

Teachers' pension scheme

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

The TPS is an unfunded scheme to which both 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.

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

23. PENSION AND SIMILAR OBLIGATIONS - continued

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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the period amounted to £1,762,000 (2020 - £1,655,000).

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

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

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 2021 was £796,000 (2020 - £713,000), of which employer's contributions totalled £614,000 (2020 - £548,000), and employees' contributions totalled £182,000 (2020 - £165,000). The agreed contribution rates for future years are 19.80 per cent for employers and 5.50 per cent for employees.

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

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Present value of funded obligations	(20,519,000)	(16,958,000)
Fair value of plan assets	11,313,000	9,246,000
	(9,206,000)	(7,712,000)
Present value of unfunded obligations	-	-
Deficit	(9,206,000)	(7,712,000)
Net liability	(9,206,000)	(7,712,000)

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

23. PENSION AND SIMILAR OBLIGATIONS - continued

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Current service cost	1,506,000	1,312,000
Net interest from net defined benefit asset/liability	119,000	86,000
Past service cost	-	-
Administrative expenses	6,000	5,000
	<u>1,631,000</u>	<u>1,403,000</u>
Actual return on Fund assets	<u>1,377,000</u>	<u>680,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening defined benefit obligation	16,958,000	13,432,000
Current service cost	1,506,000	1,148,000
Contributions by scheme participants	182,000	165,000
Interest cost	272,000	254,000
Actuarial losses/(gains)	1,701,000	1,720,000
Benefits paid	(100,000)	(125,000)
Conversion of academy trusts	-	364,000
	<u>20,519,000</u>	<u>16,958,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Opening fair value of scheme assets	9,246,000	8,653,000
Interest on assets	153,000	168,000
Contributions by employer	614,000	548,000
Contributions by scheme participants	182,000	165,000
Return on assets less interest	1,224,000	512,000
Actuarial gains/(losses)	-	(870,000)
Benefits paid	(100,000)	(125,000)
Conversion of academy trusts	-	200,000
Administrative expenses	(6,000)	(5,000)
	<u>11,313,000</u>	<u>9,246,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Actuarial gains/(losses)	<u>(477,000)</u>	<u>(2,078,000)</u>
	<u>(477,000)</u>	<u>(2,078,000)</u>

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

23. PENSION AND SIMILAR OBLIGATIONS - continued

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£	£
Equities	7,406,000	5,988,000
Gilts	63,000	62,000
Other Bonds	1,570,000	1,194,000
Property	1,163,000	1,016,000
Cash	324,000	282,000
Absolute Return Fund	787,000	704,000
	<u>11,313,000</u>	<u>9,246,000</u>

The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2020) for the year to 31 August 2021. The returns on gilts and other bonds are assumed to be gilt yield and corporate bond yield (with an allowance for defaults) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021	2020
Discount rate	1.65%	1.60%
Future salary increases	3.90%	3.30%
Future pension increases	2.90%	2.30%
Inflation assumption (CPI)	2.90%	2.30%

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

Retiring today		
Males	21.6	21.8
Females	23.6	23.8
Retiring in 20 years		
Males	22.6	23.2
Females	25.1	25.2

Sensitivity analysis

	2021	2020
	£	£
Discount rate +0.1%	(452,000)	(374,000)
Discount rate -0.1%	462,000	382,000
Mortality assumption - 1 year increase	828,000	635,000
Mortality assumption - 1 year decrease	(796,000)	(612,000)
CPI rate +0.1%	418,000	346,000
CPI rate -0.1%	(409,000)	(338,000)

TENTERDEN SCHOOLS TRUST

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 AUGUST 2021

24. CAPITAL COMMITMENTS

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

25. LONG-TERM COMMITMENTS, INCLUDING OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	74,162	31,589
Between one and five years	<u>71,690</u>	<u>45,043</u>
	<u>145,852</u>	<u>76,632</u>

26. RELATED PARTY DISCLOSURES

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH, including notifying the ESFA of all transactions made on or after 1 April 2020 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The Trust operates from land and buildings at St Michael's Church of England Primary School and at Tenterden Church of England Junior School provided rent free by the Canterbury Diocesan Board of Finance. Under an agreement between the Diocese, the Trust and the Secretary of State, the Diocese would be required to give 24 months' notice from the year end if they wished to terminate these agreements. No such notice had been given at the year end and the Diocese is therefore committed to providing the land and buildings rent free for a further 24 months from the year end. The trustees do not believe that the likely benefit to the Trust, that is a market rent for these properties, can be reliably measured and accordingly, no amounts have been included within income, expenditure or debtors.

Transactions with the subsidiary company Home Farm Children's Nursery are set out in Note 28.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

27. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year ended 31 August 2021 the trust received £39,682 (2020 - £31,004) and this was all disbursed from the fund.

28. HOME FARM CHILDREN'S NURSERY LIMITED

On 1 April 2014 Home Farm Children's Nursery Limited, which operates the nursery on the Trust's land, became a subsidiary company to the Trust. This was agreed by the ESFA at the same time as a new 5 year lease was sanctioned by them, granting the nursery a continuing leasehold over the building and surrounding land. The five-year lease was renewed in 2019. Home Farm Children's Nursery Limited is a charitable company limited by guarantee. The company is registered in England and Wales. The company's registered number is 05925303 and the registered charity number is 1092566.

No consideration was paid for this acquisition. At the time of acquisition, the book value (which equated to the fair value) of net assets of the subsidiary were £81,656. The trust is the member of the nursery. Home Farm Children's Nursery Limited will present their accounts separately for the year to 31 August 2021 and these will be filed with Companies House and the Charity Commission.

TENTERDEN SCHOOLS TRUST

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

28. HOME FARM CHILDREN'S NURSERY LIMITED - continued

As explained in note 1, the subsidiary company has not been consolidated as it is regarded as being immaterial to the group and consolidation would add unhelpful complexity to the Trust's financial statements. For the year ended 31 August 2021 total Incoming Resources in the subsidiary were £290,891 (2020 - 312,595) and there was a deficit for the year of £28,921 (2020 - deficit of £10,661) all in unrestricted funds. The deficit is after rent paid to Tenterden Schools Trust of £12,144 (2020 - £12,144) and fees for payroll maintenance paid to Tenterden Schools Trust of £1,200 (2020 - £1,200). At 31 August 2021 the subsidiary had total net assets of £30,447 (2020 - £59,368). All of these net assets represent unrestricted funds, with fixed assets of £4,127 (2020 - £4,600) and net current assets of £26,320 (2020 - £54,768).

Home Farm Children's Nursery Limited's Memorandum of Association provides that the income and property of the Company shall be applied solely towards the promotion of the objects of the Company, being to provide day care and education for infants and pre-school children and that no profit from the Company is paid or transferred to the members of the Company.