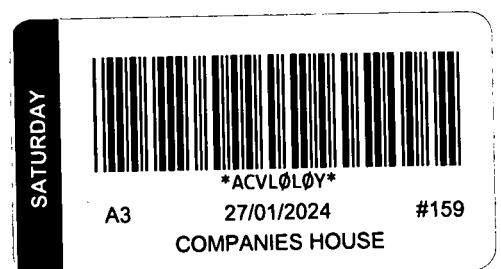


Company Registration Number: 09253218 (United Kingdom)

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report and Governance Statement	3 - 18
Statement of Trustees' Responsibilities	23
Independent Auditors' Report on the Financial Statements	24 - 27
Independent Reporting Accountant's Report on Regularity	28 - 29
Statement of Financial Activities Incorporating Income and Expenditure Account	30
Balance Sheet	31
Statement of Cash Flows	32
Notes to the Financial Statements	33 - 62

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Representative for EDEN (Exeter Diocesan Education Network) Representative for SDBE (Diocese of Salisbury Education Trust) Representative for Diocese of Bath & Wells Chair of Directors, Mr B Impey
Trustees	Mr B Impey, Chair Ms A Rice, Chief Executive Mr P Middlemast Ms L Adams Mrs V Singer Ms S Miller Mr R Toms (resigned 14 July 2023) Mr T Thexton (resigned 14 September 2022) Mrs J Hodge (appointed 24 July 2023) Mrs C Hales (appointed 5 September 2023)
Company registered number	09253218
Company name	Acorn Multi-Academy Trust
Principal and registered office	The Old Tool Office Chard Street Axminster Devon EX13 5EB
Company secretary	V Dower
Chief executive officer	A Rice
Senior leadership team	Mrs A Rice*, Executive Head and Chief Executive Officer Mr L Owen, Head of Axminster Community Primary Academy (resigned 31 December 2022) Mr P Beare, Acting Head of Marshwood CE Primary Academy Miss K Lyons, Head of Mrs Ethelston's CE Primary Academy & Membury Community Primary Mrs D Butler, Head of St Andrews CE Primary Academy (appointed 26 May 2022) Ms C Pooley, Head of Lodders CE Primary Academy Mrs J Evans, Head of Thorncombe, St Marys CE VC Primary School (from 1 September 2022) Mrs C Porter*, Chief Financial Officer Mrs S Brett*, Business Operations Manager (appointed 3 January 2023) Mrs C Hulbert, Head of Axminster Primary Academy (appointed 1 January 2023) * Deemed to be key management personnel for the purposes of disclosure in the financial statements

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Bankers Lloyds Bank plc
16 The Triangle
Avon
Cleavedon
BS21 6NG

Solicitors Michelmores LLP
Woodwater House
Pynes Hill
Exeter
Devon
EX2 5WR

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

Acorn Multi Academy Trust Trustees' Report for the period 1st September 2022 to 31 August 2023.

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period from 1st September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law. The Trust operates a multi academy trust for primary aged pupils serving a catchment area in East Devon and West Dorset. The Trust is made up of 7 primary schools with a combined pupil capacity of 856 pupils and had a roll of 709 plus 39 nursery pupils in the school census in October 2023.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Acorn Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Acorn Multi Academy Trust. Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administrative Details.

Members' liability

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

Trustees' indemnities

The Academy Trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust also purchased and maintained liability insurance for its Trustees.

Method of Recruitment and Appointment or Election of Trustees

The Acorn Multi Academy Trust Articles of Association state that:

- The number of Directors shall be not less than five (appointed under Articles 50 and 50A), but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum
- The Members shall appoint by ordinary resolution a minimum of two Directors (Article 50).
- Provided that the total number of (Foundation) Directors appointed under Article 50A shall not exceed a simple majority of the total number of Directors:
 - i) EDEN shall appoint no fewer than two directors;
 - ii) SDBE shall appoint no fewer than one director; and
 - iii) in the event that a Church Academy located in a Diocese other than those administered by either EDEN or SDBE joins the Company, the relevant Diocesan Corporate Member shall appoint no fewer than one director.
- Providing that the Chief Executive Officer agrees so to act, the Members may by ordinary resolution appoint the Chief Executive Officer as a Director (Article 57).
- The Directors may appoint Co-opted Directors (Article 58).
- The total number of Directors, including the Chief Executive Officer if they so choose to act as Director under Article 57, who are employees of the Company shall not exceed one third of the total number of Directors (Article 50B).

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Term of office

The term of office for any director shall be 4 years. When appointing new directors, the Board will give consideration to the skills and experience mix of existing directors in order to ensure that the Board has the necessary skills to contribute fully to the academy's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are appointed based on specific skill sets identified by an analysis of the needs of the Trust. The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academies and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as directors. Induction tends to be done informally and is tailored specifically to the individual. Training has been provided by Devon Education Services Governance Support Team for all Trustees. Trustees also have access to further general training and support provided by the Exeter Diocesan Board of Education, Diocese of Salisbury Education, as well as the National Governors Association Learning Link and the Devon Association of Governance. Details of all courses and events are circulated to all directors by the Clerk and Trustees are encouraged to attend. Relevant newsletters, publications and guidance are circulated by the clerk to keep Trustees informed of statutory requirements and changes in legislation.

Organisational structure

The Board of Trustees normally meets once each half term. The Board establishes an overall framework for the governance of the Multi Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academies by the use of the budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and staff appointments. The Finance and Audit committee meets six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving internal audit reports and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.

Each school also has its own local governing body that monitors the performance of their own school as well as maintaining its unique identity.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Multi Academy Trust to the CEO and Senior Leadership Team (SLT). The SLT comprises the CEO, Heads of School, the Chief Financial Officer (CFO) and the Business Operations Manager. The SLT implements the policies laid down by the Trustees and reports back to them on performance. The CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel comprise the Board of Trustees, the Chief Executive Officer, the Chief Financial Officer, the Business Operations Manager and the School Improvement Advisor.

All Directors give their time freely and no Director received remuneration in the year in respect of their role as a Director.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The pay of employed key management personnel is reviewed annually as part of the appraisal process.

The Chief Executive Officer appraisal is conducted by the CEO appraisal panel. A pay award is decided based upon performance and other factors such as pupil numbers and size of the Multi Academy Trust.

The Chief Financial Officer and Business Operations Manager follow the same appraisal process as support staff within the academy trust.

Headteacher's pay increase is in accordance with the School Teachers' Pay and Conditions Document (STPCD). The Head of School must demonstrate sustained high quality of performance in respect of Academy leadership and management and pupil progress, and is subject to a review of the totality of their performance by the CEO. The pay and performance committee may award one reference point for sustained, high quality performance in line with the Academy's expectations.

Trade union facility time

There are no employees who were relevant union officials during the relevant period.

Related Parties and other Connected Charities and Organisations

The Acorn Multi Academy Trust consists of seven schools from East Devon and West Dorset. The Trust works closely with other schools outside the Trust including The Woodroffe Pyramid. The Trust is working with South Central Teaching School hub and Woodroffe School to provide provision for the Early Career Teacher induction programme. The Acorn Multi Academy Trust works with the universities of Exeter, Bath Spa and St Mark and St John's Plymouth to provide teaching practice placements.

Andrea Rice, Executive Head teacher, is a National Leader of Education and works with other staff from the Trust to provide school to school support beyond the Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Company's object is specifically restricted to the following:

To advance for the public benefit education in the UK, particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum, which shall include Church of England academies designated as such, which shall conduct in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for Religious Education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education. Other academies whether with or without a designated religious character, but in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

Objectives, strategies and activities

The key objectives of the Trust are to ensure that every child has the best possible educational experience so that they achieve the best possible outcomes. The strategies for achieving these objectives are defined in the Acorn Trust Strategic plan. We aim to be (Christian) schools (where designated), at the heart of our communities, working together to enable children to grow creatively and to achieve their best in a happy and secure environment.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The priorities for the Trust for the year 2022/3 were:

To develop an accurate understanding of the strengths and weaknesses of each school through external evaluation to ensure that Self Evaluation Forms and School Development Plans are accurate and appropriate;

To improve the quality of education in maths to ensure that children master maths by acquiring a deep, long term secure and adaptable understanding of the subject;

To improve the quality of teaching in writing at nursery, EYFS and key stage one to ensure reading and writing abilities are matched;

To ensure that disadvantaged children are able to access the curriculum through adaptations to the curriculum that enable them to succeed as learners, and any gaps are identified and addressed so that children can keep up not catch up;

To ensure attendance is improving, particularly for disadvantaged children, and strategies are in place to ensure attendance of all children is a priority and steps are taken to address any barriers to low or persistent absence;

To develop an action plan to address climate change and sustainability issues in the curriculum and across the Trust as a whole; and

To establish an expanded school at Axminster to accommodate 2 form entry.

Collaboration to improve outcomes for children

The Trust academies have a shared commitment to formal collaborative working to establish a strong professional partnership where staff can support and stimulate each other in all aspects of teaching and learning and leadership and management. The benefits of this approach are:

- An absolute focus on improving outcomes for children.
- Improved teaching and learning through sharing best practice.
- Enhanced learning and curriculum opportunities for children.
- A coherent system of professional development, support and accountability.

Public benefit

The Academy provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Acorn MAT was established in 2014 as a group of geographically close schools working on the borders of East Devon and West Dorset. The Trust is a mixed MAT of church and Community schools who work in formal collaboration to improve outcomes for all the children in our Trust. This collaborative working is central to our school improvement strategy as staff and children are able to learn from each other to develop and share best practice.

Our Vision

To provide high quality education and deliver the best possible outcomes for young people, enabling every child to flourish, regardless of background.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Our Ethos

We are united by our passion for working collaboratively to achieve the best possible outcomes in all our schools. Each of our academies are separate and distinct and their differences are valued. This character and distinctiveness are protected and developed in each school and are at the heart of their communities. This is within a structure that is supportive and collaborative so that staff and children are not isolated but benefit from opportunities to develop and grow.

Achievement and Performance

The Trust Board have been reviewing the long term sustainability of the Trust and have identified potential merger partners. The Trust has looked for partners that have a similar ethos and vision that will align with our current values and strategy. The merger will offer more opportunities for the Trust to aspire to provide the most ambitious curriculum and outcomes for our children. The wider range of staff and experiences will enable even greater collaboration between staff to provide the best education possible. As part of a larger Trust we would be able to offer a greater range of support within our schools to ensure that each child's needs are fully met. In a climate where resources are widely stretched due to the needs of children, a larger Trust would enable us to provide our own external agencies to support children and ensure that early intervention enables our children to be successful learners and fulfil their potential. The Trust plans to work alongside a potential partner during 23/24 to ensure that the merger will be successful and both Trusts are able to align effectively. A working group from both Trusts will oversee this work supported by the DfE and the Diocesan representatives.

The Trust has worked hard to continue to develop educational effectiveness across the curriculum so that it is consistent and ambitious in all our schools. During the past year we have further developed our foundation subjects to ensure that every subject area shows clear progression and builds on prior learning so that children know more and remember more over time. This has been particularly challenging in our very small schools who have developed a 4 year rolling programme, where the work needs to be challenging for every year group in the class. This has led to the development of strong subject leader groups where experts from other schools have supported the intent for each subject. This support was recognised during the short inspection at Marshwood Primary Academy in March 2023 where the school remained 'good'.

Maths has been identified as an area to improve as children have gaps due to Covid legacy and we have now planned the curriculum to ensure that children are taught using key knowledge and vocabulary and assessed against fluency facts. The curriculum is more carefully planned to ensure that children build knowledge and this ensures their success as learners in all subjects.

The early years curriculum has focussed on the development of vocabulary through a shared focus on key vocabulary in learning environments inside and outside the classroom. There is also a strong focus on books, stories, rhymes and performance to ensure children get off to a strong start. The curriculum for nursery and reception has been clearly planned to ensure progression with a clear focus on vocabulary and language. The success of the Read, Write Inc programme in developing early reading has now been enhanced by a similar approach for teaching early writing through Get Writing. This gives children a strong start in the basic skills in Nursery and Reception to ensure children have the appropriate ability to access the full key stage two curriculum. The results in reading in year one and phonics show clear improvements in all schools as children develop as fluent readers.

The Trust has engaged in a 3 year plan to develop metacognition strategies for all children across the Trust. As a result of the pandemic many children have lost skills of independence and knowing how to be an independent learner. The metacognition strategies to support learning and self regulation are being developed across the Trust, firstly through our leaders, and then cascaded to staff at all levels to ensure the greatest impact. The inclusion lead has supported schools to ensure that the needs of all learners are met in every lesson through adaptations to the curriculum. This has ensured that individual plans for children relate directly to support their learning in the classroom. An important

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

aspect of this work has been the engagement of children to hear the pupil voice in the levels of engagement. Case studies for individual children demonstrate their understanding of the different strategies used to support them in school

The inclusion lead has worked across all schools this year to ensure children have the appropriate support that they need. There has been refinement in the objectives for children on My Plans and there has been triangulation with the children to ensure the objectives follow through into classroom practice and children are able to explain how they are supported. Pupil voice has given clear evidence of the way different strategies are used to support each child to ensure effective learning. There has been a significant increase in the number of children with complex needs and behaviour difficulties.

There has been a whole MAT focus on relational policy and practice with training for all staff to ensure behaviour is treated as a form of communication and children are supported through relational support plans. Many of the issues have been created by the pandemic and now the cost of living crisis. Families are needing more support from school with a wide range of issues but there is a critical lack of agencies available to offer support. The family support worker is stretched to capacity with the current number of cases but is having an impact with some families, but more resources are needed.

All schools have developed effective and robust evidence based self evaluations and have an accurate understanding of the strengths and areas for development of their schools. This has been a key part of our leadership strategy as we have had several changes of senior leaders for a variety of reasons and this has strengthened our capacity. External school improvement from a consultant with Ofsted experience has supported leaders to make effective judgements and triangulate the judgements of our internal school improvement staff. During the next year we have stable staffing and this will support the effectiveness of school improvement support. Recruitment at all levels has been challenging this year, particularly in our small rural schools, with some longer term teaching vacancies still being covered by agency staff. This has a significant impact on the ability of the school to continue to improve outcomes and ensure continuity and progression.

The national agenda to improve attendance following the pandemic has been a key focus to improve outcomes and decrease persistent absence. The MAT has implemented a systematic approach to reporting persistent absence to parents on a termly basis through a series of letters of increasing severity and working with parents to improve attendance where possible. There has been some improvement to reduce persistent absence but this is an area that requires a long term, consistent approach to tackle this.

Separate working group has been exploring ways to address climate change and sustainability in our schools. At a school level, aspects of climate change have been intertwined into the curriculum and pupils are engaged further through Eco councils in energy efficiency strategies. At a more strategic level we have carried out energy audits to assess energy costs, reviewed energy contracts where possible to provide value for money and developed a strategy for the implementation of LED lighting in all schools. We have also replaced a large gas oven in our catering service to provide a more efficient and cost effective rationale oven that will make the catering operation more energy efficient and provide cost savings. More long term projects have explored the replacement of oil fired heating systems using fossil fuels through CIF bids. The outcome of these bids will be known in March 2024.

There have been several successful CIF bids that have been completed this year with a total value of £1.2 million. Fire compliance work has been carried out at Marshwood, Thorncombe, and Axminster, as well as a flat roof project at Marshwood. The work enables our schools to be compliant with the latest regulations in line with the Good Estates Management guidance. Devon County Council is nearing the completion of a £2.3 million extension to Axminster Primary Academy. This has been funded through basic need due to the increase in admissions into the area over the last 2 years, and will offer much needed additional space in more modern premises as the school grows.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

EYFS GLD

School	Number in cohort	GLD
Axminster	27	74%
Loders	8	75%
Marshwood	6	50%
Membury	1	100%
Mrs Ethelston's	26	88.5%
St Andrew's	12	83.3%
Thorncombe St Mary's	7	71.4%

The Trust is developing an upward trend of improvement in outcomes in year groups where there has been consistent teaching. The results in EYFS and key stage one are strong in all three subjects. The good level of development in EYFs reflects high quality provision in all of our schools where high quality interactions support children's learning.

Year 1 phonics

School	Number in cohort	Phonics screen
Axminster	47	70%
Loders	11	81.8%
Marshwood	3	66.6%
Membury	5	40%
Mrs Ethelston's	30	73.3%
St Andrew's	15	100%
Thorncombe St Mary's	1	100%

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The year one phonics results are strong in all schools due to the focus on phonics from the Read, write Inc programme. In its second year of implementation the impact is now consistent and children are quickly identified if they fall behind and fast track is used to address this. Children now have a strong start with early reading and also early writing .

Key stage 1 SATs

School	Number in cohort	SATS Reading	SATS Writing	SATS Maths
Axminster	32	38%	13%	25%
Loders	12	58%	50%	58%
Marshwood	11	58%	55%	64%
Membury	1	100%	0%	0%
Mrs Ethelston's	25	76%	72%	80%
St Andrew's	9	89%	89%	89%
Thorncombe St Mary's	8	75%	75%	63%

The key stage one results show continued improvement in all three areas in the majority of schools. Where this is not the case at Lodors and Marshwood, this reflects the challenges of the year group due to small cohorts and numbers of children with SENd. The results at Axminster are due to the needs of this cohort of children. There are a high percentage of speech and language needs and several EAL children have joined during the year. Progress is developing and many of these children are continuing Read, Write Inc into key stage two to ensure their reading and writing skills are at the expected level. This fast track approach is enabling these children to catch up to ensure they meet the full requirements of the key stage two curriculum.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Key stage 2 SATs

School	Number in cohort	TA Writing EXS+GDS	Reading	Maths	SPAG
Axminster	37	27%	65%	43%	51%
Loders	7	42%	43%	43%	57%
Marshwood	12	42%	75%	25%	50%
Membury	2	0%	0	0	0%
Mrs Ethelston's	32	81%	78%	50%	72%
St Andrew's	17	41%	59%	32%	53%
Thorncombe St Mary's	6	67%	100%	67%	67%

Key stage two results showed reading close to the national average in all schools except Loders, but these children showed expected progress from their starting points. Writing was lower than the national average in the majority of schools. All of our schools were moderated for writing and we are confident that writing is assessed well across the Trust. There have been several cross MAT moderation meetings to ensure consistency and expectation. Following the pandemic children are still finding it challenging to write at length to provide pieces of writing of sufficient length and quality to meet the expected standard. In maths the children had gaps in knowledge from inconsistency of teaching during the pandemic. This is improving but several children missed meeting the expected standard by a few marks. At Mrs Ethelston's 8 children missed by two marks. Maths is a priority area across the Trust to ensure children meet the expected fluency facts in every year group and are able to use the appropriate vocabulary.

Key Performance Indicators

The number of children on roll is a key performance indicator as funding is based on pupil numbers. Across the Trust total pupil numbers are 709 (39 nursery) in the October 2023 census. This is an increase of 10 pupils compared to the October 2022 census.

Another key performance indicator is payroll costs as a % of total expense. This is currently 81% which is 2% higher than last year. This had remained stable between 76% and 79% for the previous four years, and the increase is to be expected and reflects the increase in both teachers and support staff paycales. The Trust will aim to keep salary costs at 80% or below of total expense through sharing staff and expertise, and reducing overheads as the Trust grows. This continues to be a challenge due to statutory obligations such as NI increases, pension contribution increases and introduction of the national living wage.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Going Concern

The Board of Directors have reviewed the financial plans for the trust over the next 3 years when making their opinion regarding going concern.

The following assumptions have been used within the 3 year plan which demonstrate a prudent yet realistic approach:

- Pupil numbers are driven by current class numbers with reception intake assumed to be in line with previous years. Budgeted pupil numbers for the next three years are : 711 23/24, 717 in 24/25 and 754 in 25/26
- 4% pay increase for teachers and 4% pay increase for support staff each year
- 5% inflationary increase for resources and services in 24/25 and 25/26
- Utilities increased by 10% in 23/24 and then 5% in 24/25 and 25/26 was estimated by energy suppliers for gas and electric.
- 5% GAG funding increase has been applied from 24/25
- Pupil number driven grants assumed to be the same rate as 23/24. This includes UIFSM, DCF, Pupil Premium and sports premium

Based on the assumptions above, the trust will have unrestricted and restricted funds (excluding fixed asset and pension fund) of £2,620 at the financial year ending 31 August 2025.

After August 2025, the trust will move into a cumulative deficit position.

The Board of Directors have given consideration to the long term sustainability of the trust and are currently exploring options for growth in the form of a MAT merger. The trust expects to partner with another MAT and establish a working party to oversee the transition during 23/24.

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

FINANCIAL REVIEW

During the period to 31 August 2023, funding was based on October 2021 pupil numbers of 702. Pupil numbers are currently 709 as per the October 2023 census.

With the exception of one off grant income, the Trust's core income is received in the form of recurring annual grants from the ESFA. This includes General Annual Grant, Teachers pension and pay grant, Pupil Premium, Catch up Premium, High Needs Funding, Sports Funding, Nursery Grants and Universal Free School Meals funding. Income is also received in the form of donations for trips and specific projects. This funding is spent directly on the education of the pupils within the Trust.

The Trust also receives unrestricted income from other sources such as the sale of meals and paid fees from the nursery. This income may be used by the Trustees to support the educational aims of the Trust and to build up reserves for use as specified in the reserves policy.

The Trust may also apply for conditional improvement grants offered by the Department for Education for the maintenance and improvement of fixed assets. The Trust had 4 new CIF projects and 1 ongoing project in the year 22/23. The amounts awarded for the new projects were as follows:

Axminster Primary £552,844 for fire compliance

Marshwood Primary £188,381 for fire safety and compliance work

Marshwood Primary £154,700 for removal of asbestos and roof replacement

Thorncombe Primary £334,215 for fire compliance work

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The ongoing project to re-build the retaining wall at Mrs Ethelston's primary is due to complete in the year 23/24. The total amount spent to date is £63,927 of a project value of £195,947. The income for this project was recognised in prior year accounts.

Salary payments to teachers and support staff comprise the largest recurring expense of the academies and central support function.

The Trust makes contributions to both the Teachers' Pension (TPS) and Local Government Pension Scheme (LGPS). The TPS is a national scheme managed by the Department for Education. Assets and Liabilities are not allocated to individual employees. In the LGPS however, the assets and liabilities are subject to an actuarial valuation and are attributable to individual employers. The balance sheet contains the net pension deficit in respect of current and prior employees. Although a deficit does not indicate the liability will become payable, it does indicate that the current employer contributions may not meet the liabilities and assets of the scheme in the long term.

During the year and with the assistance of pupil premium, recovery and catch up grants, the trust has invested in Read Write Inc to improve phonics and reading and Lexia, a language support program that supports individual language difficulties online. Other curriculum packages such as Accelerated Reader and Kapow have continued to be purchased at trust level for all the schools to benefit from.

In summary, for the year ending 31st August 2023, the total incoming resources (unrestricted and restricted general funds excluding Condition Improvement Fund (CIF), Devolved Formula Capital (DFC) and pension reserve) of £5,214,844 for the trust has not exceeded the total expenditure (unrestricted and restricted general funds excluding CIF, DFC and pension reserve) of £5,235,037 resulting in an in-year deficit of £20,193 before transfers. However, after a £34,313 transfer from the restricted fixed asset funds the trust has a net surplus of £14,120. The reserves balance carried forward at 31st August 2023 is £277,688 unrestricted and £466,218 restricted general funds (excluding FA and Pension fund). In addition, reserves carried forward include unspent capital funding carried forward (CIF and DFC) of £1,095,274.

Reserves Policy

At present the level of reserves is reviewed regularly by the Finance and Audit Committee, and recommendations are put forward to the Full Governing Board annually. The trust reviews the opportunities and risks at a trust level in order to assess the required level of resources needed to meet expected and unexpected needs in the short and long term. The current reserve policy requires that a capital reserve be created to fund future capital expenditure and that a revenue reserve be created to fund both operational and strategic aims of the trust.

The capital reserve represents unspent capital projects. The balance brought forward at 31st August is £1,095,274 and will be fully spent within 23/24.

Revenue Reserves are split into strategic and operational.

Operational reserves are intended to be sufficient to allow for the educational facilities and services of the trust to be maintained for the short term (within the current academic year). The minimum level for this reserve is 5% of GAG income. For the academic year 23/24, the minimum level of this reserve is £200,443 and it will provide for increases to salaries, utility costs and absence costs beyond those budgeted.

Strategic reserves consider longer term aspirations of the trust. Pupil numbers being a high risk and key financial driver for the trust are used as measure for this reserve and as a rule it aims to support a movement of 20 pupils numbers both up and down. The Age Weighted Pupil Unit (AWPU) for Devon in 23/24 is £3,394, therefore the minimum level of this reserve is £67,880. In addition this fund should support any deficit forecast in the next 3 years.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The trust is currently holding £743,906 in free reserves, comprising £277,688 unrestricted and £466,218 restricted reserves. The current reserve level for the trust exceeds the required level and this surplus will be utilised for unfunded pay increases and capital improvements.

Investment Policy

Due to the nature of funding the Trust holds significant cash balances surplus to its short term requirements. The Trustees have authorised the use of a cash savings platform which enables the trust to manage investments and generate better returns. The investment policy specifies the types of investments that are permitted and this policy is reviewed annually by Trustees.

Trustees regularly review the risks of Acorn Multi Academy Trust and have established a risk management register for the Trust, as well as the internal controls mentioned elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academy are as follows:

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

Financial: The Multi Academy Trust has considerable reliance on continued Government funding through the ESFA. The trust is Government funded and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same level or on the same terms.

Legal and Regulatory: The risk in this area arises from potential failure to comply with regulations and legislation, follow internal controls or complete statutory returns. An internal audit is carried out annually to carry out checks on financial systems and records as required by the Academies Financial Handbook. The trustees continue to review practice and policy and ensure that appropriate measures are in place to mitigate these risks.

Estates Management: The risk is identified as potential failure to ensure the trust's estate is safe, well maintained and complies with relevant regulations. The premises manager provides assurance to the trustees with a robust maintenance schedule detailing statutory obligations. a rolling Health and Safety audit program, good and consistent health and safety policies and risk assessments and staff training. The trust is insured under the RPA for unexpected and unforeseen damage to property.

Reputational - The continuing success of the trust is dependent on continuing to attract sufficient numbers of pupils by providing the highest educational standards. To mitigate this risk, trustees ensure that pupil outcomes are closely monitored and reviewed.

Safeguarding and child protection - The Trustees continue to ensure that the highest standards are maintained in areas of recruitment and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - The success of the Trust is reliant upon the quality of its staff and so the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring continued investment and supporting the wellbeing of staff. Recruitment of staff continues to be a challenge at all levels. The number of applicants at teacher and support staff level is low and the quality is also not as good as the trust would like. The retention of support staff is also challenging due to low pay rates, part time hours and term time only contracts. This situation looks likely to get worse in the future.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The Trust has continued to strengthen its risk management process through the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to financial and economic, strategic and reputational, legal and regulatory, political, environmental and infrastructure and operational. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risks still remain they have ensured adequate insurance cover.

FUNDRAISING

The academy trust does not use any external fundraisers.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide the highest quality of education by attracting the highest quality staff in order to deliver its objectives. During 2023/24 our agreed priorities to support our strategy are:

Priorities for 2023/24

To explore opportunities for long term sustainability of the Trust through MAT merger.

To promote growth in schools across the Trust, including nursery provision at Axminster.

To ensure quality of education and leadership and management are strong in all schools.

To improve the quality of education in maths to ensure that children master maths by acquiring a deep, long term secure and adaptable understanding of the subject.

To improve outcomes for SEND children and children with SEMH to ensure they access the full curriculum.

To complete the expansion of Axminster and improve site security.

To consider further improvements in energy efficiency including LED lighting, boiler replacements where necessary.

To develop long term sustainability plan due to budgetary constraints.

To develop a greater understanding of use of EAP and staff wellbeing through staff questionnaire to reduce staff absence.

To continue to automate more Trust wide central systems for HR and finance.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

None of the Acorn multi academy trust academies hold funds on behalf of others.

AUDITOR

In so far as the Trustees are aware:

- There is no relevant audit information of which the Charitable Company's auditor is unaware; and
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 30 November 2023 and signed on the board's behalf by:

Mr B Impey

Chair of Trustees

A handwritten signature in black ink, consisting of a large, stylized 'B' and 'I' intertwined, with a horizontal line crossing through the middle.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

Scope of Responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Acorn Multi 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.

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher/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 Acorn Multi 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
B Impey (Chair)	8	8
A Rice (CEO and accounting officer)	8	8
P Middlemast	7	8
L Adams	6	8
S Miller	6	8
J Hodge	0	0
C Hales	0	0
T Thexton	0	1
R Toms	6	8
V Singer	6	8

The key changes in the composition of the board were as follows:

Mr Brian Impey was elected Chair of the board of trustees on 14 September 2023.

Mr Timothy Thexton resigned as a foundation director on 14 September 2022.

Mr Russell Toms resigned as a foundation director on 14 July 2023

Mrs Janice Hodge was appointed as a foundation director on 24 July 2023

Mrs Corinne Hales was appointed as a foundation director on 5 September 2023

Governance arrangements at all levels were further strengthened by the following actions:

- Improving communication across all levels of governance was a focus in 2022 - 2023. Half termly meetings of Chairs of Local Governing Bodies (LGBs) with the Chair and CEO continued through 2022-23.
- During 2022-2023, Chairs of LGBs were invited to attend Trust Board meetings and feedback to local governors. This improved understanding of the trust's governance structure and practice, along with its values, ethos and culture.

GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

- Delegated powers were reviewed and updated, followed by a revision of the Scheme of Delegation and governance documents in September 2023.
- Governance at local level was strengthened with the recruitment of governors with skills in education and links to the community and in church schools to the local parish.
- Scholarpack, the pupil performance tracking system linking SIMS and performance data has enabled governors and directors to have a detailed and accurate understanding of pupil progress.
- A Trust SLA with the NGA Learning Link was renewed for 2023, giving access to high quality training and development to governors at all levels, alongside face to face and online training with Devon Education Services.
- Appointed Trustees for Safeguarding, SEND and Pupil Premium provided key information to the Trustees to support their oversight. By supporting the Trust both in the Board meetings and outside them, the Board have a comprehensive knowledge of how the Trust is working and are able to identify areas for them to address accordingly.

Priorities and challenges for the next academic year include:

- Recognising the need for future proofing governance structures in line with the Trust's sustainability action plan.
- To continue to build and consolidate effective relationships and communication between members of the Board and local governors.
- Progressing the induction of new Directors on the Trust Board to fill any gaps identified through the skills audit, assure succession and provide full challenge to the Trust's leadership across the organisation.
- To continue to ensure active stakeholder engagement is key to the role of local governors.

Governance Reviews:

The Trust has undertaken two activities during the period designed to assess the effectiveness of the board of trustees and its committees.

The trust board and local governing bodies carried out skills audits in the summer of 2023 to assess the skills, knowledge and experience contained within the trustees and the local governors. The skills and competencies audit evaluated the Board's expertise, identified gaps in skills or knowledge and proactively sought to appoint to the key areas. Two new Trustees were appointed following this process.

The trust board and local governing bodies undertook self-evaluations in the spring and summer of 2023.

The trust board completed a MAT Board online appraisal. This self-evaluation helped the board identify strengths and key areas for development. An analysis of the appraisal report was followed by the creation of a governance action plan. The development and review of the governance action plan enabled all trust board members to be actively engaged in improving the effectiveness of the governing board over the 2022-23 academic year.

It is intended that directors will complete the new National Governors Association skills audit in the spring of 2024, to ensure new directors have a diverse range of skills and to identify any gaps in knowledge that may exist following recent changes to the board.

The Finance and Audit Committee is a sub-committee of the main Board of Trustees and meets six times a year.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

The Finance & Audit Committee is responsible for;

- monitoring, evaluating and reviewing policy and performance in relation to financial management
- compliance with reporting and regulatory requirements
- reviewing and monitoring reports from the Internal Auditor
- drafting the annual budget including setting staffing levels
- authorising spending within agreed budgets
- performing the role of an audit committee
- receiving and recommending statutory accounts to the trust board
- human resources
- asset management, facilities management & health & safety

The Chief Financial Officer is a member of the Finance & Audit Committee.
During the year, J Hodge joined the committee.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Miller (Chair)	6	6
B Impey	6	6
R Toms	2	6
A Rice (CEO and Accounting Officer)	6	6
L Adams	4	6
J Hodge	0	0

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- The trust is committed to developing staff. This is demonstrated with the internal progression of three teachers to acting head roles within the trust. A number of other teachers have taken on additional responsibility to lead a subject at trust level. The trust also supports staff development and encourages movement within schools in the trust. These approaches increase staff satisfaction leading to better staff retention and reduced recruitment costs.
- Curriculum subscriptions continue to be purchased at trust level wherever possible to maximise savings. The following are currently being used by the trust: Accelerated reader, Lexia, Read Write Inc, Kapow, speechlink. This also allows the smaller schools to benefit from the service which they would be unable to afford as a stand alone academy.
- Hygiene services tender. The trust has negotiated a new trust-wide contract. This provides consistency across the trust. This contract will generate savings of 15k over a three year period.

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

- Absence Insurance. The trust has been self-funding until now and this has been closely monitored. Absence is a risk identified in the risk register and has been slowly increasing. To mitigate the risk of Long Term absence and maternity, the trust has purchased an absence insurance policy. This will be renewed in 2023/24. This also offers a wellbeing package which is anticipated will provide support and help to reduce absence going forward.
- The development of the premises team to incorporate a Business Operations Manager, Premises manager and Handyman enables the trust to ensure funding is used effectively and estates are safe, well maintained and comply with regulations. By bringing the premises function fully in-house, there is better control and consistency and the maintenance schedule is managed cost effectively with there being less reliance on external contractors.
- The hub team are refining processes and procedures for central services. This incorporates utilising free services such as google forms and trello boards, creating shared folders, thus reducing the requirement to purchase external software platforms where services can be managed in house.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Acorn Multi Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has appointed Thompson Jenner as internal auditor.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

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

- Testing of payroll
- Review of board compliance
- Review of GAG pooling
- Testing of management accounts
- Review of capital projects and of consolidation

An internal audit exercise is performed twice a year. A report is provided to the board of trustees, through the finance and audit committee of findings of each visit outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. An annual program of works is reviewed and proposed by the finance and audit committee.

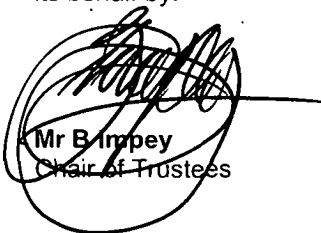
REVIEW OF EFFECTIVENESS

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:

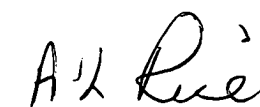
- the work of the external auditor
- the work of the internal auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and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

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

Approved by order of the members of the Board of Trustees on 30th November 2023 and signed on its behalf by:



Mr B Impey
Chair of Trustees



Mrs A Rice
Accounting Officer

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Acorn Multi Academy Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



Mrs A Rice
Accounting Officer

Date: 30.11.23

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

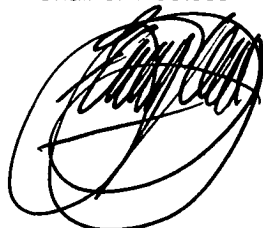
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements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

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

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

Approved by order of the members of the Board of Trustees on **30.11.23** and signed on its behalf by:

Mr B Impey
Chair of Trustees

A handwritten signature in black ink, appearing to be 'B Impey', enclosed within a large, loopy oval scribble.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Opinion

We have audited the financial statements of Acorn Multi Academy Trust (the 'academy') for the year ended 31 August 2023 which comprise the Statement of Financial Activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Other information

The other information comprises the information included in the Annual report and financial statements other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual report and financial statements. 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 and governance statement 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 governance statement and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Auditors' responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and assessment of the impact of schools joining the Academy in relation to these areas;
- how the Academy ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- these matters were discussed among the audit engagement team who also considered any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act, tax legislation and Charity SORP 2019 and FRS102.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

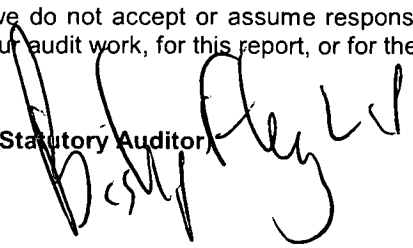
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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


Tim Borton FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

17 December 2023

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 14 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Acorn Multi Academy Trust during the year 1 September 2022 to 31 August 2023 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 Acorn Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Acorn Multi 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 Acorn Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Acorn Multi Academy Trust's funding agreement with the Secretary of State for Education dated and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.


In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.


Bishop Fleming LLP
Chartered Accountants
Statutory Auditors

2nd Floor Stratus House
Emperor Way
Exeter Business Park
Exeter
EX1 3QS

Date:

18 December 2023

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	26,532	214,000	1,350,028	1,590,560	470,302
Other trading activities		31,644	-	-	31,644	25,961
Investments	6	3,008	-	-	3,008	277
Charitable activities		166,789	4,772,871	-	4,939,660	4,363,751
Total income		227,973	4,986,871	1,350,028	6,564,872	4,860,291
Expenditure on:						
Charitable activities		209,638	5,398,831	102,568	5,711,037	5,228,788
Total expenditure		209,638	5,398,831	102,568	5,711,037	5,228,788
Net income /(expenditure)		18,335	(411,960)	1,247,460	853,835	(368,497)
Transfers between funds	18	-	752,584	(752,584)	-	-
Net movement in funds before other recognised gains/(losses)		18,335	340,624	494,876	853,835	(368,497)
Other recognised (losses):						
Actuarial gains on defined benefit pension schemes	24	-	430,000	-	430,000	2,653,000
Net movement in funds		18,335	770,624	494,876	1,283,835	2,284,503
Reconciliation of funds:						
Total funds brought forward		259,353	(175,968)	4,647,840	4,731,225	2,446,722
Net movement in funds		18,335	770,624	494,876	1,283,835	2,284,503
Total funds carried forward		277,688	594,656	5,142,716	6,015,060	4,731,225

The Statement of Financial Activities includes all gains and losses recognised in the year.
The notes on pages 33 to 62 form part of these financial statements.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:09253218

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	4,478,880	4,436,325
Current assets			
Debtors	15	1,206,719	218,386
Cash at bank and in hand		1,276,945	995,049
		<u>2,483,664</u>	<u>1,213,435</u>
Creditors: amounts falling due within one year	16	(644,484)	(263,535)
Net current assets		<u>1,839,180</u>	<u>949,900</u>
Total assets less current liabilities		<u>6,318,060</u>	<u>5,386,225</u>
Net assets excluding pension liability		<u>6,318,060</u>	<u>5,386,225</u>
Defined benefit pension scheme liability	24	(303,000)	(655,000)
Total net assets		<u><u>6,015,060</u></u>	<u><u>4,731,225</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	5,142,716	4,647,840
Restricted income funds	18	897,656	479,032
		<u>6,040,372</u>	<u>5,126,872</u>
Restricted funds excluding pension asset	18	6,040,372	5,126,872
Pension reserve	18	(303,000)	(655,000)
Total restricted funds	18	<u>5,737,372</u>	<u>4,471,872</u>
Unrestricted income funds	18	<u>277,688</u>	<u>259,353</u>
Total funds		<u><u>6,015,060</u></u>	<u><u>4,731,225</u></u>

The financial statements on pages 30 to 62 were approved by the Trustees, and authorised for issue on 30 Nov 2023 and are signed on their behalf, by:



Mr B Impey
Chair of Trustees

The notes on pages 33 to 62 form part of these financial statements.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	20	38,306	83,380
Cash flows from investing activities	21	243,590	(191,836)
Change in cash and cash equivalents in the year		281,896	(108,456)
Cash and cash equivalents at the beginning of the year		995,049	1,103,505
Cash and cash equivalents at the end of the year	22, 23	1,276,945	995,049

The notes on pages 33 to 62 form part of these financial statements

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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 Academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 Academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 INCOME

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

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.

- **Charitable activities**

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

- **Grants payable**

These are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

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 Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 TAXATION

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES (continued)

1.7 TANGIBLE FIXED ASSETS

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

The estimated useful lives are as follows:

Land and buildings	- 125 years straight line
Leasehold Improvements	- 25 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 4 years 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 Statement of Financial Activities.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

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

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES (continued)

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 OPERATING LEASES

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

1.13 PENSIONS

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

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

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

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

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. ACCOUNTING POLICIES (continued)

1.14 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Academy 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 24, 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 2023. 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.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	26,532	214,000	-	240,532	279,358
Capital Grants	-	-	1,350,028	1,350,028	190,944
TOTAL 2023	<u>26,532</u>	<u>214,000</u>	<u>1,350,028</u>	<u>1,590,560</u>	<u>470,302</u>
TOTAL 2022	<u>16,372</u>	<u>256,749</u>	<u>197,181</u>	<u>470,302</u>	

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. FUNDING FOR THE ACADEMY'S CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DfE/ESFA GRANTS				
General Annual Grant	-	3,799,594	3,799,594	3,434,702
Pupil Premium	-	205,900	205,900	175,296
UIFSM	-	98,910	98,910	98,361
PE & Sports Grant	-	108,900	108,900	110,790
School Supplementary Grant	-	106,468	106,468	-
Growth Grant	-	-	-	49,450
Other DfE/ESFA Grants	-	74,871	74,871	75,853
	-	4,394,643	4,394,643	3,944,452
OTHER GOVERNMENT GRANTS				
High Needs	-	83,086	83,086	63,536
Nursery Funding	-	182,868	182,868	177,605
	-	265,954	265,954	241,141
Other income from the Academy's educational operations	166,789	31,982	198,771	128,079
COVID-19 ADDITIONAL FUNDING(ESFA & Local Authority)				
Catch-up Grants	-	80,292	80,292	50,079
	-	80,292	80,292	50,079
TOTAL EDUCATION	166,789	4,772,871	4,939,660	4,363,751
	166,789	4,772,871	4,939,660	4,363,751
TOTAL 2022	128,079	4,235,672	4,363,751	

The academy received £80k of funding to support students to catch-up after the covid pandemic. The costs incurred in respect of this funding totalled £80k.

Some grants have been reclassified within funding for the academy's charitable activities to better represent the nature of the income.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	300	300	2,700
Other income	31,344	31,344	23,261
TOTAL 2023	<u>31,644</u>	<u>31,644</u>	<u>25,961</u>
TOTAL 2022	<u>25,961</u>	<u>25,961</u>	

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	3,008	3,008	277
TOTAL 2022	<u>277</u>	<u>277</u>	

7. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
EDUCATION:					
Direct costs	3,086,161	63,142	333,421	3,482,724	3,312,170
Allocated support costs	1,019,139	513,851	440,866	1,973,856	1,916,618
TOTAL 2023	<u>4,105,300</u>	<u>576,993</u>	<u>774,287</u>	<u>5,456,580</u>	<u>5,228,788</u>
TOTAL 2022	<u>3,898,421</u>	<u>513,366</u>	<u>817,001</u>	<u>5,228,788</u>	

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. ANALYSIS OF GRANTS

	Grants to Institutions 2023 £	Total funds 2023 £	Total funds 2022 £
Improvements to diocesan property occupied by the Academy Trust	254,457	254,457	-

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	3,482,724	254,457	1,973,856	5,711,037	5,228,788
TOTAL 2022	3,312,170	-	1,916,618	5,228,788	

ANALYSIS OF DIRECT COSTS

	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	23,000	23,000	46,000
Staff costs	2,886,641	2,886,641	2,644,829
Depreciation	63,142	63,142	65,055
Educational supplies	70,430	70,430	119,810
Other costs	114,508	114,508	75,055
Supply teachers	199,520	199,520	238,754
Recruitment and support	8,624	8,624	9,215
Educational consultancy	116,859	116,859	113,452
	3,482,724	3,482,724	3,312,170
TOTAL 2022	3,312,170	3,312,170	

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,019,139	1,019,139	1,014,838
Depreciation	39,426	39,426	30,931
Staff development	20,879	20,879	15,057
Other costs	23,518	23,518	32,567
Maintenance of premises and equipment	56,859	56,859	83,653
Cleaning	80,979	80,979	80,159
Rent and rates	282,705	282,705	279,745
Energy costs	106,946	106,946	67,349
Insurance	16,611	16,611	13,358
Security and transport	-	-	8,942
Catering	126,426	126,426	100,480
Technology costs	115,361	115,361	106,249
Office overheads	25,105	25,105	26,264
Legal and professional	19,062	19,062	12,467
Bank interest and charges	1,527	1,527	1,493
Educational consultancy	15,806	15,806	12,062
Governance costs	23,507	23,507	31,004
TOTAL 2023	1,973,856	1,973,856	1,916,618
TOTAL 2022	1,916,618	1,916,618	

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	6,839	4,951
Depreciation of tangible fixed assets	102,562	95,986
Fees paid to auditors for:		
- audit	12,500	10,750
- other services	2,475	2,550

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	2,951,047	2,482,137
Social security costs	245,736	205,401
Pension costs	708,997	960,229
	<u>3,905,780</u>	<u>3,647,767</u>
Agency staff costs	199,520	238,754
Staff restructuring costs	-	11,900
	<u>4,105,300</u>	<u>3,898,421</u>

Staff restructuring costs comprise:

	2023 £	2022 £
Severance payments	-	11,900
	<u>-</u>	<u>11,900</u>

b. SEVERANCE PAYMENTS

The Academy paid 0 severance payments in the year (2022 - 1), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	-	1
	<u>-</u>	<u>1</u>

c. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	55	39
Administration and support	96	97
Management	3	3
	<u>154</u>	<u>139</u>

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

11. STAFF (CONTINUED)

c. STAFF NUMBERS (CONTINUED)

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	42	34
Administration and support	56	53
Management	3	3
	101	90

d. HIGHER PAID STAFF

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	-
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	1	-

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy comprise the Trustees and the senior management team identified as such on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £241,552 (2022 - £222,221).

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Ms A Rice's (Chief Executive), remuneration was between £115,000 - £120,000 (2022: £105,000 - £110,000) and the pension contributions paid were between £25,000 - £30,000 (2022: £25,000 - £30,000).

During the year ended 31 August 2023, expenses totalling £1,165 were reimbursed or paid directly to 3 Trustees (2022 - £NIL to 0 Trustee).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £11,965 (2022: £11,925). The cost of this insurance is included in the total insurance cost.

14. TANGIBLE FIXED ASSETS

	Leasehold land and buildings £	Leasehold Improvements £	Furniture and equipment £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2022	3,759,000	758,243	25,792	217,799	4,760,834
Additions	-	127,927	13,663	3,527	145,117
At 31 August 2023	3,759,000	886,170	39,455	221,326	4,905,951
DEPRECIATION					
At 1 September 2022	127,040	63,859	15,338	118,272	324,509
Charge for the year	16,168	30,234	3,361	52,799	102,562
At 31 August 2023	143,208	94,093	18,699	171,071	427,071
NET BOOK VALUE					
At 31 August 2023	3,615,792	792,077	20,756	50,255	4,478,880
At 31 August 2022	3,631,960	694,384	10,454	99,527	4,436,325

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

15. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	720	4,322
Prepayments and accrued income	1,187,754	205,093
VAT recoverable	18,245	8,971
	<u>1,206,719</u>	<u>218,386</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	104,477	47,690
Other taxation and social security	57,313	49,857
Other creditors	75,421	60,920
Accruals and deferred income	407,273	105,068
	<u>644,484</u>	<u>263,535</u>

	2023 £	2022 £
Deferred income at 1 September 2022	69,718	69,880
Resources deferred during the year	74,640	69,718
Amounts released from previous periods	(69,718)	(69,880)
	<u>74,640</u>	<u>69,718</u>

Deferred income related to funding received for Universal Infant Free School Meals, school trips and rates relief.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

17. FINANCIAL INSTRUMENTS

	2023	2022
	£	£
FINANCIAL ASSETS		
Financial assets measured at fair value through income and expenditure	1,276,945	995,049
Financial assets that are debt instruments measured at amortised cost	1,088,388	81,154
	<u>2,365,333</u>	<u>1,076,203</u>
	2023	2022
	£	£
FINANCIAL LIABILITIES		
Financial liabilities measured at amortised cost	437,110	243,661

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, accrued income and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors, accruals and other creditors.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTR'D FUNDS						
General funds	259,353	227,973	(209,638)	-	-	277,688
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	462,279	3,799,594	(3,833,315)	34,313	-	462,871
PE & Sport premium	-	108,900	(108,900)	-	-	-
Other DfE & ESFA grants	-	181,339	(181,339)	-	-	-
Pupil Premium	-	205,900	(205,900)	-	-	-
UIFSM	-	98,910	(98,910)	-	-	-
High Needs	-	83,086	(83,086)	-	-	-
Nursery	-	182,868	(182,868)	-	-	-
Catch-up grants	-	80,292	(80,292)	-	-	-
Diocese rental charge	-	214,000	(214,000)	-	-	-
Trips	4,474	31,982	(36,456)	-	-	-
Other restricted donations/gran ts	3,680	-	(333)	-	-	3,347
Devolved formula capital	-	-	(40,975)	40,975	-	-
Condition improvement fund	8,599	-	(254,457)	677,296	-	431,438
Pension reserve	(655,000)	-	(78,000)	-	430,000	(303,000)
	<u>(175,968)</u>	<u>4,986,871</u>	<u>(5,398,831)</u>	<u>752,584</u>	<u>430,000</u>	<u>594,656</u>

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Transferred on conversion	3,669,796	-	(16,168)	-	-	3,653,628
DfE / Capital grants	925,317	119,888	(14,495)	(78,815)	-	951,895
Capital from predecessor school	30,306	-	(7,576)	-	-	22,730
Fixed assets purchased from GAG and other restricted funds	22,421	-	(7,474)	3,527	-	18,474
Condition improvement fund	-	1,230,140	(56,855)	(677,296)	-	495,989
	<u>4,647,840</u>	<u>1,350,028</u>	<u>(102,568)</u>	<u>(752,584)</u>	<u>-</u>	<u>5,142,716</u>
TOTAL RESTRICTED FUNDS	<u>4,471,872</u>	<u>6,336,899</u>	<u>(5,501,399)</u>	<u>-</u>	<u>430,000</u>	<u>5,737,372</u>
TOTAL FUNDS	<u>4,731,225</u>	<u>6,564,872</u>	<u>(5,711,037)</u>	<u>-</u>	<u>430,000</u>	<u>6,015,060</u>

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

Restricted funds

General Annual Grant - Income from the ESFA which is to be use for the normal running costs of the Academy, including education and support costs.

Pupil Premium - Represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

UIFSM - Universal infant free school meals (UIFSM) provides funding for all government funded schools to offer free school meals to pupils in reception, year 1, and year 2.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Growth Grant - Funding received by LA to fund pupil growth greater than ten pupils within the year.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. STATEMENT OF FUNDS (CONTINUED)

Catch-up Grants - funding from the ESFA and local authority that includes Recovery Premium, National Tutoring Programme and Local Authority Covid Grants to support children and young people to catch up on missed learning caused by coronavirus (COVID19).

Other DfE & ESFA Grants - Other ESFA grants received for the purpose of supporting school to school improvement.

Trips - Contributions from parents towards educational visits.

Restricted Donations - Donations received for specific purposes.

PE & Sports Premium - Income from the ESFA which is to be used to fund additional and sustainable improvements to the provision of PE and sport for the benefit of primary-aged pupils.

Diocese land and building rent - The Trust's occupation of property owned by the Diocese of Exeter for the period is recognisable as a notional donation and a notional rental expense.

Devolved Formula Capital - Income from the ESFA which is use to maintain and improve the condition of the school buildings, grounds and infrastructure.

Pension Reserve – This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme.

Nursery - Funding received by the Local Authority to fund further support for nurseries.

Condition improvement fund - This represents the value of funding received in respect of the Condition Improvement fund that is to be used on diocese owned buildings.

Fixed Asset Funds

Fixed assets transferred on conversion – This represent the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

DfE Capital Grants & Donations - This represent funding from the ESFA to spend specifically on the Capital improvements of the Trust premises. It also includes a samml amount of donated equipment. The fixed asset fund balance at the year end represents the NBV of assets and any unspent capital grants.

Capital from predecessor school - This represents an element of capital received from a predecessor school.

Fixed assets purchased from GAG and other restricted funds - This represents the NBV of assets acquired using funds transferred from the restricted GAG funds.

Condition improvement fund - This represents the value of funding received in respect of the Condition Improvement fund to keep school and college buildings safe and in good working order.

Transfers - £775,998 has been transferred to restricted general funds from the restricted fixed asset funds, representing expenditure incurred on diocese owned buildings from capital grants.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 August 2023.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General funds	293,418	348,294	(382,359)	-	-	259,353
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	281,255	3,434,703	(3,223,784)	(29,895)	-	462,279
PE & Sport premium	107,108	110,793	(217,901)	-	-	-
Other DfE & ESFA grants	-	76,250	(76,250)	-	-	-
Pupil Premium	44,191	175,296	(219,487)	-	-	-
UIFSM	-	98,361	(98,361)	-	-	-
High Needs	-	63,536	(63,536)	-	-	-
Nursery	-	49,450	(49,450)	-	-	-
Catch-up grants	-	50,079	(50,079)	-	-	-
Diocese rental charge	-	214,000	(214,000)	-	-	-
Trips	2,817	38,248	(36,591)	-	-	4,474
Other restricted donations/grants	10,677	4,100	(11,097)	-	-	3,680
Devolved formula capital	-	-	(35,907)	35,907	-	-
Condition improvement fund	8,599	-	-	-	-	8,599
Pension reserve	(2,854,000)	-	(454,000)	-	2,653,000	(655,000)
	<u>(2,399,353)</u>	<u>4,314,816</u>	<u>(4,750,443)</u>	<u>6,012</u>	<u>2,653,000</u>	<u>(175,968)</u>

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
RESTRICTED FIXED ASSET FUNDS						
Transferred on conversion	3,685,964	-	(16,168)	-	-	3,669,796
DfE / Capital grants	828,811	197,181	(64,768)	(35,907)	-	925,317
Capital from predecessor school	37,882	-	(7,576)	-	-	30,306
Fixed assets purchased from GAG and other restricted funds	-	-	(7,474)	29,895	-	22,421
	<u>4,552,657</u>	<u>197,181</u>	<u>(95,986)</u>	<u>(6,012)</u>	<u>-</u>	<u>4,647,840</u>
TOTAL RESTRICTED FUNDS	<u>2,153,304</u>	<u>4,511,997</u>	<u>(4,846,429)</u>	<u>-</u>	<u>2,653,000</u>	<u>4,471,872</u>
TOTAL FUNDS	<u><u>2,446,722</u></u>	<u><u>4,860,291</u></u>	<u><u>(5,228,788)</u></u>	<u><u>-</u></u>	<u><u>2,653,000</u></u>	<u><u>4,731,225</u></u>

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

18. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Marshwood CofE Primary Academy	324,313	-
St Andrew's CofE Primary Academy	3,347	3,385
Loders CofE VC Primary Academy	-	8,599
Thorncombe, St Mary's Church of England Primary Academy	101,127	-
Acorn Multi Academy Trust	746,557	726,401
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,175,344	738,385
Restricted fixed asset fund	5,142,716	4,647,840
Pension reserve	(303,000)	(655,000)
	<hr/>	<hr/>
TOTAL	6,015,060	4,731,225
	<hr/>	<hr/>

The trust has pooled all GAG income between individual academies as well as the free reserves of each academy.

The carry forward balances of the individual academies represents ringfenced grants and restricted funding that is not eligible for pooling.

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Axminster Community Primary Academy	758,748	186,179	117,348	18,801	1,081,076	926,820
Marshwood CofE Primary Academy	295,422	30,595	35,275	66,625	427,917	332,199
Mrs Ethelston's CofE Primary Academy	539,876	104,157	65,575	2,808	712,416	648,750
St Andrew's CofE Primary Academy	353,722	92,380	51,419	99,512	597,033	428,706
Membury Primary Academy	118,360	6,569	30,829	19,511	175,269	145,044
Loders CofE VC Primary Academy	278,908	32,086	31,221	38,780	380,995	353,354
Thorncombe, St Mary's Church of England Primary Academy	151,590	40,495	64,670	58,941	315,696	213,338
Acorn Multi Academy Trust	359,021	502,678	113,604	864,770	1,840,073	2,084,591
	<u>2,855,647</u>	<u>995,139</u>	<u>509,941</u>	<u>1,169,748</u>	<u>5,530,475</u>	<u>5,132,802</u>

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	4,478,880	4,478,880
Current assets	277,688	1,542,140	663,836	2,483,664
Creditors due within one year	-	(644,484)	-	(644,484)
Defined benefit pension scheme liability	-	(303,000)	-	(303,000)
TOTAL	277,688	594,656	5,142,716	6,015,060

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR (AS RESTATED)

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	4,436,325	4,436,325
Current assets	259,353	742,567	211,515	1,213,435
Creditors due within one year	-	(263,535)	-	(263,535)
Defined benefit pension scheme liability	-	(655,000)	-	(655,000)
TOTAL	259,353	(175,968)	4,647,840	4,731,225

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	853,835	(368,497)
ADJUSTMENTS FOR:		
Depreciation	102,562	95,986
Capital grants from DfE and other capital income	(1,350,028)	-
Interest receivable	(3,008)	(277)
Defined benefit pension scheme cost less contributions payable	55,000	408,000
Defined benefit pension scheme finance cost	23,000	46,000
Decrease/(increase) in debtors	54,640	(96,882)
Increase/(decrease) in creditors	302,305	(950)
NET CASH PROVIDED BY OPERATING ACTIVITIES	38,306	83,380

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Dividends, interest and rents from investments	3,008	277
Purchase of tangible fixed assets	(66,473)	(192,113)
Capital grants from DfE Group	307,055	-
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	243,590	(191,836)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	1,276,945	995,049
TOTAL CASH AND CASH EQUIVALENTS	1,276,945	995,049

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	995,049	281,896	1,276,945
	<u>995,049</u>	<u>281,896</u>	<u>1,276,945</u>

24. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2019.

Contributions amounting to £75,167 were payable to the schemes at 31 August 2023 (2022 - £60,954) 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. 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 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

- employer contribution rates set at 28.6% 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 £262,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 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 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £384,997 (2022 - £347,175).

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>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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

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 2023 was £339,000 (2022 - £262,000), of which employer's contributions totalled £269,000 (2022 - £206,000) and employees' contributions totalled £ 70,000 (2022 - £56,000). The agreed contribution rates for future years are 21% & 17.60% per cent for employers and 5.50% - 12.50% per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. PENSION COMMITMENTS (CONTINUED)

PRINCIPAL ACTUARIAL ASSUMPTIONS

Dorset

	2023	2022
	%	%
Rate of increase in salaries	3.90	4.00
Rate of increase for pensions in payment/inflation	2.90	3.00
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	3.00

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

	2023	2022
	Years	Years
RETIRING TODAY		
Males	21.8	22.1
Females	23.9	24.2
RETIRING IN 20 YEARS		
Males	23.1	23.4
Females	25.3	25.6

Devon

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.90
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	2.90

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

	2023	2022
	Years	Years
RETIRING TODAY		
Males	21.4	21.7
Females	22.6	22.9
RETIRING IN 20 YEARS		
Males	22.7	23.0
Females	24.0	24.3

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

Dorset

	2023	2022
	£000	£000
Discount rate +0.1%	(13)	(16)
Discount rate -0.1%	13	16
Mortality assumption - 1 year increase	18	23
Mortality assumption - 1 year decrease	(18)	(15)
CPI rate +0.1%	13	15
CPI rate -0.1%	(12)	(15)

Devon

	2023	2022
	£000	£000
Discount rate +0.1%	(42)	(58)
Discount rate -0.1%	43	59
Mortality assumption - 1 year increase	52	64
Mortality assumption - 1 year decrease	(51)	(62)
CPI rate +0.1%	43	58
CPI rate -0.1%	(42)	(57)

ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

24. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	1,371,000	1,248,000
Corporate bonds	452,000	388,000
Property	211,000	236,000
Cash and other liquid assets	34,000	34,000
Liability Driven Investment	-	56,000
Infrastructure	217,000	174,000
Multi Asset Credit	41,000	23,000
Target Return Portfolio	115,000	152,000
Diversity Growth Fund	39,000	34,000
TOTAL MARKET VALUE OF ASSETS	2,480,000	2,345,000

The actual return on scheme assets was £61,000 (2022 - £(65,000)).

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

	2023 £	2022 £
Current service cost	(324,000)	(614,000)
Interest income	104,000	38,000
Interest cost	(127,000)	(84,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(347,000)	(660,000)

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

	2023 £	2022 £
AT 1 SEPTEMBER	3,000,000	5,061,000
Current service cost	324,000	614,000
Interest cost	127,000	84,000
Employee contributions	70,000	56,000
Actuarial gains	(615,000)	(2,779,000)
Benefits paid net of transfers in	(123,000)	(36,000)
AT 31 AUGUST	2,783,000	3,000,000

**ACORN MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. PENSION COMMITMENTS (CONTINUED)

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

	2023 £	2022 £
AT 1 SEPTEMBER	2,345,000	2,207,000
Administration expenses	(1,000)	-
Interest income	105,000	38,000
Actuarial losses	(185,000)	(126,000)
Employer contributions	269,000	206,000
Employee contributions	70,000	56,000
Benefits paid net of transfers in	(123,000)	(36,000)
AT 31 AUGUST	2,480,000	2,345,000

25. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	7,806	5,362
Later than 1 year and not later than 5 years	22,179	21,447
	29,985	26,809

26. 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.

27. RELATED PARTY TRANSACTIONS

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

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 11.