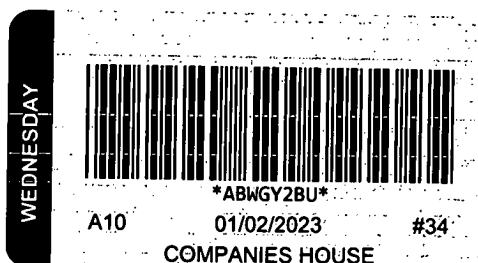




EVOLUTION ACADEMY TRUST

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**



EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

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EVOLUTION ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

S M Mitchell
H Gillespie
R M Jeffries (appointed 1 January 2022)
T N G Bishop
S Bramble

Trustees

R Jarvis
K Philpott
K Blakemore
D Whitehead, Chair
C Armor (appointed 1 January 2022)
S Davidson (appointed 6 June 2022)
S Bately (appointed 16 September 2022)
Dr M G Hutchinson (resigned 29 August 2022)
A Matthews (resigned 31 March 2022)
C Sumner (appointed 9 December 2021, resigned 25 May 2022)
R M Jeffries (resigned 31 December 2021)
A Randall (resigned 21 October 2021)

Company registered number

08158619

Company name

Evolution Academy Trust

Principal and registered office

Suite FF8, Mentmore Way, Poringland, Norwich, Norfolk, NR14 7XP

Chief Executive Officer

L Holzer

Independent auditors

MA Partners Audit LLP, 7 The Close, Norwich, Norfolk, NR1 4DJ

Key management personnel

L Holzer
J Budge
C Avieson

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

The academy trust operates 12 primary academies in Norfolk and Suffolk. Its academies have a combined pupil capacity of 4,238, and a roll of 3,665 pupils in the July 2022 school census. On 31 August 2022 the schools, with their joining dates, were:

Costessey Primary School (1 September 2012)
Filby Primary School (1 October 2014)
Wensum Junior School (1 February 2015)
Eaton Primary School (1 February 2015)
Dell Primary school (1 November 2015)
Elm Tree Primary School (1 March 2016)
Poplars Primary School (1 March 2018)
Nelson Infant School (1 September 2018)
Coldfair Green Community Primary School (1 April 2019)
Angel Road Infant School (1 September 2019)
Angel Road Junior School (1 September 2019)
Bignold Primary School and Nursery (1 September 2019)

Structure, governance and management

a. Constitution

The Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are its primary governing documents. The Trustees of Evolution Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

The Trust also trades under the names of each of its schools, as listed above.

b. Members' liability

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

c. Trustees' indemnities

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business, and provides cover up to £10,000,000.

EVOLUTION ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Members should comprise a minimum of three people. No employee of the Trust can be a Member.

The number of Trustees must be at least three but is not subject to a maximum. Up to nine Trustees can be appointed by Members, by ordinary resolution. In addition, the Trustees may appoint Co-opted Trustees. Trustees are appointed for a fixed term of four years but may be re-appointed or re-elected at an Annual General Meeting.

e. Policies adopted for the induction and training of Trustees

The Trust is committed to providing quality training and development opportunities for Trustees and Governors, enabling them to perform their role effectively. The level and nature of this training will depend on their existing experience and includes accompanied visits with the CEO to Trust schools to view strengths and potential risks at first hand and meet senior leaders and business leaders across the Trust. Additionally, Trustees have access to online resources and are introduced to policies, procedures, minutes, accounts, budgets, plans and other documents as applicable that they will need to undertake their role as Trustees. The Trustees undertake regular self-evaluation and committee-based evaluation of skills and impact within their areas of responsibility. New Trustees receive a programme of induction relevant to their own specific responsibilities and those of the board.

f. Arrangements for setting pay and remuneration of key management personnel

The Trust's Scheme of Delegation indicates that pay, conditions and contractual terms for the CEO are the responsibility of a panel of Trustees. Accordingly, the Panel meets annually to complete a performance management review for the CEO against targets set for the previous academic year.

The CEO is responsible, with the Director of Education, for the performance management and pay and conditions for the Principals and Headteachers in the Trust, to ensure rigour and consistency and ensure all elements of pay and performance management are dealt with by a common format across the Trust. The CEO is also responsible for the performance management and pay and conditions of central senior leaders including Chief Finance Officer and Director of Education. This method of working assists ongoing planning for sustainable leadership and ensures equality of opportunity across the Trust. Gender equality is monitored as part of the Gender Pay Gap annual reporting cycle, and initiatives to improve opportunities for all employees are monitored by the People Committee.

g. Trade union facility time

The Trust purchases trade union facilities time from both Norfolk and Suffolk County Councils, meaning that no classroom time is lost to official union activities.

Percentage of pay bill spent on facility time

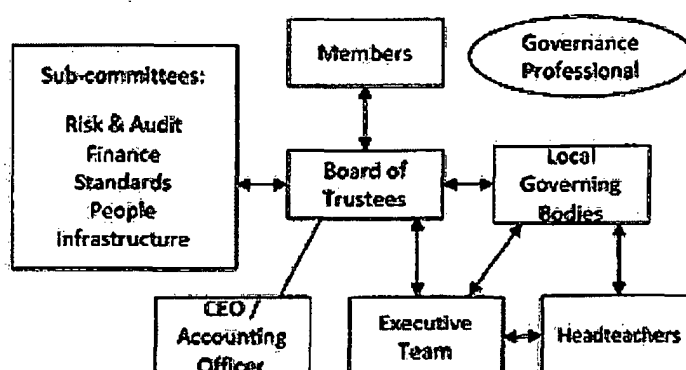
Total cost of facility time	£ 8,624
Total pay bill	£16,040,547

EVOLUTION ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

h. Organisational structure



The Board of Trustees meets at least once each half-term as a full board, with the facility for additional meetings for deep-dives into areas of special interest. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of committees and other groups. It ensures the solvency of the Trust, makes major decisions about the strategic direction of the Trust, capital expenditure and appointment or removal of senior staff. It monitors the activities of the committees through reports from the committee chairs, and their annual self-assessment reports. Committees have been established for Finance, Risk and Audit, People, Standards, Infrastructure and Pay.

Executive Management Team

The Executive Management Team, which consists of the CEO (who is Accounting Officer for the Trust), CFO and Director of Education, meets regularly to ensure delivery of the Trust's Strategic Improvement Plan, monitor operational activity throughout the Trust, and agree action plans.

Headteachers' Group

Regular meetings are held with all Headteachers and the Senior Executive Team to discuss the strategic direction of the Trust, disseminate information, resolve concerns and discuss policy.

Local Governing Bodies

Every school has a Local Governing Body (LGB), accountable to Trustees and operating in accordance with the Scheme of Delegation. The LGB is responsible for:

- Ensuring the clarity of vision, ethos and strategic direction, and that this is being delivered within the school.
- Holding school leaders to account for the educational performance of the school and its pupils.
- Ensuring that money is well spent on improving the education, outcomes & welfare of the pupils.
- Ensuring all statutory duties required of the school are fulfilled.

When local governance is vulnerable, a Transition Board is established as a short-term measure to increase the capacity and capability of the Governing Body and leadership of the school. The Trust provides regular training and updates to the Local Governing Body and members of the Local Governing Body report directly into the Standards Committee to allow for robust and triangulated governance.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

i. Employee engagement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committees and staff meetings and have been kept informed on specific matters directly by management. The Trust carries out an annual Employee Engagement Survey to give all staff the opportunity to give feedback to senior management. This is shared with all our schools, and action plans are drawn up to address any areas highlighted.

The Trust has implemented a number of detailed policies in relation to all aspects of personnel matters, based on latest employment best practice. In accordance with the Trust's equal opportunities policy, the Trust has long established fair employment practices in the recruitment, selection, retention and training of disabled staff. Full details of all employment policies are available from the Trust's offices.

j. Engagement with suppliers, customers and others in a business relationship with the trust such as beneficiaries, funders and the wider community

The Trust maintains strong relationships with parents and pupils via a number of forums, both regular (eg Parent Teacher Associations, Pupil Forums, Parents' Evenings) and on an ad-hoc basis such as proposed changes to schools or Covid-19 arrangements. Parents are also strongly encouraged to join the schools' Local Governing Bodies.

The Trust has a strong sense of social responsibility. Engagement with local communities is well-developed and varied, from provision of food banks by schools, to use of school facilities for community activities.

Regular dialogue is maintained with funders and regulators, such as DfE, ESFA, Ofsted and local authorities, both via direct dialogue and involvement in networks. Staff in the Trust take advantage of many opportunities to be involved in consultative roles, helping to shape the future direction of the many services, policies and guidance.

Our relationships with partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in regular service reviews with all key suppliers. These reviews are focussed on a two-way relationship with an aim of helping one another to achieve an optimum service as efficiently as possible, and according to the best value for money. Where the Trust has procured outsourced services, we seek to ensure that staff and management from that contractor are supported as equal members of the school community.

Objectives and activities

a. Objects and aims

Our Vision is to be the trust of choice for primary schools across the region for pupils, parents and staff. We want to lead the educational field in research, professional development and educational practice to ensure that every child has the very best provision, and that every professional aspires to work with us.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

b. Objectives, strategies and activities

Our **Purpose** as a Trust is to support our schools by:

- Providing exceptional support for all areas of school improvement to ensure high aspirations for every learner are challenged, supported and improved.
- Providing services to schools to support inclusion including access to high level advice and support for individual schools: special educational needs expertise, educational psychologists, speech and language specialists, and behavioural services.
- Providing a unique offer of professional development which challenges every group of staff to aim higher by delivering programmes of training from world class facilitators towards a goal tailored for each individual.
- Providing efficient business support and functions for our schools, and delivery of significant savings through centralised purchasing and services.
- Providing a collaborative community of learners where self and group improvement is key and research is central to ensuring our trust is at the forefront of educational thinking.

Our **Key Values**, which every member of our Trust supports, are:

- An understanding that we have the ability to profoundly change children's lives.
- An understanding that everyone is accountable to ensure that aspirations and expectations are high for every unique child in our care. Everyone has a responsibility to advocate for every child in our care positively and passionately.
- A personal commitment to self-evaluation and self-improvement for themselves and others.

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

a. Review of activities

This year the Trust has achieved the following:

Strategic Development and Governance

- Appointed two new trustees with specialist skills in education and finance.
- Further developed the membership, strategic planning and impact of the subcommittees.
- The Governance Project alongside the work on the Scheme of Delegation are significant enabling work for future projects.

People

- Improvement of the People Strategy has continued, with a focus this year on the DfE Wellbeing Charter.
- Appointment and training of mental health first aiders in all schools
- Improved and standardised staff inductions.
- Closer management of staff absence.

Finance Activities

- Successful implementation of the new finance system, resulting in improved balance sheet control, sophistication of reporting, and more efficient processing of transactions.
- Introduced new methodology to the financial planning process to enable increased accuracy, insight, benchmarking and reporting.

Infrastructure

- Successful implementation of the Schools Condition Allocation against priorities.
- Successful implementation of new IT service, allied with development of an IT strategy that will improve and standardise the technical infrastructure in all schools.
- Health and Safety Audits across all schools show a good level of compliance.

School Improvement

- The appointment of a Director of Education has enabled school improvement across the Trust to develop further, including a range of professional development and support for school leaders, reviews, improvement in reporting to LGBs and subject leadership development across the Trust.
- Strong focus on staff professional training focus: Early Career Teachers (ECTs) are linked with a local teaching school; continuing professional development is provided through the National College and national professional qualifications; and Trust-wide training is organised for headteachers and subject leaders.
- Developed network and professional development groups across all schools for: early years foundation stage, maths, English and special educational needs.
- A sharp focus on embedding early reading across all Trust schools through one recognised phonics programme.
- Development of regular headteacher forums for sharing information, ideas and best practice has been successful.
- Rapid developments with the mechanisms in which schools report to LGBs, leading to a stronger focus on outcomes for children.
- Regular peer, internal and external reviews of schools focused on quality of education and safeguarding, leading to clear strengths reporting and areas to improve.
- Four successful Ofsted (Section 5) inspections in 2021–22, all with Good or higher outcomes in all areas.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

- Review of self-evaluation forms (SEF) and school development plans (SIDP) shows improvements in all schools. All four Ofsted inspections during the year were consistent with the Trust's view of the evaluation and standards at each school, and all Ofsted reports show that leadership and management is judged as good, including the work of the Trust.

b. Fundraising

The Trust takes a passive approach to fundraising. Fundraising takes place within individual schools and each Headteacher has oversight of all fundraising carried out at their school. The Trust does not work with any commercial participators or professional fundraisers.

All fundraising conforms to recognised standards and the Trust has not received any fundraising complaints. The Trust does not undertake any unreasonably intrusive or persistent fundraising approaches. No member of the public is placed under undue pressure to donate.

c. Major Project: Angel Road Federation

Following a period of intense activity, on 1 September 2022 the Trust opened an expanded facility accommodating the children from Angel Road Junior and Infant Schools on one site. This provides a consistent and continuous experience for those children, along with improved facilities and the opportunity to improve educational outcomes for all.

This development resulted from issues with the structure of the buildings housing the Junior School. These buildings are uneconomic to repair, and would also have required continual substantial maintenance investment. This would be a burden on the school's budget, and detrimental to the provision of education to the children in the school. The Trustees took the decision to close the site and return it to Norfolk County Council.

The Trust is very grateful to St Clements Hill Primary School (from Broad Horizons Academy Trust) who accommodated Years 5 and 6 for the year, while new accommodation was developed.

EVOLUTION ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Financial review

a. Financial review

The vast majority of the Trust's income comes from the Education and Skills Funding Agency (ESFA). These grants and the associated expenditure are shown as restricted funds in the consolidated statement of financial activities.

Actual revenue funds (excluding Pension Reserve) as at 31 August 2022 were £2,540k (2021: £2,050k), an increase of £490k. Planned spend from these reserves over the next three years includes the completion of works at Angel Road, further improvements to school buildings, sustainability investments, modernisation of IT infrastructure and bulk updating of pupil IT devices.

During the year ended 31 August 2022, the Trust received total revenue income of £21,219k, of which £18,788k (88%) is DfE / ESFA grants. Total operational expenditure incurred was £20,729k, which gives rise to the operational surplus of £490k (2021: £621k deficit).

The DfE awarded capital grants totalling £694k (2021: £896k). During the year a total of £1,315k was spent on fixed assets, mostly on improvements to buildings. This includes £861k to date on the Angel Road expansion programme (total budget for this is £1,000k).

The net book value of fixed assets on 31 August 2022 was £31,981k (2021: £33,533k). These assets were used exclusively for providing education to the Trust's pupils and related support services. Following a desktop revaluation exercise by the DfE, an impairment of £1,390k has been recognised, relating to the land and buildings of two of our academies.

In accordance with FRS102 the accounts reflect an actuarial assessment of the Trust's assets and liabilities for the Local Government Pension Scheme. The deficit balance of £1,916k (2021: £14,807k deficit) on the Balance Sheet includes significant actuarial gains in the year of £14,871k.

Though the pension scheme represents a significant and volatile liability on the Balance Sheet, it does not present an issue for the Trust in respect of cash flow, as it will not crystallise at once. Contributions for the coming year are the primary factor for the Trust when considering the impact that the liability has on cash flow. These are appropriately reflected within forecasts and will be settled on a timely basis. Contributions are being re-assessed as part of the triennial actuarial valuation exercise and revised rates will apply from April 2023.

b. Reserves policy

The Trustees review the reserve levels annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have set a minimum target reserve level of a fixed £50,000 per school and 2.5% of GAG. This equates to £1million in total. The aim of the reserves policy is to ensure salary costs can be covered in the event of critical incident and build a reserve for future buildings improvements. Actual free reserves as at 31 August 2022 were £2,540k.

Following a consultation process with the Trust's leadership community, with effect from 31 August 2022 the Trust pools its reserves, rather than holding them at school level. The exception to this is funds that have been specifically given to a school for a particular purpose. This approach brings the Trust's financial reporting in line with the legal position that the Trust is a single financial entity, and enables focused investment in schools that need it.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Investment policy

The Trust is aware that cash balances have to be held to match the reserves policy, for continued improvement of the estate and infrastructure, and for investment in future sustainability. The Trust ensures value for money by holding money in appropriate notice accounts with the bank, and the CFO monitors the level of investments on a routine basis.

d. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Trustees review the risk register identifying major risks to which the Trust is exposed, in particular those relating to cyber-crime, funding uncertainty and macro-economic events, condition of the estate and other operational areas of the Trust. The risk register is reviewed in detail by the Risk and Audit Committee every term, and the Chair provides a report to the Board of Trustees. In addition, risks are escalated from all sub-committees to both the Risk and Audit Committee and to the Board.

e. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue 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 accounting policies.

f. Principal funding

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2022, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities. The Trust receives funding from other government bodies which are shown as restricted funds. There is also income for nurseries, after-school clubs, and lettings which is shown as unrestricted funding in the financial statements.

The Trust also receives grants for fixed assets from the ESFA and other bodies. In accordance with applicable accounting standards, such grants are shown in the Statement of Financial Activities as restricted income (in the fixed asset fund). The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Due to its size, the Trust is eligible to receive Schools Condition Allocations. A full condition survey has been completed for every Trust building and forms the basis for a managed and prioritised programme of improvements

EVOLUTION ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

The information below has been calculated on the energy used from 1 September 2020 to 31 August 2021.

The Group's greenhouse gas emissions and energy consumption are as follows:

	2022	2021
Energy consumption used to calculate emissions (kWh)	4,291,019	5,194,044
Energy consumption breakdown (kWh):		
Gas	3,335,596	4,395,493
Electricity	947,289	790,277
Transport fuel	8,134	8,275
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	609.91	815.86
Total scope 1	<u>609.91</u>	<u>815.86</u>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	<u>183.19</u>	<u>168.32</u>
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	<u>2.04</u>	<u>2.00</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>795.14</u>	<u>986.18</u>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	<u>0.22</u>	<u>0.25</u>

Quantification and reporting methodology

- the 2021 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

- The Trust has a rolling five-year maintenance programme, which has as one of its principles the need to improve the energy efficiency of the Trust's estate whenever there is an opportunity. This includes installation of double-glazed windows, improvement of insulation, use of LED lighting and energy-efficient replacement of faulty boilers.
- Energy and water consumption in each building is monitored to ensure that any excessive consumption, or unexpected fluctuation, can be quickly investigated and remediated.
- The Trust is developing a long-term Sustainability Strategy, involving representatives from each school. Schools have 'green councils' with pupils championing internal green measures.
- All our schools have environmental awareness embedded in their curriculum to give the children an

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting (continued)

- understanding of how they can personally make a difference.
- Video conferencing is now used extensively throughout the Trust, and has significantly reduced the need to travel between sites.

Plans for future periods

The Trustees and Executive Management Team revise the Trust's strategy annually, based on an assessment using a clearly defined Business Capability Model. The key Aims for the next year can be summarised as:

1. **Revenue Growth:** Increase income for the Trust to improve education provision and outcomes for pupils.
2. **Improve Performance:** Improve the performance of all staff across the Trust to raise the standards and outcomes of pupils.
3. **Improve the EAT offer:** Improve and extend the central services to deliver greater value to EAT schools.

Funds held as custodian on behalf of others

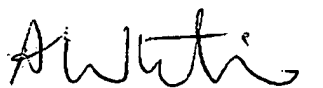
No such funds are held.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2022 and signed on its behalf by:



.....
D Whitehead
Chair of Trustees

EVOLUTION ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day to day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Evolution Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 8 times during the year.

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

Trustee	Meetings attended	Out of a possible
D Whitehead, Chair (from 1 January 2022)	8	8
C Armor (from 1 January 2022)	5	5
K Blakemore	7	8
S Davidson (from 6 June 2022)	2	2
R Jarvis	8	8
K Philpott	8	8
Dr M G Hutchinson (to 29 August 2022)	7	8
R M Jeffries, Chair (to 31 December 2021)	2	3
A Matthews (to 31 March 2022)	4	5
A Randall (to 21 October 2021)	0	2
C Sumner (from 9 December to 23 May 2022)	2	3

The Trust maintains a Register of Interests for all members, trustees, directors, local governors, senior management and anyone in a position to influence the choice of suppliers. This is formally refreshed every year. The standing agenda for all member and trustee meetings includes an opportunity to declare any conflict of interest relevant to the business of the meeting. Any attendees with a conflict of interest are required to leave the meeting when relevant items are discussed. All decision papers for supplier tenders specifically request confirmation from decision-makers that they have no conflict of interest. The Trust has one small subsidiary, Diversa Trading Limited, with three directors one of whom is independent of the Trust.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Trust's Board has established separate sub-committees for Risk and Audit, Finance, Standards, People and Infrastructure. Attendance at the Risk and Audit Committee during the year was as follows:

Risk and audit Committee

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Jarvis	3	3
K Blakemore	1	3
S Davidson	1	1
A Matthews	2	2

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 the taxpayer resources received.

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

- Employing a Head of Procurement to lead on ensuring the Trust obtains best value for money on every contract.
- Ensuring that staff expertise is shared across the Trust's schools to impact on improved outcomes in each one.
- Maintaining a database of all services and contracts in its schools and working towards consolidating contracts for several services across the schools. This aids efficiency and has created cost savings in many contracts.

The Board of Trustees continues to hold the CEO and each school to account for pupils' progress, safeguarding and effective use of all resources. The Trustees receive detailed information, including potential risks, regarding each school on a half termly basis. If, for instance, the Trustees note potential difficulties in the budget setting by any school they quickly hold the school to account and provide support as required. Each School has a link Trustee. The Trustee is able to build relationships with the Head and the Chair of the LGB and allows an understanding of how the Board's decisions are enacted within the schools. This also allows the Trustee to undertake triangulation of the information that they receive at Board or through committees.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of 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 Evolution Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Board of Trustees 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 guidelines
- Scheme of Delegation and segregation of duties
- identification and management of risks.

The Board of Trustees appointed Price Bailey LLP as internal auditors in 2020. They have this year completed audits of Key Financial Controls, Payroll and Cyber Security. Future audits will be directed by the Risk and Audit Committee based on the Trust's Risk Register. On a regular basis, the Internal Auditor reports to the Board of Trustees through the Risk and Audit Committee on the operation of the systems of control and on the discharge of the Trustees' financial and operational responsibilities.

Review of effectiveness

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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

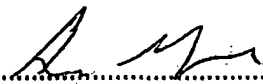
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Risk and Audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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


.....
D Whitehead
Chair of Trustees


.....
L Holzer
Accounting Officer

Date: 14 December 2022

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Evolution Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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

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


.....
L Holzer
Accounting Officer

Date: 14 December 2022

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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


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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and 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 their conduct and operation the Group and the charitable company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

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

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


.....
D Whitehead

Date: 14 December 2022

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EVOLUTION ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EVOLUTION ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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.

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EVOLUTION ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Group and the parent Trust.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Group and the parent Trust and considered that the most significant are the Academies Accounts Direction 2021 to 2022, the Academy Trust Handbook 2021, the Charities SORP 2019, the Companies Act 2006, the Charities Act 2011, and UK financial reporting standards as issued by the Financial Reporting Council.
- We obtained an understanding of how the Group and the parent Trust comply with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
EVOLUTION ACADEMY TRUST (CONTINUED)**

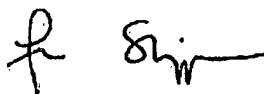
Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

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

Use of our report

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



Frank Shippam BSc FCA DChA (Senior statutory auditor)
for and on behalf of
MA Partners Audit LLP
Chartered Accountants
Statutory Auditor
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 19 December 2022

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 25 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Evolution Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Evolution Academy Trust's funding agreement with the Secretary of State for Education dated 4 September 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

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

- Sample testing of expenditure to ensure the parent Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefited from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the parent Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with Part 8: Schedule of requirements (the "musts") of the Academy Trust Handbook 2021.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

Conclusion

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

MA Partners Audit LLP

MA Partners Audit LLP
Chartered Accountants
Statutory Auditor
7 The Close
Norwich
Norfolk
NR1 4DJ

Date: 19 December 2022

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Other donations and capital grants		39,683	61,755	693,618	795,056	1,082,346
Other trading activities	5	126,944	-	-	126,944	126,179
Investments	6	528	-	-	528	486
Charitable activities	4	683,821	20,305,774	-	20,989,595	20,132,952
Total income		850,976	20,367,529	693,618	21,912,123	21,341,963
Expenditure on:						
Raising funds		990	-	-	990	31
Charitable activities	9	211,391	22,455,564	1,315,423	23,982,378	23,256,119
Exceptional items	8	-	-	1,390,680	1,390,680	6,918,303
Total expenditure		212,381	22,455,564	2,706,103	25,374,048	30,174,453
Net income/(expenditure)		638,595	(2,088,035)	(2,012,485)	(3,461,925)	(8,832,490)
Transfers between funds	19	-	(40,541)	40,541	-	-
Net movement in funds before other recognised gains/(losses)		638,595	(2,128,576)	(1,971,944)	(3,461,925)	(8,832,490)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	14,871,000	-	14,871,000	(3,196,000)
Net movement in funds		638,595	12,742,424	(1,971,944)	11,409,075	(12,028,490)

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

		Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
	Note					
Reconciliation of funds:						
	19					
Total funds brought forward		1,618,149	(14,375,602)	34,709,409	21,951,956	33,980,446
Net movement in funds		638,595	12,742,424	(1,971,944)	11,409,075	(12,028,490)
Total funds carried forward		2,256,744	(1,633,178)	32,737,465	33,361,031	21,951,956

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 32 to 64 form part of these financial statements.

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08158619

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	31,981,914	33,533,253
		<u>31,981,914</u>	<u>33,533,253</u>
Current assets			
Debtors	17	527,665	493,260
Cash at bank and in hand		5,401,734	4,712,364
		<u>5,929,399</u>	<u>5,205,624</u>
Creditors: amounts falling due within one year	18	(2,634,282)	(1,979,921)
Net current assets		<u>3,295,117</u>	<u>3,225,703</u>
Total assets less current liabilities		<u>35,277,031</u>	<u>36,758,956</u>
Net assets excluding pension liability		<u>35,277,031</u>	<u>36,758,956</u>
Defined benefit pension scheme liability	26	(1,916,000)	(14,807,000)
Total net assets		<u><u>33,361,031</u></u>	<u><u>21,951,956</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	32,737,465	34,709,409
Restricted income funds	19	282,822	431,398
		<u>33,020,287</u>	<u>35,140,807</u>
Restricted funds excluding pension asset	19	33,020,287	35,140,807
Pension reserve	19	(1,916,000)	(14,807,000)
Total restricted funds	19	<u>31,104,287</u>	<u>20,333,807</u>
Unrestricted income funds	19	<u>2,256,744</u>	<u>1,618,149</u>
Total funds		<u><u>33,361,031</u></u>	<u><u>21,951,956</u></u>

The financial statements on pages 25 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08158619

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022



.....
D Whitehead
Chair of Trustees

Date: 14 December 2022

The notes on pages 32 to 64 form part of these financial statements.

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08158619

TRUST BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	31,981,914	33,533,253
Investments	16	1	1
		<u>31,981,915</u>	<u>33,533,254</u>
Current assets			
Debtors	17	521,035	493,260
Cash at bank and in hand		5,350,503	4,711,308
		<u>5,871,538</u>	<u>5,204,568</u>
Creditors: amounts falling due within one year	18	(2,577,877)	(1,979,921)
Net current assets		<u>3,293,661</u>	<u>3,224,647</u>
Total assets less current liabilities		<u>35,275,576</u>	<u>36,757,901</u>
Net assets excluding pension liability		<u>35,275,576</u>	<u>36,757,901</u>
Defined benefit pension scheme liability	26	(1,916,000)	(14,807,000)
Total net assets		<u><u>33,359,576</u></u>	<u><u>21,950,901</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	32,616,611	34,709,409
Restricted income funds	19	351,069	431,398
		<u>32,967,680</u>	<u>35,140,807</u>
Restricted funds excluding pension liability	19	32,967,680	35,140,807
Pension reserve	19	(1,916,000)	(14,807,000)
Total restricted funds	19	<u>31,051,680</u>	<u>20,333,807</u>
Unrestricted income funds	19	<u>2,307,896</u>	<u>1,617,094</u>
Total funds		<u><u>33,359,576</u></u>	<u><u>21,950,901</u></u>

The financial statements on pages 25 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08158619

TRUST BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022



.....
D Whitehead
Chair of Trustees

Date: 14 December 2022

The notes on pages 32 to 64 form part of these financial statements.

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	487,860	227,495
Cash flows from investing activities	22	201,510	(73,625)
Change in cash and cash equivalents in the year		689,370	153,870
Cash and cash equivalents at the beginning of the year		4,712,364	4,558,494
Cash and cash equivalents at the end of the year	23, 24	<u>5,401,734</u>	<u>4,712,364</u>

The notes on pages 32 to 64 form part of these financial statements

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Evolution Academy Trust meets the definition of a public benefit entity under FRS 102.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

1.2 Going concern

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

EVOLUTION ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.4 Expenditure

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

Termination payments are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Trust recognises termination payments when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or (ii) providing termination payments as a result of an offer made to encourage voluntary redundancy.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Tangible fixed assets

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 Consolidated 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 Consolidated statement of financial activities.

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long leasehold buildings	- 2% straight line.
Leasehold land	- over duration of the lease
Furniture and equipment	- 15% straight line
Computer equipment	- 25% straight line

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

The Trust is party to lease agreements with Norfolk County Council and Suffolk County Council for the school properties.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Group 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.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Trust'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.

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 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In assessing the carrying values of tangible fixed assets the Trustees estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial year. However, following desktop valuations undertaken on behalf of the Department for Education as at 31 August 2021, an impairment charge against land and buildings has been made as disclosed in note 8.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	39,683	61,755	-	101,438	186,451
Capital Grants	-	-	693,618	693,618	895,895
Total 2022	39,683	61,755	693,618	795,056	1,082,346
<i>Total 2021</i>	<i>62,144</i>	<i>124,307</i>	<i>895,895</i>	<i>1,082,346</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. Funding for the Trust's educational operations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	16,108,297	16,108,297	15,505,039
Other DfE/ESFA grants				
PE and Sports Grant	-	223,140	223,140	224,420
Rate Relief	-	72,942	72,942	86,378
Universal Infant Free School Meals	-	370,030	370,030	395,917
Teachers Pension Grant	-	17,139	17,139	511,480
Pupil Premium	-	1,497,502	1,497,502	1,482,497
Other DfE/ESFA grants	-	30,145	30,145	600
Supplementary Grants	-	193,002	193,002	131,500
Teachers Pay Grant	-	19,827	19,827	181,016
	-	18,532,024	18,532,024	18,518,847
Other Government grants				
Special Education Needs	-	606,717	606,717	457,517
Early Years	-	594,809	594,809	506,570
Other	-	272,669	272,669	(2,057)
Norwich Opportunity Area	-	44,638	44,638	42,193
	-	1,518,833	1,518,833	1,004,223
Other income from the Trust's educational operations	683,821	-	683,821	302,136
COVID-19 additional funding (DfE/ESFA)				
Catch-up & Recovery Premium	-	156,031	156,031	294,375
School-led Tutoring	-	98,886	98,886	-
	-	254,917	254,917	294,375
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	13,371
	-	-	-	13,371
Total 2022	683,821	20,305,774	20,989,595	20,132,952
Total 2021	302,136	19,830,816	20,132,952	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

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

The Trust received and spent £156k of Catch-up premium in the year.

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Insurance reclaims	(1,180)	(1,180)	45,436
Lettings	35,110	35,110	55,270
School fund	2,112	2,112	214
Solar panels	39,515	39,515	-
Income from ancillary trading activities	51,387	51,387	25,259
Total 2022	126,944	126,944	126,179
<i>Total 2021</i>	<i>126,179</i>	<i>126,179</i>	

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	528	528	486
<i>Total 2021</i>	<i>486</i>	<i>486</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on fundraising trading activities:					
Direct costs	-	-	990	990	31
Educational operations:					
Direct costs	10,292,443	-	863,429	11,155,872	11,524,737
Support costs	7,921,146	2,578,321	2,327,039	12,826,506	11,731,382
Exceptional items (note 8)	-	1,390,680	-	1,390,680	6,918,303
Total 2022	18,213,589	3,969,001	3,191,458	25,374,048	30,174,453
Total 2021	18,191,012	8,419,894	3,563,547	30,174,453	

8. Exceptional Items

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Impairment of property	1,390,680	1,390,680	5,437,535
Loss on disposal of property	-	-	1,480,768
Total 2022	1,390,680	1,390,680	6,918,303
Total 2021	6,918,303	6,918,303	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. Exceptional items (continued)

Impairment of property

During the year the Department for Education (DfE) commissioned professionally-qualified valuers to revalue the land and buildings at three of the schools within the Trust. The valuations were undertaken to enable the DfE to consolidate academies into the Sector Annual Report and Accounts (SARA). The valuations are 'desktop' valuations without any on-site measurement. Where applicable, the Trustees have adopted these valuations and impaired the property, despite the inherent limitations in the valuation methodology. The impairment charge arising was £1,390,680 (2021 - £618,676).

In the prior year a school site was deemed unsafe and closed. The Trustees fully impaired the book value of the land and buildings on this site, giving rise to an impairment charge of £4,818,859.

Loss on disposal of property

Following the merger of Costessey Junior School and Costessey Infant School, in 2021 the Trust surrendered the lease on the site previously occupied by Costessey Infant School, giving rise to a loss on disposal of £1,480,768. There is no such transaction in this year's financial statements.

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	11,155,872	12,826,506	23,982,378	23,256,119
<i>Total 2021</i>	<i>11,524,737</i>	<i>11,731,382</i>	<i>23,256,119</i>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	10,073,012	10,839,215
Depreciation	103,955	112,386
Staff development	87,827	80,769
Teaching resources	228,540	293,451
Other direct costs	282,540	145,671
Educational visits	160,567	8,589
Agency staff	219,431	44,656
	11,155,872	11,524,737

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Pension finance costs	258,000	184,000
Staff costs	7,921,146	7,307,141
Depreciation	1,211,468	631,991
Computer maintenance	438,515	352,851
Maintenance of property and equipment	541,941	882,887
Professional fees	310,494	370,834
Postage, stationery, printing and telephone	213,381	249,226
Insurance	70,835	54,242
Occupancy	835,984	763,534
Catering	915,962	827,714
Licenses	74,820	71,273
Audit and assurance	33,960	35,689
	12,826,506	11,731,382

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	84,718	83,902
Depreciation of tangible fixed assets	1,315,423	744,377
Loss on disposal of fixed assets	-	1,480,768
Fees paid to auditors for:		
- audit	21,650	20,500
- other services	5,600	5,500
	<u>21,650</u>	<u>20,500</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Wages and salaries	12,322,783	12,910,113	12,322,783	12,910,113
Social security costs	1,091,440	1,063,436	1,091,440	1,063,436
Pension costs	4,441,382	4,076,432	4,441,382	4,076,432
	<u>17,855,605</u>	<u>18,049,981</u>	<u>17,855,605</u>	<u>18,049,981</u>
Agency staff costs	219,431	44,656	219,431	44,656
Staff restructuring costs	138,553	96,375	138,553	96,375
	<u><u>18,213,589</u></u>	<u><u>18,191,012</u></u>	<u><u>18,213,589</u></u>	<u><u>18,191,012</u></u>

Staff restructuring costs comprise:

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Redundancy payments	120,305	62,956	120,305	62,956
Severance payments	18,248	33,419	18,248	33,419
	<u><u>138,553</u></u>	<u><u>96,375</u></u>	<u><u>138,553</u></u>	<u><u>96,375</u></u>

b. Special staff severance payments

Included in staff restructuring costs are non-statutory severance payments of £18,248 (2021: £33,419). Individually, the payments were £12,383 and £5,865.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

11. Staff (continued)

c. Staff numbers

The average number of persons employed by the Group and the Trust during the year was as follows:

	Group 2022 No.	Group 2021 No.	Trust 2022 No.	Trust 2021 No.
Teachers	168	198	168	198
Administration and support	375	409	375	409
Management	36	32	36	32
	<u>579</u>	<u>639</u>	<u>579</u>	<u>639</u>

d. Higher paid staff

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	1	3
In the band £80,001 - £90,000	1	3
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	<u>2</u>	<u>1</u>

e. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The senior management team increased from two to three employees with the appointment of the Director of Education. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £407,044 (2021 £255,992).

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NOTES TO THE FINANCIAL STATEMENTS
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12. Central services

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

- Central senior management support (including CEO, CFO and Director of Education)
- School improvement, including training, development and coaching of senior staff, curriculum development and monitoring
- Centralised Finance function, coordinating all financial activities including budgeting, reporting, accounts payable and audits (internal and external)
- Specialised Procurement to support with contract management, tenders, complex purchases and ensuring Value For Money
- Estates and facilities management
- Health and Safety expertise

The Group charges for these services on the following basis:

For the year ended 31 August 2022, the Trust made a charge of 6% of GAG to cover the cost of these services.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Costessey Primary School	159,624	144,389
Eaton Primary School	100,473	90,417
Filby Primary School	28,509	24,751
Wensum Junior School	55,943	50,025
Dell Primary School	93,016	89,546
Elm Tree Primary School	85,495	87,668
Poplars Primary School	117,599	113,472
Nelson Infant School	51,742	48,506
Coldfair Green Primary School	38,136	32,848
Angel Road Infant School	57,553	58,491
Angel Road Junior School	88,814	89,311
Bignold Primary School	101,198	100,760
Total	978,102	930,184

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NOTES TO THE FINANCIAL STATEMENTS
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13. Trustees' remuneration and expenses

During the year ended 31 August 2022, no Trustees received any remuneration or other benefits (2021 - £Nil). Expenses of £46 were reimbursed to one Trustee (2021 - £22 to one Trustee).

14. Trustees' and Officers' insurance

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

15. Tangible fixed assets

Group and Trust

	Long-term leasehold property £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2021	41,245,179	377,740	662,291	42,285,210
Additions	1,137,526	17,238	-	1,154,764
At 31 August 2022	<u>42,382,705</u>	<u>394,978</u>	<u>662,291</u>	<u>43,439,974</u>
Depreciation				
At 1 September 2021	8,140,065	234,798	377,094	8,751,957
Charge for the year	1,171,906	39,562	103,955	1,315,423
Impairment charge	1,390,680	-	-	1,390,680
At 31 August 2022	<u>10,702,651</u>	<u>274,360</u>	<u>481,049</u>	<u>11,458,060</u>
Net book value				
At 31 August 2022	<u>31,680,054</u>	<u>120,618</u>	<u>181,242</u>	<u>31,981,914</u>
At 31 August 2021	<u>33,105,114</u>	<u>142,942</u>	<u>285,197</u>	<u>33,533,253</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Fixed asset investments

	Investments in subsidiary companies £
Trust	
Cost	
At 1 September 2021	1
At 31 August 2022	1
Net book value	
At 31 August 2022	1
At 31 August 2021	1

Principal subsidiaries

The following was a subsidiary undertaking of the Trust:

Name	Company number	Registered office or principal place of business	Principal activity
Diversa Trading Limited	11144243	Keswick Hall, Norwich, NR4 6TJ	Car park letting

Class of shares	Holding	Included in consolidation
--------------------	---------	------------------------------

Ordinary 100% Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Diversa Trading Limited	51,390	(50,990)	400	1,456

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Debtors

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Due within one year				
Trade debtors	18,531	17,592	17,751	17,592
VAT repayable	159,799	100,651	159,799	100,651
Prepayments and accrued income	349,335	375,017	343,485	375,017
	<u>527,665</u>	<u>493,260</u>	<u>521,035</u>	<u>493,260</u>

18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Trade creditors	93,397	603,617	93,397	603,617
Other taxation and social security	264,309	255,851	264,309	255,851
Other creditors	578,345	348,948	578,345	348,948
Accruals and deferred income	1,698,231	771,505	1,641,826	771,505
	<u>2,634,282</u>	<u>1,979,921</u>	<u>2,577,877</u>	<u>1,979,921</u>

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Deferred income at 1 September 2021	422,348	301,770	422,348	301,770
Resources deferred during the year	344,223	422,348	344,223	422,348
Amounts released from previous periods	(422,348)	(301,770)	(422,348)	(301,770)
Deferred income at 31 August 2022	<u>344,223</u>	<u>422,348</u>	<u>344,223</u>	<u>422,348</u>

At the balance sheet date the Group was holding funds of £344,223 for grant and other income received in advance.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	1,617,094	799,586	(211,391)	50,000	-	2,255,289
Diversa Trading Limited	1,055	51,390	(990)	(50,000)	-	1,455
	<u>1,618,149</u>	<u>850,976</u>	<u>(212,381)</u>	<u>-</u>	<u>-</u>	<u>2,256,744</u>
Restricted general funds						
General Annual Grant (GAG)	365,029	16,108,297	(15,021,906)	(1,168,598)	-	282,822
School Condition Allocation	-	-	(104,370)	104,370	-	-
Pupil Premium	-	1,497,502	(1,497,502)	-	-	-
Special Educational Needs	-	606,717	(606,717)	-	-	-
PE and Sport premium	66,369	223,140	(289,509)	-	-	-
Universal Infant Free School Meals	-	370,030	(370,030)	-	-	-
Early years funding	-	594,809	(594,809)	-	-	-
Devolved Formula Capital	-	-	(6,687)	6,687	-	-
Other grants	-	905,279	(905,279)	-	-	-
Donations	-	61,755	(61,755)	-	-	-
Pension reserve	(14,807,000)	-	(2,997,000)	1,017,000	14,871,000	(1,916,000)
	<u>(14,375,602)</u>	<u>20,367,529</u>	<u>(22,455,564)</u>	<u>(40,541)</u>	<u>14,871,000</u>	<u>(1,633,178)</u>

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19. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Fixed assets transferred on conversion	25,644,565	-	(644,612)	-	-	24,999,953
Devolved Formula Capital	166,637	89,747	(20,546)	(6,687)	-	229,151
Capital expenditure from GAG	1,163,549	-	(226,059)	171,894	-	1,109,384
Condition Improvement Fund	2,685,393	-	(510,288)	(20,296)	-	2,154,809
Other capital grants and donations	532,786	-	(115,730)	-	-	417,056
NCC donation in kind - merger of CJS and CIS	2,832,276	-	(1,146,406)	-	-	1,685,870
School Condition Allocation	1,684,203	603,871	(42,462)	(104,370)	-	2,141,242
	<u>34,709,409</u>	<u>693,618</u>	<u>(2,706,103)</u>	<u>40,541</u>	<u>-</u>	<u>32,737,465</u>
Total Restricted funds	<u>20,333,807</u>	<u>21,061,147</u>	<u>(25,161,667)</u>	<u>-</u>	<u>14,871,000</u>	<u>31,104,287</u>
Total funds	<u>21,951,956</u>	<u>21,912,123</u>	<u>(25,374,048)</u>	<u>-</u>	<u>14,871,000</u>	<u>33,361,031</u>

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19. Statement of funds (continued)

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

The **General Annual Grant (GAG)** has been provided by the ESFA in order to fund the normal running costs of the Trust. The following transfers have been made from the GAG: £1,017,000 to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme, £171,894 representing fixed asset additions from GAG funding.

School Condition Allocation is received to fund the maintenance of school buildings. Funds are transferred from the restricted fixed asset fund to the restricted general fund to match expenditure charged to the Statement of Financial Activities.

The **Pupil Premium** funding has been provided by the ESFA to help raise the attainment of disadvantaged pupils.

The **Special Educational Needs** funding has been provided by the Local Authority to fund those pupils that require additional educational support.

The **PE and Sport Premium** funding has been provided by the ESFA to help improve the quality of PE and sport activities offered to pupils.

Funding was received from the ESFA to assist with the provision of infant free school meals, consisting of **Universal Infant Free School Meals** grants and **Free School Meals Supplementary** grants.

The **Early Years** funding has been received from the local authority to provide early years provision.

Fixed Assets transferred on conversion represent the carrying value of fixed assets on joining the Trust. The expenditure against this fund represents depreciation charged on these fixed assets.

The **Devolved Formula Capital** is received by schools to spend on capital projects. Funds are transferred from the restricted fixed asset fund to the restricted general fund to match expenditure charged to the Statement of Financial Activities.

The **Pension Reserve** has been treated as a restricted fund in accordance with ESFA guidance.

The **Condition Improvement Fund** has been provided by the ESFA toward the cost of building improvements.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General Funds	1,186,118	465,680	(60,185)	25,481	-	1,617,094
Diversa Trading Limited	1,302	25,265	(31)	(25,481)	-	1,055
	<u>1,187,420</u>	<u>490,945</u>	<u>(60,216)</u>	<u>-</u>	<u>-</u>	<u>1,618,149</u>
Restricted general funds						
General Annual Grant (GAG)	943,474	15,629,289	(15,158,276)	(1,049,458)	-	365,029
School Condition Allocation	-	-	(287,188)	287,188	-	-
Pupil Premium	297,049	1,482,495	(1,779,544)	-	-	-
Special Educational Needs	-	956,680	(956,680)	-	-	-
Covid catch-up premium	-	294,375	(68,810)	(225,565)	-	-
PE and Sport premium	142,952	224,420	(301,003)	-	-	66,369
Universal Infant Free School Meals	18,201	395,917	(414,118)	-	-	-
Devolved Formula Capital	-	-	(6,670)	6,670	-	-
Other grants	82,321	328,967	(366,288)	(45,000)	-	-
Teachers Pay Grant	-	511,480	(511,480)	-	-	-
Donations	-	131,500	(131,500)	-	-	-
Pension reserve	(10,193,000)	-	(2,470,000)	1,052,000	(3,196,000)	(14,807,000)
	<u>(8,709,003)</u>	<u>19,955,123</u>	<u>(22,451,557)</u>	<u>25,835</u>	<u>(3,196,000)</u>	<u>(14,375,602)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

**Restricted fixed
asset funds**

Fixed assets transferred on conversion	33,009,501	-	(7,364,936)	-	-	25,644,565
Devolved Formula Capital	95,366	90,734	(12,793)	(6,670)	-	166,637
Capital expenditure from GAG	1,304,627	-	(168,536)	27,458	-	1,163,549
Condition Improvement Fund	2,731,752	-	(46,359)	-	-	2,685,393
Other capital grants and donations	349,414	-	(57,193)	240,565	-	532,786
NCC donation in kind - merger of CJS and CIS	2,832,276	-	-	-	-	2,832,276
School Condition Allocation	1,179,093	805,161	(12,863)	(287,188)	-	1,684,203
	<u>41,502,029</u>	<u>895,895</u>	<u>(7,662,680)</u>	<u>(25,835)</u>	<u>-</u>	<u>34,709,409</u>
Total Restricted funds	<u>32,793,026</u>	<u>20,851,018</u>	<u>(30,114,237)</u>	<u>-</u>	<u>(3,196,000)</u>	<u>20,333,807</u>
Total funds	<u><u>33,980,446</u></u>	<u><u>21,341,963</u></u>	<u><u>(30,174,453)</u></u>	<u><u>-</u></u>	<u><u>(3,196,000)</u></u>	<u><u>21,951,956</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances for each academy at 31 August 2022 and 31 August 2021 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Costessey Primary School	1,542,596	1,187,041	35,651	1,441,516	4,206,804	4,524,706
Eaton Primary School	1,079,082	550,659	18,519	386,384	2,034,644	2,466,716
Filby Primary School	290,287	257,564	6,864	115,713	670,428	613,104
Wensum Junior School	743,935	508,210	19,444	205,832	1,477,421	1,227,075
Dell Primary School	980,882	716,256	18,534	745,504	2,461,176	2,245,163
Elm Tree Primary School	904,884	515,860	13,997	351,914	1,786,655	1,979,943
Poplars Primary School	1,141,001	712,331	29,855	449,740	2,332,927	2,289,961
Nelson Infant School	455,744	425,787	11,641	222,344	1,115,516	1,133,399
Coldfair Green Primary School	361,583	197,194	18,691	140,097	717,565	686,272
Angel Road Infant School	531,079	678,311	14,340	341,399	1,565,129	1,572,410
Angel Road Junior School	880,582	522,518	10,348	308,570	1,722,018	6,590,749
Bignold Primary School	1,044,616	963,273	30,330	394,019	2,432,238	2,331,306
Central Services	336,172	686,142	326	522,379	1,545,019	1,769,272
Trust	10,292,443	7,921,146	228,540	5,625,411	24,067,540	29,430,076

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	31,981,914	31,981,914
Current assets	2,256,744	2,195,833	1,476,822	5,929,399
Creditors due within one year	-	(1,913,011)	(721,271)	(2,634,282)
Provisions for liabilities and charges	-	(1,916,000)	-	(1,916,000)
Total	2,256,744	(1,633,178)	32,737,465	33,361,031

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	33,533,253	33,533,253
Current assets	1,618,149	1,888,432	1,699,043	5,205,624
Creditors due within one year	-	(1,457,034)	(522,887)	(1,979,921)
Provisions for liabilities and charges	-	(14,807,000)	-	(14,807,000)
Total	1,618,149	(14,375,602)	34,709,409	21,951,956

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

21. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of financial activities)	(3,461,925)	(8,832,490)
Adjustments for:		
Capital grants from DfE and other capital income	(693,618)	(895,895)
Depreciation charges	1,315,423	744,377
Dividends, interest and rents from investments	(528)	(486)
Defined benefit pension scheme cost less contributions payable	1,722,000	1,234,000
Defined benefit pension scheme finance cost	258,000	184,000
(Increase)/decrease in debtors	(34,405)	381,551
(Decrease)/increase in creditors	(7,767)	494,135
Impairment on property	1,390,680	5,437,535
Loss on disposal of property	-	1,480,768
Net cash provided by operating activities	487,860	227,495

22. Cash flows from investing activities

	Group 2022 £	Group 2021 £
Dividends, interest and rents from investments	528	486
Purchase of tangible fixed assets	(492,636)	(970,006)
Capital grants from DfE Group	693,618	895,895
Net cash provided by/(used in) investing activities	201,510	(73,625)

23. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand and at bank	5,401,734	4,712,364
Total cash and cash equivalents	5,401,734	4,712,364

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	4,712,364	689,370	5,401,734
	<u>4,712,364</u>	<u>689,370</u>	<u>5,401,734</u>

25. Capital commitments

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	90,874	-	90,874	-
	<u>90,874</u>	<u>-</u>	<u>90,874</u>	<u>-</u>

26. Pension commitments

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

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

Contributions amounting to £485,886 were payable to the schemes at 31 August 2022 (2021 - £310,101) and are included within creditors.

Teachers' Pension Scheme

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (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, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £1,717,044 (2021 - £1,865,526).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group 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 2022 was £1,279,000 (2021 - £1,341,000), of which employer's contributions totalled £1,017,000 (2021 - £1,052,000) and employees' contributions totalled £262,000 (2021 - £289,000). The agreed contribution rates for future years are 18.3 - 25.6 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 1.12 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries (Norfolk)	3.75	3.60
Rate of increase for pensions in payment/inflation (Norfolk)	3.05	2.90
Discount rate for scheme liabilities (Norfolk)	4.25	1.65
Rate of increase in salaries (Suffolk)	3.75	3.60
Rate of increase for pensions in payment/inflation (Suffolk)	3.05	2.90
Discount rate for scheme liabilities (Suffolk)	4.25	1.65

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males (Norfolk, Suffolk)	21.7, 21.9	21.9, 22.1
Females (Norfolk, Suffolk)	24.1, 24.3	24.3, 24.5
<i>Retiring in 20 years</i>		
Males (Norfolk, Suffolk)	22.9, 22.9	23.2, 23.2
Females (Norfolk, Suffolk)	26.0, 26.1	26.2, 26.4

Sensitivity analysis

	2022	2021
	£000	£000
Real discount rate -0.5%	2,150	3,705
Salary increase rate +0.5%	135	220
Pension increase rate +0.5%	2,035	3,435

Share of scheme assets

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	7,913,000	7,342,000
Corporate bonds	4,729,000	4,145,000
Property	1,655,000	1,298,000
Cash and other liquid assets	205,000	451,000
Total market value of assets	14,502,000	13,236,000

The actual return on scheme assets was £76,000 (2021 - £1,935,000).

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

	2022 £	2021 £
Current service cost	(2,692,000)	(2,286,000)
Past service cost	(47,000)	-
Interest income	228,000	181,000
Interest cost	(486,000)	(365,000)
Total amount recognised in the Consolidated Statement of Financial Activities	(2,997,000)	(2,470,000)

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

	2022 £	2021 £
At 1 September	28,041,000	20,240,000
Current service cost	2,739,000	2,286,000
Interest cost	486,000	365,000
Employee contributions	262,000	289,000
Actuarial (gains)/losses	(15,023,000)	4,950,000
Benefits paid	(87,000)	(89,000)
At 31 August	16,418,000	28,041,000

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	13,234,000	10,047,000
Benefits paid	(87,000)	(89,000)
Interest income	228,000	181,000
Actuarial (losses)/gains	(152,000)	1,754,000
Employer contributions	1,017,000	1,052,000
Employee contributions	262,000	289,000
At 31 August	<u>14,502,000</u>	<u>13,234,000</u>

27. Operating lease commitments

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

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Not later than 1 year	35,229	38,471	35,229	38,471
Later than 1 year and not later than 5 years	1,630	16,831	1,630	16,831
	<u>36,859</u>	<u>55,302</u>	<u>36,859</u>	<u>55,302</u>

28. Members' liability

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

29. Related party transactions

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