

Company Registration Number: 10842747 (England & Wales)

Our Community Multi Academy Trust
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 August 2023



Our Community Multi Academy Trust
(A company limited by guarantee)

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Reference and administrative details

Members	The Diocese of Canterbury Academies Company Limited (currently Quentin Roper) Reverend Steve Lillicrap Bruce McGlashan Martin Swainson Andrew Collie (appointed 7 September 2022)
Trustees	Helen Stewart, Chair (resigned 1 March 2023) ^{2,3} Ian Chappell ³ Ian Hamilton (resigned 31 August 2023) ¹ Simmone Haywood ¹ Michael O'Connell, Chair (appointed 28 March 2023) ^{2,3} Jonathan Uttley (appointed 1 September 2022) ² David Whitehead, Chief Executive Officer (resigned 31 August 2023) ^{1,2} Roo Mackie (appointed 5 September 2023) Jo Hygate (appointed 5 September 2023) Andrya Norris (appointed 5 September 2023) ¹ Audit, Finance and Staffing Committee ² The Standards Committee ³ Health and Safety Committee
Company registered number	10842747
Company name	Our Community Multi Academy Trust
Principal and registered office	Lynsted & Norton Primary School Lynsted Lane Lynsted Sittingbourne United Kingdom ME9 0RL
Trust Chief Operating Officer	Linda Lucas (until May 2023)
Trust Chief Financial Officer	Elaine Latham
Chief Executive Officer	David Whitehead
Senior management team	David Whitehead, Chief Executive Officer Hannah Streatfield, Executive Officer School Improvement Linda Lucas, Chief Operating Officer (Until May 2023) Cassandra Young, Executive Officer, Inclusion Laura Thompson, Executive Officer, EYFS Amanda Love, Headteacher Catherine Hurst, Executive Headteacher Jennifer Wynn, Head of School (from September 2022)

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Kirsty Warner, Head of School (from September 2022)
Catherine McLaughlin, Headteacher
Elaine Latham, Chief Finance Officer
Richard Paez, Headteacher (from September 2022)
Nicola Mann, Headteacher
Ian Rudgyard, Headteacher (from September 2022)
Scott Guy, Headteacher
Stephanie Tollervy, Acting Headteacher (from September 2022)
Joanne Heath, Headteacher (from September 2022)

Independent auditors Kreston Reeves LLP
Chartered Accountants
Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers Lloyds Bank Plc
125 High Street
Sittingbourne
Kent
ME10 4BD

Solicitors Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

Our Community Multi Academy Trust
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Trustees' report
for the year ended 31 August 2023

The Trustees of the Our Community Multi Academy Trust present their annual report and auditors report of the charitable company for the period of 1st September 2022 to 31st August 2023. The annual report serves the purposes of both a trustees' report, and a director's report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 32 to 36 of the attached financial statements and comply with the Trusts' memorandum and articles of association and all applicable laws.

The Trust's operates as a multi-academy trust managing the provision of education to pupils aged 4 to 11 serving a catchment area in Sittingbourne, Canterbury and Dymchurch and Lydd in Kent, namely:

- Borden Church of England Primary School
- Bredgar Church of England Primary School
- Dymchurch Primary School
- Lydd Primary School.
- Lynsted & Norton Primary School
- Milstead & Frinsted Church of England Primary School
- Minterne Community Junior School
- Petham Primary School
- Selling Church of England Primary School
- The Oaks Community Infant School.

The trust has a pupil capacity of 1860 and had a roll of 1677 in the school census on 19th January 2023 (excluding nursery children).

Structure, Governance and Management

Constitution

Our Community Multi 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 Our Community Multi Academy Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Our Community Multi Academy Trust (OCMAT).

Details of the Trustees who served during the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006, every trustee or other officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him / her in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him/ her by the court from liability or negligence, default, breach of duty or breach of trust in relation to affairs of the Company.

Our Community Multi Academy Trust ensures insurance includes protection for trustees from claims arising from negligent acts, errors, or omissions whilst on Trust business.

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Trustees' report (continued)
for the year ended 31 August 2023

Method of Recruitment and Appointment or Election of Trustees

The recruitment of new Trustees is as defined within the Articles of Association, Master Funding Agreement, and the Scheme of Delegation, and is subject to approval by the Trust Members. Recruitment is based on skills, knowledge and behaviours as set out in 'A Competency Framework for Governance 2017'. Recruitment of Governors to the Local Monitoring Council (formerly known as Local Governing Body) for each school is subject to approval by the Board of Trustees in line with the guidance within the Trust's Scheme of Delegation.

The term of office for a Trustee or Governor is four years. In line with the academies handbook the CEO is no longer a trustee but will still attend all board and committee meetings.

We have been successful in recruiting new directors for September 2023 who meet the skills shortage the Trust Board had identified but are still looking to recruit directors with particular skills to enable our committees to work effectively.

Policies and Procedures Adopted for the Induction and Training of Governors

The training provided for new Trustees depends on their existing experience, but induction does include a tour of the OCMAT schools and a chance to meet staff and pupils. All Trustees are provided with access to policies, procedures, minutes, accounts, plans and other documentation that they will need to undertake their role as Trustees.

All Trustees have access to an online e learning tool which delivers a wide range of training with some face-to-face training being delivered to Governors. The Trust continues with its annual skill's re-assessment at all levels of Governance, to identify areas for potential training and the Trust has implemented its own CPD Portal which is available to staff and all levels of Governance to further expand the training, sharing of good practice and access to up to date guidance and knowledge.

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Trustees' report (continued)
for the year ended 31 August 2023

Organisational Structure

The management structure of the Trust consists of four levels which are as follows:

- Members, who appoint the Directors and delegate responsibility for governance and running of the Multi Academy Trust to the Board of Directors
- Board of Directors (BOD) (Trustees) is where legal accountability sits. The BOD delegate responsibility to Local Monitoring Councils through a Scheme of Delegation which is reviewed and updated annually.
- Trust Leaders (Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Headteachers x 11, Executive Officers x 3) lead and manage the Trust on behalf of the Board of Directors through implementing the Trust's vision and values and through delivery of achievement, standards, quality of teaching, finance, safeguarding, health and safety and human resources.
- Local Monitoring Councils are responsible but not legally accountable for ensuring that their school achieves good outcomes for all its pupils and complies with statutory and Trust policies and procedures.

The Trustees (Directors) are responsible for setting strategy, adopting an annual plan and budget, monitoring the Multi Academy Trust using budgets and making major decisions about the direction of the Multi Academy Trust, capital expenditure and the appointment of the Chief Executive Officer.

Trustees delegate some duties to the Local Monitoring Councils of the schools within the Trust, including overseeing the implementation and monitoring of local policies, health and safety, safeguarding, whilst retaining overall accountability. The details of the delegation are defined within the Trust Scheme of Delegation and in the LMC Monitoring Booklet.

Within the academic year the Trust Board, its committees continued to meet virtually, holding a Strategic Directors Day in June 2023. The Local Monitoring Councils held face to face meetings, whilst providing access via Teams to those Governors to attend meetings virtually.

Arrangements for setting pay and remuneration of key management personnel

The Trust has a pay policy and clear performance and appraisal policy in place within the Trust schools and works in line with the current Teachers Pay and Conditions document and current Kent County Council's Support Staff Terms and Conditions.

The Chief Executive Officer pay is currently set in line with full Teacher's Pay and Conditions document and the current size of the Trust in terms of pupil numbers.

The Executive Officers for School Improvement, Inclusion and Early Years pay is currently set in line with full Teacher's Pay and Conditions document and independent commissioned benchmarking.

The Chief Operating Officer pay is set in line with Kent County Council's Support Staff Pay and Conditions.

The Chief Financial Officer pay is set in line with Kent County Council's Support Staff Pay and Conditions.

The pay of all the Executive head teacher and all primary headteachers is set in accordance with the Teacher's Pay and Conditions document and the current size of their school in terms of pupil numbers.

The day-to-day implementation of the remuneration policy is delegated to the CEO and monitored by the Board of Trustees. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed regularly by the Board.

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Trustees' report (continued)
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Senior management salaries are linked to pay ranges, helping Trustees monitor that each individual is remunerated at an appropriate level. As such, salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board always bears in mind the charitable status of the trust and recognises that the trust receives monies under a funding agreement with the Secretary of State for Education and, therefore, ensures the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the trust. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 13.

Trade union facility time

Under the provisions of the Trade Union Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout the period 1st April 2022 to the end of the period 31st March 2023, it must publish the following information.

Relevant Union Officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	0
Total pay bill	£9,697,811
Percentage of the total pay bill spent on facility time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility hours.	0
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Risk Management

The trustees have reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustees are of the view that there is a formal on-going process for identifying, evaluating, and managing the academy trusts' significant risks and the business continuity plans for each academy are in place and are regularly reviewed.

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Trustees' report (continued)
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Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of the Trust.

As a Church MAT, i.e., with Church of England schools the Trust has a legal relationship with the Diocesan Board of Education (DBE). This is governed by the Articles of Association and a Memorandum of Understanding between the Trust and the DBE.

Engagement with employees (including disabled persons)

The Trust engages with its employees continuously and in a number of ways to suit their different working patterns. This includes regular Trust leadership meetings, Trust Head Teacher meetings, line manager meetings, an appraisal process and emphasis on coaching, including a minimum of five staff training days each academic year and a termly staff newsletter.

The Trust has in place a Trade Union Facilities Agreement which sets out arrangements for formal consultation on matters relating to employees. Termly Joint Consultative Committee (JCC) meetings are attended by representatives from the Trades Unions recognised by the Trust.

The Trust has a policy of equality of opportunity for all applicants and employees during the course of employment and supports wellbeing initiatives.

Engagement with suppliers, customers, and others in a business relationship with the Trust

Our Community Multi Academy Trust has engaged with suppliers, customers and other stakeholders. It has adopted a fair procurement process and engaged with both local and national suppliers to develop mutually beneficial business relationships.

Objectives and Activities

Objects and Aims

The Trust Charitable objects as set out in its articles of association are:

- to advance the public benefit education in the United Kingdom, 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, and which shall include:
- Church of England Academies designated as such which shall be conducted in accordance with the principles, practices, and tenets of the Church of England both generally and in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- Other Academies whether with or without a designated religious character

In accordance with the articles of association, the Our Community Multi Academy Trust has adopted a "Scheme of Governance" approved by the Secretary of State for Education. The Scheme of Governance specifies, amongst other things, the basis for admitting pupils to the academies, the catchment area from which the pupils are drawn, and that the curriculum should comply with the substance of the national curriculum.

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Trustees' report (continued)
for the year ended 31 August 2023

It is Our Community Multi Academy Trust ethos to work collectively with colleagues across the Trust, to share good practice and to enable teachers and leaders to develop practice enshrined in quality research to enhance the life chances of every pupil. Where required in line with government guidance we have continued to provide support in respect of the online learning platform available to our communities and school meal vouchers when directed by the government.

Objectives, Strategies and Activities

Trust Strategic and Operational Plan Key Priorities 2023/24

High quality and Inclusive Education	School Improvement	Workforce	Finance and Operations	Governance and Leadership
<p>All leaders to ensure school staff know their role in creating inclusive, motivating, ambitious environments for all pupils.</p> <p>Aligning whole school fundamentals of strong SEND and inclusive practice.</p> <p>To enhance the quality of education by upskilling staff on complex pupil needs and ensuring consistent approaches across the Trust, resulting in improved outcomes for pupils with SEND.</p>	<p>Priority schools continue to demonstrate sustainable improvement particularly in the Quality of Education.</p> <p>Trust church schools live up to their foundations as a church school, enabling pupils and adults to flourish.</p> <p>Outcomes are at least in line with National or above.</p>	<p>All employees are effectively line managed to maintain high performance and retention across the Trust.</p> <p>Create a supportive working environment by managing senior leaders' workload and prioritising well-being.</p>	<p>Balance budget ensuring efficient and effective staffing <u>resources</u></p> <p>Financial data is available for effective decision <u>making</u></p> <p>Develop capital strategy within budgetary constraints.</p>	<p>Accountability of agreed priorities to be driven through line management by the CEO using the Trust Leadership Principles</p> <p>Governance structures reviewed for greater challenge of leadership teams.</p> <p>A longer term (<u>3-5 year plan</u>) is developed to demonstrate future growth and financial sustainability.</p>

These will be achieved by:

- Weekly Trust Executive Meetings focused on RAG rating progress on strategy to meet objectives
- Regular scrutiny of plan through Trust Board and Committee meetings
- Financial monitoring meetings with Head Teachers and Trust chair regularly timetabled

Public Benefit

The Trustees have regard to the Charity Commissions guidance on Public Benefit Section 4 of the Charities Act 2011 and in setting our objectives and planning our activities the Trustees have carefully considered the Charity Commissioners general guidance on public benefit.

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Trustees' report (continued)
for the year ended 31 August 2023

Equal opportunities Policy

The Trustees recognise that equal opportunities are an integral part of good practice within the workplace. The Trust aims to establish equal opportunities in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Strategic Report

Achievements and Performance

This was the first year since the pandemic that schools took part on the national tests. An overview of the key performance indicators for the schools:

Ofsted Outcomes:

The current Ofsted judgements for the 10 schools within the Multi Academy Trust are as follows:

- Borden CEP: Requires Improvement (June 2022)
- Bredgar CEP: Good (January 2022)
- The Oaks Infants: Good (November 2021)
- Minterne Junior School: Good (October 2021)
- Lynsted & Norton Primary School: Requires Improvement (March 2023) (Previously Inadequate May 2021)
- Milstead & Frinsted Church of England Primary School: Requires Improvement (November 2022)
- Selling Church of England Primary School: Good (November 2021)
- Petham Primary School: Good (July 2019)
- Dymchurch Primary School: Requires Improvement (April 2022)
- Lydd Primary School: Good (March 2018)

The current SIAMS judgements for the Church Schools are:

- Borden CEP: Outstanding (2019)
- Bredgar CEP: Outstanding (2019)
- Selling CEP : Good (October 2016)
- Milstead and Frinsted CEP: Good (June 2018)

SATs Outcomes:

This is the first year since the pandemic that KS2 SATs data has been published. The Trust's summary data is as follows:

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Trustees' report (continued)
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Trust Headlines

<u>KS1 Overall Trust outcomes</u>	<u>Reading</u>	<u>Writing</u>	<u>Maths</u>
<u>2022/2023</u>	64% EXP+ 13% GDS	52% EXP+ 5% GDS	66% EXP+ 6% GDS
<u>2021/2022</u>	57% EXP+ 11% GDS	45% EXP+ 4% GDS	54% EXP+ 7% GDS
<u>KS2 Overall Trust outcomes</u>	<u>Reading</u>	<u>Writing</u>	<u>Maths</u>
<u>2022/2023</u>	72% EXP+ 29% GDS	75% EXP+ 12% GDS	67% EXP+ 19% GDS
<u>2021/2022</u>	52% EXP+ 17% GDS	57% EXP+ 8% GDS	44% EXP+ 16% GDS

In all areas across KS1 and KS2 as a Trust a greater % of our pupils are achieving the expected and greater depth standard in comparison to last year's outcomes. One of our key priorities in 2022/2023 was a focus on writing with our seasonal visits in the spring capturing and advising on this subject. Alongside the development of our moderation and writing exemplification materials this supports the positive impact of the work invested in our schools.

The schools' performance is regularly reviewed and scrutinized through Seasonal visits carried out by the Standards Team and through Standards Committee meetings.

By the end of KS2 the following was achieved by schools in the Trust:

Reading: 5 out of 9 schools at national or above

Writing: 7 out of 9 schools at national or above

Maths: 4 out of 9 schools at national or above

GPS: 5 out of 9 schools at national or above

Combined (RWM): 3 out of 9 schools at national or above

Financial outcomes for the Trust:

The trustees agreed that the following indicators would be applied to the performance of all ten schools from the 1 September 2022. The following are key performance indicators for the Trust for 2022/2023:

- Percentage of income received from ESFA spent on teaching staff: For 2022/2023 the target was 45%-49%, and 44% was achieved.
- Percentage of income received from Government spent on total staff costs. For 2022/2023 the target was 75% to 78%, and 89% was achieved.
- Pupil numbers (leading directly to ESFA funding level. For 2022/2023 the target was 1820, and 1677 was achieved (excludes SRP and Nurseries).
- General funding expenditure – aim for income to match expenditure each year. For 2022/2023 the target was £479,834 roll forward and £203,007 was achieved (budgeted roll forward was £256,243).

It was planned to change the performance indicators in 2022/2023 but due to trust capacity this was delayed. New KPIs have been identified as part of the Trust Strategic and Operational Plan Key Priorities 2023/24.

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Trustees' report (continued)
for the year ended 31 August 2023

Going Concern

During 2022/23 work was undertaken to improve the monthly monitoring reports such that they more readily identified the underlying trends for the projection for the year end. This also identified that a key focus for 2023/24 was the management of the finances in the schools and more regular meetings with Headteachers, including improved reports to assess impact of proposed decisions on future years projections.

The Trustees were concerned that the reducing surpluses over the last few years needed to be addressed and this was included in the operational and strategic plan for 2023/24. Based on the assumptions within the 2023/24 three year budget submission and the proposed actions the trustees have a reasonable expectation of being a going concern at the adoption of these accounts.

Promoting the Success of the Company

2022/23 saw the Trust start with several new Headteachers who have worked hard to develop good working relationships with their staff and the local community. All schools in the Trust have been looking at how best to support pupils and parents in these very difficult economic times. Local initiatives such as liaising with other companies/councils in providing grants to enable material support those in need, to assisting with foodbanks.

The work on standards has enabled the trust to support all the schools across the trust in collaborative working to improve educational standards and share best practice. Our strategic and operational plan for 2023/24 further builds on this success and looks to incorporate achievements with financial propriety.

Whilst the trust is not actively looking to grow, it is open to possibilities as it sees the economies of scale that could be obtained. The Trust also has the benefit of a very strong focused Standards team that could support the inclusion of new schools.

Financial Review

Financial Report for the year

As previously covered, the trustees were concerned that the surpluses were continuing to reduce whilst the funding for schools was not increasing at the same rate as costs, such as the significant increase in the National Living Wage from April 2023. 2022/23 again saw one-off costs which the Trust should be in the position to avoid going forward.

An improved monitoring report had reduced time spent by the finance team in pulling together data and made the data easier to understand. During the year, the current CFO confirmed their intention to retire, and a Business Support Team restructure was proposed to be effective from 1st September 2023. The COO took the decision to leave under this restructure.

The schools continued to look to ensure any restricted grants such as those related to Pupil Premium and Sports Grant are used in line with government guidelines. In preparing the three-year budget for 2023/24, the trustees asked that based on the reducing anticipated pupil numbers that this be reflected in the projections and proposals for balanced budgets going forward.

The Trust also had the visit of a SMRA which was very useful in confirming the issues that had been identified from the monitoring and the development of Key Performance Indicators to use in informing decision making. A follow up meeting with the ESFA is proposed for November to include an update on the three year submitted budget.

During the period ended 31 August 2023 the total revenue expenditure was £11,985,899 and total incoming funds from the ESFA and other sources was £11,921,476.

At the 31 August 2023, the net book value of tangible fixed assets was £12,514,548. The assets were used exclusively for providing education and associated support services to the pupils of the Trust.

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Trustees' report (continued)
for the year ended 31 August 2023

The Trust held fund balances on 31 August 2023 of £13,244,922, comprising £13,081,670 of restricted funds and £163,252 of unrestricted funds.

The trust is left with a cumulative revenue reserve of £203k to carry forward into 2023/24. The budget for 2023/2024 will continue to require constant management. We have stringent plans in place for the budget in 2023/2024 and the trustees are looking to ensure that the projected deficit in year three is turned around.

Three of the academies and the central fund were in an overall deficit position as 31 August 2023, and the reasons for this and the actions being taken to rectify the situation are disclosed in note 19.

In addition to the revenue funds the trust has restricted fixed asset funds of £13,041,915 at the year end, much of this relates to the value of the school buildings which are carried on the balance sheet.

Full details are shown in note 15 to the financial statements. The assets were used almost exclusively for providing education and the associated support services to the pupils of the trust's academies.

Reserves Policy

The Trustees review the reserve levels of the Our Community Multi Academy Trust annually.

This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The Trustees have determined that the approximate level of free reserves should be equivalent of 10 week's expenditures, currently around £2m. The OCMAT current level of reserves is £203,007 (total funds less amount held in fixed assets and pension reserve).

The Trust's defined pension scheme is in surplus (see note 26).

Investment Policy

Under the Articles of Association, the Our Community Multi Academy Trust has the power to invest funds not immediately required for its own purpose, in any way the Trustees see fit.

The Trust does not currently hold any investments other than its positive cash and £106k in a Deposit Account.

Principal Risks and Uncertainties

Under the Business Support Team restructure, whilst looking to develop an overall estate strategy based on full building reports previously organised, the new Services Manager investigated the risk of RAAC on the trusts buildings. The trust can confirm that none of the buildings are impacted by RAAC. However, it has become obvious that asbestos does have a bigger impact than previously understood and recorded from recent CIF work.

The Trustees consider the financial risk to the trust to be of concern such that activities proposed in the operational and strategic plan for 2023/24 reflect:

- The need for regular and close monitoring, particularly with those schools at risk of other factors, eg: Standards, Pupil numbers, Financial Deficits.
- Close monitoring of cash flow, to ensure sufficient funds to deliver services to the appropriate level.
- Corporate Governance – risk of failure in the mechanisms, policies; and processes which direct and control the Trust.

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Trustees' report (continued)
for the year ended 31 August 2023

The Trust appointed a new DPO service in June 2023 and a new IT company with effect from 1st September 2023. This is to start the process to ensure the trust can meet the risks from:

- IT breaches resulting in confidential data theft or corruption.
- Material event occurs within one of the schools that compromises pupil, staff or public safety e.g. safeguarding, physical safety of pupils, terror-related incident, fire, flood etc.

Fundraising

Fundraising takes place at local school level and the schools are very grateful for the support local charities provide in enriching the pupils wider experience.

Parent Support groups also hold events during the academic year, and this has a positive impact on providing items that school budgets cannot always stretch too.

Streamlined Energy and Carbon Reporting.

Currently our Trust does not meet the criteria within the guidance and therefore we do not need to respond to this statement. However, as a Trust we regular review our energy consumption and re implementing energy efficiency measures to reduce our carbon footprint.

Plans for Future Periods

The Trust has a Strategic and Operational Plan for 2023/24 based around five pillars (see earlier section Objectives, Strategies and Activities).

These actions are cemented by regular operational executive team meetings to ensure that actions are cohesive and supportive of the overall objectives and that issues are identified before implementation.

Ongoing development of processes to improve data available for decision making and the involvement of Headteachers in understanding the impact of actions not just immediately but into the future years.

To understand the Unique Selling Point of each of our schools to ensure that our schools attract pupil numbers that will continue to provide a sustainable future for our schools and Trust.

The culture of our Trust is one of openness, both senior staff and teaching staff are clear about the need to collaborate and commit to their own professional development.

Funds held as Custodian Trustee on behalf of others

The Trust is not acting as a 'custodian trustee' for any charity for the year ending 31st August 2023.

Political donations

The Trust made no political donations for the year ending 31st August 2023.

Provision of information to auditor

In so far as the Trustees are aware:

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

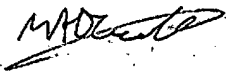
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Trustees' report (continued)
for the year ended 31 August 2023

Auditor

The auditor, Kreston Reeves LLP, was re-appointed in 2021 as part of an open tender process, in line with the Academies Trust Handbook 2022. Due to the current CFO retiring and the appointment of a new CFO, Kreston Reeves have been asked to roll-over the two year contract for an additional year to cover 2023/24 to allow time for the new CFO to carry out a new tender process.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 12 December 2023 and signed on its behalf by:



Mike O'Connell
Chair of Trustees

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Governance Statement

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Our Community 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 Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Our Community 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.

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Governance Statement (continued)

Governance

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

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

Trustee	Meetings attended	Out of a possible
Helen Stewart, Chair	2	3
Michael O'Connell, Chair	7	7
David Whitehead, Accounting officer	7	7
Simmons Haywood	6	7
Ian Hamilton	7	7
Ian Chappell	6	7
Jonathan Uttley	6	7

The Chair of Trustees resigned in March and a new Chair was elected by the Trustees. The Board has seen the improvement of financial data but is looking for further improvements in 2023/24 to ensure changes are reflected not just in the current year but forward into a rolling 3/5 year plan.

A change in committees from 2023/24 will see a separate Audit & Risk Committee set up to monitor the overall performance of the Trust in terms of governance.

Each academy within the Trust has a Local Monitoring Council Body which reports into the board of Trustees on local matters and ensures appropriate stakeholder representation. The Local Monitoring Council of each academy is specifically responsible for monitoring the standards at each school, and the effective use of Pupil Premium and Sports Premium funding.

Conflicts of interest:

The academy has a register of interests and asks each committee/board member to declare any new interests at the start of each meeting. If it is known that a member of staff has a potential conflict of interest, the decision regarding procurement is passed to another senior member of the executive team.

Governance reviews

In November 2021, at the Trust Board Strategic Day the self-assessment questionnaire was reviewed.

Due to changes in board members in 2022/23, the opportunity to review governance is planned for completion to be covered in the Directors Strategic Day in 2023/24.

Our Community Multi Academy Trust
(A company limited by guarantee)

Governance Statement (continued)

Governance (continued)

The Audit, Finance and Staffing Committee

This is a sub committee of the main board of Trustees. Its purpose is to review and approve all matters relating to Audit, Finance and Staffing. The Committee makes recommendations to the Board of Trustees for approval as set out in its Terms of Reference and Scheme of Delegation. A key purpose is to ensure a comprehensive review of risks to which the Trust is exposed and make recommendations and to ensure there is a robust system of internal controls. This committee also serves as the Trust's audit committee, as the Trust is not required to have a dedicated audit committee. A qualified accountant is Chair of the Committee.

Attendance during the year at meetings of the Audit, Finance & Staffing Committee was as follows:

Trustee	Meetings attended	Out of a possible
David Whitehead, Chief Executive Officer	6	6
Ian Hamilton, Chair	6	6
Ian Chappell	6	6
Simmone Haywood	6	6

Review of value for money

The accounting officer for the academy trust has delivered improved value for money during the period from the 1st September 2022 to 31st August 2023 by:

Estates:

Having Building Condition Surveys and Net Zero Carbon Surveys for each of the Trust's sites to develop estates strategy and look to use the Energy Efficiency Grant to its best impact. This was procured by the Trust with quotes and examples of reports obtained before decision on best company vs value for money.

On-going purchasing:

Continued amalgamation of contracts from the merger of the two trusts to a single end date and improve the discounts given eg Renaissance Learning

New contracts:

Following a procurement process, cost effective contracts negotiated for DPO services and IT Support.

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 in our trust 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 Trust's Risk Register is reviewed and managed on a regular basis by the Trust Board and its Committees. The Trust's Policies and Procedures are reviewed and updated according to an agreed timetable, which ensures that the Trust manages its system of internal control appropriately.

The system of internal control has been in place in Our Community Multi Academy Trust for the year from the 1st September 2022 to the period end of 31st August 2023 and up to the date of approval of the annual report and financial statements.

Our Community Multi Academy Trust
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Governance Statement (continued)

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Multi 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 ongoing process for identifying, evaluating, and managing the Trust's significant risks that has been in place for the year from the 1st September 2022 to the period end of 31st August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed (Risk Register) by the Board of Trustees.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body.
- Regular reviews by the Audit, Finance and Staffing 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. (Trust Financial Regulations)
- Delegation of authority and segregation of duties; (Trust Financial Regulation 2021)
- Identification and management of risks. (Trust Risk Register and Risk Management Policy)

The Board of Trustees considered the need for a specific internal audit function and re-appointed SBM Services Ltd following an open tender process in 2021 for a two-year period, therefore SBM Services were appointed as internal auditors for the period 1st September 2022 to the period end of 31st August 2023. Due to the change in CFO, SBM Services have been asked to extend contract to include 2023/24.

The internal auditor's role includes giving advice on financial matters and other matters and performing a range of checks on the academy trust's financial systems and other systems. The agreed areas for internal audit for 2022/2023 were:

- Personal Policies and Governance
- Recruitment and Pre-employment Checks
- Payroll

The SBM Services Ltd internal audit report for 2022/2023 for our Trust was submitted to the Trustees on 21 November 2023 and where recommendations were made, appropriate persons have been assigned to address these recommendations and report back to the internal auditor and the Trust's Audit, Finance and Staffing Committee in 2023/2024. These recommendations will be followed up during the year 2023/24 and a report will be made to the board of Trustees to confirm they have all been addressed properly.

Our Community Multi Academy Trust
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Governance Statement (continued)

Review of effectiveness


Review of Effectiveness

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

- the work of the external auditor.
- the work of the internal auditor.
- the work of the SMRA and school resource management self-assessment tool
- the work of the Chief Financial Officer who has 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 Audit, Finance and Staffing Committee and a plan to ensure continuous improvement of the system is in place.

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



Mike O'Connell
Chair of Trustees
Date: 12 December 2023



David Whitehead
Accounting Officer

Our Community Multi Academy Trust
(A company limited by guarantee)

Statement of Regularity, Propriety and Compliance

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

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



David Whitehead
Accounting Officer
Date: 12 December 2023

Our Community 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 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 and signed on its behalf by:



Mike O'Connell
Chair of Trustees
Date: 12 December 2023

Our Community Multi Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Our Community Multi Academy Trust

Opinion

We have audited the financial statements of Our Community Multi Academy Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 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 trust'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 trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Our Community Multi Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Our Community Multi Academy Trust (continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

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

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

Our Community Multi Academy Trust
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Independent auditors' Report on the financial statements to the Members of Our Community 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:

Capability of the audit in detecting irregularities, including fraud

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

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management and internal audit; and
- Assessment of identified fraud risk factors; and
- Identifying and assessing the design effectiveness of controls that management has in place to prevent and detect fraud; and
- Consideration of income streams; completeness of income and compliance with the obligations of funders including the ESFA
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including the misuse of public funding in areas such as cash, payroll and credit card expenditure; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of corporate governance arrangements; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end

Our Community Multi Academy Trust
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Independent auditors' Report on the financial statements to the Members of Our Community Multi Academy Trust (continued)

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

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

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

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

Our Community Multi Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Our Community Multi Academy Trust (continued)

Use of our report

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

Kreston Reeves LLP

Robert Sellers FCCA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

12 December 2023

Our Community Multi Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Our Community Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 2 October 2023 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 Our Community 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 Our Community 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 Our Community 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 Our Community Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Our Community Multi Academy Trust's funding agreement with the Secretary of State for Education dated 27 July 2017 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.

Our Community Multi Academy Trust
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Independent Reporting Accountant's Assurance Report on Regularity to Our Community Multi Academy Trust and the Education & Skills Funding Agency (continued)

Approach

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

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

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

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

Work undertaken

The work undertaken to draw to our conclusion includes:

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

Our Community Multi Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Our Community 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.

Kreston Reeves LLP

Kreston Reeves LLP

Statutory Auditor
Chartered Accountants
Canterbury

Date: 12 December 2023

Our Community 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	57,436	-	662,056	719,492	1,392,058
Other trading activities	5	217,603	-	-	217,603	166,169
Investments	6	781	-	-	781	118
Charitable activities	4	-	10,891,018	-	10,891,018	10,404,875
Other income	7	92,892	-	-	92,892	71,114
Total income		368,712	10,891,018	662,056	11,921,786	12,034,334
Expenditure on:						
Charitable activities	8	139,195	11,623,887	223,127	11,986,209	12,289,786
Total expenditure		139,195	11,623,887	223,127	11,986,209	12,289,786
Net income/(expenditure)		229,517	(732,869)	438,929	(64,423)	(255,452)
Transfers between funds	19	(377,066)	377,066	-	-	-
Net movement in funds before other recognised gains/(losses)		(147,549)	(355,803)	438,929	(64,423)	(255,452)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	1,220,000	-	1,220,000	7,432,000
Net movement in funds		(147,549)	864,197	438,929	1,155,577	7,176,548
Reconciliation of funds:						
Total funds brought forward		310,801	(824,442)	12,602,986	12,089,345	4,912,797
Net movement in funds		(147,549)	864,197	438,929	1,155,577	7,176,548
Total funds carried forward		163,252	39,755	13,041,915	13,244,922	12,089,345

The Statement of financial activities includes all gains and losses recognised in the year.
The notes on pages 34 to 66 form part of these financial statements.

Our Community Multi Academy Trust
(A company limited by guarantee)
Registered number: 10842747

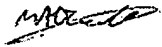
Balance sheet
as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	12,515,548	11,499,409
		<u>12,515,548</u>	<u>11,499,409</u>
Current assets			
Debtors	16	1,071,808	1,746,696
Cash at bank and in hand		941,090	980,359
		<u>2,012,898</u>	<u>2,727,055</u>
Creditors: amounts falling due within one year	17	(1,152,143)	(1,055,269)
Net current assets		<u>860,755</u>	<u>1,671,786</u>
Total assets less current liabilities		<u>13,376,303</u>	<u>13,171,195</u>
Creditors: amounts falling due after more than one year	18	(131,381)	(71,850)
Net assets excluding pension asset / liability		<u>13,244,922</u>	<u>13,099,345</u>
Defined benefit pension scheme asset / liability	26	-	(1,010,000)
Total net assets		<u><u>13,244,922</u></u>	<u><u>12,089,345</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	13,041,915	12,602,986
Restricted income funds	19	39,755	185,558
		<u>13,081,670</u>	<u>12,788,544</u>
Restricted funds excluding pension asset	19	13,081,670	12,788,544
Pension reserve	19	-	(1,010,000)
Total restricted funds	19	<u>13,081,670</u>	<u>11,778,544</u>
Unrestricted income funds	19	<u>163,252</u>	<u>310,801</u>
Total funds		<u><u>13,244,922</u></u>	<u><u>12,089,345</u></u>

Our Community Multi Academy Trust
(A company limited by guarantee)
Registered number: 10842747

Balance sheet (continued)
as at 31 August 2023

The financial statements on pages 30 to 66 were approved by the Trustees, and authorised for issue on 12 December 2023 and are signed on their behalf, by:



Mike O'Connell
Chair of Trustees

The notes on pages 34 to 66 form part of these financial statements.

Our Community 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/(used in) operating activities	21	448,474	(879,270)
Cash flows from investing activities	23	(550,087)	160,135
Cash flows from financing activities	22	62,343	(885)
Change in cash and cash equivalents in the year		(39,270)	(720,020)
Cash and cash equivalents at the beginning of the year		980,360	1,700,380
Cash and cash equivalents at the end of the year	24, 25	941,090	980,360

The notes on pages 34 to 66 form part of these financial statements

Our Community Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
for the year ended 31 August 2023

1. Accounting policies

Our Community Multi Academy Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Lynsted & Norton Primary School, Lynsted Lane, Lynsted, Sittingbourne, United Kingdom, ME9 0RL. The principal activity of the academy trust is to provide education for pupils that satisfies the requirements of the Education Act 2002.

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

1.1 Basis of preparation of financial statements

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

Our Community Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

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

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

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 Trust to continue as a going concern.

During 2022/23 work was undertaken to improve the monthly monitoring reports to more easily identify the underlying trends. The Trustees were concerned that the reducing surpluses over the last few years needed to be addressed and in preparing the three year budget recognised that whilst a deficit budget was being submitted, there were planned actions that would potentially redress this and work towards building a trust surplus.

2022/23 also included some one-off costs which are not anticipated going forward.

Following the SRMA visit a meeting took place with the ESFA involving the Chair, CEO and CFO and discussions included the deficit against one of the schools (Lynsted) with further details to be put forward, and that an updated budget would be shared which reflected a more positive expected outcome.

The academy was pleased that the UK Government's response to the teachers pay award did result in extra funding to cover this cost, however, the impact of the increases in National Living Wage has put extra stress on resourcing costs.

Based on the assumptions and activities planned in relation to finance in the 2023/24 operational and strategic plan, the Trustees have a reasonable expectation of being a going concern at the adoption of these accounts.

Our Community Multi Academy Trust
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Notes to the financial statements
for the year ended 31 August 2023

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the academy trust 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 trust has provided the goods or services.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

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Notes to the financial statements
for the year ended 31 August 2023

1. Accounting policies (continued)

1.6 Taxation

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

Accordingly, the academy trust 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.

1.7 Tangible fixed assets

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

Premises occupied under a licence by church academies

The Canterbury Diocesan Board of Education own the legal titles of land and freehold property for the church academies the trust operate. In these circumstances, the Academy Trust's rights over the premises does not meet the definition of an asset as the Academy Trust does not have control over the premises. Accordingly the academy trust does not recognise these premises as a fixed asset on its balance sheet. There are no formal leases in place and the Canterbury Diocesan Board of Education do not charge any rent for the use of these properties.

Premises leased from local authorities

Land, buildings and playing fields occupied under 125 year leases from a local authority are recognised as a fixed asset in the academy trust balance sheet at fair value.

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:

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Notes to the financial statements
for the year ended 31 August 2023

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 2% straight line
Long-term leasehold land	- Not depreciated
Long-term leasehold improvements	- 2% straight line
Fixtures and fittings and computers	- 25% straight line
Motor vehicles	- 20% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to long-term leasehold improvements.

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 incorporating income and expenditure account.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities and provisions

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

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

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

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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 trust and their measurement bases are as follows:

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

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 trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes.

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

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

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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 trust 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.

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Notes to the financial statements
for the year ended 31 August 2023

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Tangible fixed assets

The Academy Trust has recognised tangible fixed assets with a carrying value of £12,515,548 at the reporting date (see note 15). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation from immaterial assets acquired. For material assets such as land and buildings the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the governors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

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

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Notes to the financial statements
for the year ended 31 August 2023

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

Critical areas of judgment:

Lease commitments

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

Multi-employer defined benefit pension scheme

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

Local Government Pension Scheme Liability:

The plan surplus as at 31 August 2023 was £232,000 (2022: liability £1,010,000). A pension plan asset is recognised to the extent that the academy trust is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. In the opinion of the trustees, the academy trust will not recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	57,436	-	57,436	59,710
Capital Grants	-	662,056	662,056	1,332,348
Total 2023	57,436	662,056	719,492	1,392,058
Total 2022	59,710	1,332,348	1,392,058	

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Notes to the financial statements
for the year ended 31 August 2023

4. Funding for the company's direct costs

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants			
General Annual Grant (GAG)	7,973,445	7,973,445	7,820,723
Other DfE/ESFA grants			
Other DfE/ESFA grants	1,428,248	1,428,248	1,102,411
		9,401,693	8,923,134
Other Government grants			
Local Authority Grants	1,489,325	1,489,325	1,481,741
	1,489,325	1,489,325	1,481,741
	10,891,018	10,891,018	10,404,875
Total 2022	10,404,875	10,404,875	

5. Other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Clubs and nursery	108,649	108,649	86,151
Catering income	877	877	-
Trip income	91,823	91,823	71,286
Hire of facilities	5,000	5,000	5,881
Income fundraising	11,254	11,254	2,851
	217,603	217,603	166,169
Total 2022	166,169	166,169	

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**Notes to the financial statements
for the year ended 31 August 2023**

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	781	781	118
Total 2022	118	118	

7. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Sale of goods and services	58,427	58,427	44,745
Other incoming resources	26,687	26,687	22,867
RPA claim	7,378	7,378	3,502
Rental income	400	400	-
Total 2023	92,892	92,892	71,114
Total 2022	71,114	71,114	

8. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational operations					
Direct costs	7,815,739	-	728,839	8,544,578	7,974,096
Allocated support costs	1,882,072	437,995	1,121,564	3,441,631	4,315,690
	9,697,811	437,995	1,850,403	11,986,209	12,289,786
Total 2022	9,946,156	347,427	1,996,203	12,289,786	

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Notes to the financial statements
for the year ended 31 August 2023

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Expenditure	8,544,578	3,441,631	11,986,209	12,289,786
Total 2022	7,974,096	4,315,690	12,289,786	

Analysis of direct costs

	Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	7,815,739	7,815,739	7,300,537
Staff development	88,841	88,841	75,922
Educational supplies	639,998	639,998	597,637
	8,544,578	8,544,578	7,974,096
Total 2022	7,974,096	7,974,096	

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Notes to the financial statements
for the year ended 31 August 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	29,000	29,000	117,000
Staff costs	1,882,072	1,882,072	2,645,619
Depreciation	195,222	195,222	165,993
Grounds maintenance	64,436	64,436	93,854
Cleaning	76,741	76,741	76,994
Water	54,934	54,934	74,868
Energy	139,399	139,399	173,422
Other occupancy	92,745	92,745	80,249
ICT curriculum	61,259	61,259	61,819
Catering	325,692	325,692	241,335
Professional fees	434,583	434,583	368,294
Equipment and services	70,825	70,825	59,750
Repairs and maintenance	(50,543)	(50,543)	64,155
Audit and accountancy fees	31,500	31,500	60,255
Rates	33,766	33,766	32,083
	3,441,631	3,441,631	4,315,690

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	195,222	165,993
Fees paid to auditors for:		
- audit	24,500	23,000
- other services	2,500	2,500

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**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	7,054,070	6,766,578
Social security costs	621,541	597,198
Pension costs	1,781,336	2,441,418
	9,456,947	9,805,194
Agency staff costs	106,008	140,962
Staff restructuring costs	134,856	-
	9,697,811	9,946,156
	2023 £	2022 £
Redundancy payments	111,592	-
Severance payments	23,267	-
	134,859	-

b. Special staff severance payments

There were payments totalling £16,298 in contractual severance payments in the current period (2022: £0). There were payments of £6,969 in non-statutory/non-contractual severance payments in the current year (2022: £22,067). Individually the payment was £23,267.

c. Staff numbers

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

	2023 No.	2022 No.
Teachers	87	89
Administration and support	246	256
Management	31	29
	364	374

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Notes to the financial statements
for the year ended 31 August 2023

11. Staff (continued)

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	2	2
In the band £70,001 - £80,000	3	-
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	1	1
	<u>7</u>	<u>3</u>

The above employees participated in the Teachers' Pension Scheme. Contribution during the year ended 31 August 2023 amounted to £110,705 (2022: £54,928).

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total salaries received by key management personnel for their services to the Academy Trust was £1,663,334 (2022: £1,399,932). Employer pension contributions were a total of £367,248 (2022: £314,591) and employer national insurance contributions were a total of £187,255 (2022: £160,005).

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Notes to the financial statements
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12. Central services

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

- Legal services and financial services
- Educational and support services
- Selected senior management salaries
- Others as arising

The academy trust charges for these services on the following basis:

A flat percentage of approximately 4.0% General Annual Grant Income

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Minterne Community Junior School	196,258	117,245
The Oaks Community Infant School	168,808	145,106
Bredgar Church of England Primary School	62,318	50,205
Borden Church of England Primary School	63,965	58,507
Lydd Primary School	137,843	130,916
Selling Church of England Primary School	67,275	61,669
Petham Primary School	60,430	56,244
Milstead and Frinsted Church of England Primary School	55,641	50,060
Lynsted and Norton Primary School	44,392	42,937
Dymchurch Primary School	88,995	83,370
Total	945,925	796,259

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Notes to the financial statements
for the year ended 31 August 2023

13. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £38 were reimbursed to 1 Trustee (2022 - £50).

14. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust 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 £25,000,000 on any one claim and the cost for this insurance is included in the total insurance cost for the year ended 31 August 2023 of £29,740 (2022 - £39,575).

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**Notes to the financial statements
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15. Tangible fixed assets

	Long-term leasehold property £	Long-term leasehold property improvements £	Assets under construction £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation							
At 1 September 2022	8,213,334	3,035,748	473,190	105,910	174,473	28,160	12,030,815
Additions	-	1,155,849	1,169,044	8,577	25,937	-	2,359,407
Transfers between classes	-	-	(1,148,045)	-	-	-	(1,148,045)
At 31 August 2023	8,213,334	4,191,597	494,189	114,487	200,410	28,160	13,242,177
Depreciation							
At 1 September 2022	323,944	51,512	-	59,870	83,772	12,309	531,407
Charge for the year	64,366	69,856	-	17,869	37,699	5,432	195,222
At 31 August 2023	388,310	121,368	-	77,739	121,471	17,741	726,629
Net book value							
At 31 August 2023	7,825,024	4,070,229	494,189	36,748	78,939	10,419	12,515,548
At 31 August 2022	7,889,390	2,984,236	473,190	46,040	90,702	15,851	11,499,409

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Notes to the financial statements
for the year ended 31 August 2023

15. Tangible fixed assets (continued)

Included in land and buildings is long-term leasehold land at fair value of £4,992,543, which is not depreciated.

The Academy Trust's transactions relating to land and buildings included:

Long-term leasehold land and buildings comprises land and buildings occupied on 125 year leases granted from Kent County Council to Potential in Everyone Academy Trust for the use of the sites at Minterne Community Junior School, The Oaks Community Infant School and a playing field at Bredgar Church of England Primary School.

During the year ended 31 August 2023, there are assets under construction. This is in relation to fire safety improvement and safeguarding works conducted, at the end of the school term that were still to be completed.

16. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	21,923	6,048
Other debtors	300,028	593,482
Prepayments and accrued income	749,857	1,147,166
	<u>1,071,808</u>	<u>1,746,696</u>

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**Notes to the financial statements
for the year ended 31 August 2023**

17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	11,577	8,765
Trade creditors	34,779	230,536
Other taxation and social security	74,661	-
Other creditors	323,741	370,687
Accruals and deferred income	707,385	445,281
	<u>1,152,143</u>	<u>1,055,269</u>
	2023 £	2022 £
Deferred income at 1 September 2022	117,135	133,137
Resources deferred during the year	116,237	117,135
Amounts released from previous periods	(117,135)	(133,137)
	<u>116,237</u>	<u>117,135</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2022/23 financial year in respect of free school meals and contributions towards trips and other activities.

18. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	<u>131,381</u>	<u>71,850</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023 £	2022 £
Payable or repayable by instalments	68,635	38,250
	<u>68,635</u>	<u>38,250</u>

Included in other loans are long term CIF loans, at an interest rate of 1.95% from the ESFA in Borden, Bredgar and Oaks Primary School, and 2.07% in Minterne Primary School.

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Notes to the financial statements
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19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	310,801	368,712	(139,195)	(377,066)	-	163,252
Restricted general funds						
General Annual Grant (GAG)	(9,848)	7,976,435	(8,604,106)	558,468	-	(79,051)
Other DfE/EFSA grants	195,406	1,427,937	(1,323,135)	(181,402)	-	118,806
Other Government Grants	-	1,486,646	(1,486,646)	-	-	-
Pension reserve	(1,010,000)	-	(210,000)	-	1,220,000	-
	(824,442)	10,891,018	(11,623,887)	377,066	1,220,000	39,755
Restricted fixed asset funds						
General fixed asset fund	11,499,407	-	(195,222)	1,211,219	-	12,515,404
DfE/ESFA Capital Grants	73,189	324,945	(27,905)	(176,804)	-	193,425
Other Capital Grants	1,030,390	337,111	-	(1,034,415)	-	333,086
	12,602,986	662,056	(223,127)	-	-	13,041,915
Total Restricted funds	11,778,544	11,553,074	(11,847,014)	377,066	1,220,000	13,081,670
Total funds	12,089,345	11,921,786	(11,986,209)	-	1,220,000	13,244,922

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Notes to the financial statements
for the year ended 31 August 2023

19. Statement of funds (continued)

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

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

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

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

The restricted fixed asset fund represents the long term leasehold land and buildings and other assets which were donated upon conversion to academy status, the value of fixed assets purchases since conversion including depreciation to the balance sheet date.

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

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Notes to the financial statements
for the year ended 31 August 2023

19. 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	346,404	297,111	(110,677)	(222,037)	-	310,801
Restricted general funds						
General Annual Grant (GAG)	399,301	7,844,145	(8,466,037)	212,743	-	(9,848)
Other DfE/EFSA grants	62,500	1,102,412	(986,556)	17,050	-	195,406
Other Government Grants	-	1,458,318	(1,458,318)	-	-	-
Pension reserve	(7,356,000)	-	(1,086,000)	-	7,432,000	(1,010,000)
	<u>(6,894,199)</u>	<u>10,404,875</u>	<u>(11,996,911)</u>	<u>229,793</u>	<u>7,432,000</u>	<u>(824,442)</u>
Restricted fixed asset funds						
General fixed asset fund	10,493,304	-	(165,993)	1,172,096	-	11,499,407
DfE/ESFA Capital Grants	823,133	17,882	(16,205)	(751,621)	-	73,189
Other Capital Grants	144,155	1,314,466	-	(428,231)	-	1,030,390
	<u>11,460,592</u>	<u>1,332,348</u>	<u>(182,198)</u>	<u>(7,756)</u>	<u>-</u>	<u>12,602,986</u>
Total Restricted funds	<u>4,566,393</u>	<u>11,737,223</u>	<u>(12,179,109)</u>	<u>222,037</u>	<u>7,432,000</u>	<u>11,778,544</u>
Total funds	<u><u>4,912,797</u></u>	<u><u>12,034,334</u></u>	<u><u>(12,289,786)</u></u>	<u><u>-</u></u>	<u><u>7,432,000</u></u>	<u><u>12,089,345</u></u>

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Notes to the financial statements
for the year ended 31 August 2023

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Minterne Community Junior School	184,031	113,652
The Oaks Community Infant School	51,140	(28,838)
Bredgar Church of England Primary School	(31,964)	(23,294)
Borden Church of England Primary School	14,478	57,134
Central Trust	(219,622)	(30,943)
Lydd Primary School	474,752	445,562
Dymchurch Primary School	(67,204)	9,011
Lynsted and Norton Primary School	(470,692)	(395,410)
Milstead and Frinsted Church of England Primary School	124,518	165,764
Petham Primary School	105,780	108,169
Selling Church of England Primary School	37,790	75,552
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	203,007	496,359
Restricted fixed asset fund	13,041,915	12,602,986
Pension reserve	-	(1,010,000)
	<hr/>	<hr/>
Total	13,244,922	12,089,345
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The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Bredgar Church of England Primary School	(31,964)
Dymchurch Primary School	(67,204)
Lynsted and Norton Primary School	(470,692)
Central Trust	(219,622)
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Notes to the financial statements
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19. Statement of funds (continued)

At the time of the merger Lynsted and Norton Primary School had a deficit of £199k and an inadequate Ofsted rating. The trust has invested in this school to aid improvement and falling pupil numbers over the last 2 years, whilst a water leak and unexpected staff absence have added to the costs. This has made it difficult to improve the deficit even though pupil numbers are improving. Discussions have been had with the ESFA and a paper will be prepared for presentation at a further meeting. The Ofsted rating changed to requires improvement from March 2023.

The deficit for Bredgar Church of England Primary School requires careful monitoring as balancing the budget will always be a struggle for this small rural Church of England School. The concentration will be on ensuring that the school is at its capacity for pupil numbers and that funding is in place to support the needs of the pupils.

Dymchurch has suffered from being under its PAN for pupils. Whilst the new Headteacher and the team have done sterling work in improving the offer provided by the school in terms of its curriculum and local community the school will need to review its core staffing structure, pupil numbers and funding to ensure that achievements are supported by financial propriety.

There is a Central Trust deficit. During 2022/23 work was undertaken to prepare for the retirement of the existing CFO. Significant one-off costs were incurred relating to the restructuring of the Business Support Team. A re-grading of other central jobs was agreed by the Board after budgets and school contribution had been agreed for 2022/23. Work to look at savings and efficiencies in ways of working within the central team will be considered first before looking to increase contribution from schools to cover.

The academy trust is taking the following action to manage its finances:

The key focus for 2023/24 is the management of the finances in the schools and more regular meetings with Headteachers, including improved reports to include impact of proposed decisions on future years projections.

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Notes to the financial statements
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19. 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 £
Minterne Community Junior School	1,496,588	196,506	152,179	121,871	1,967,144	2,061,715
The Oaks Community Infant School	1,192,400	225,544	68,986	237,939	1,724,869	1,868,793
Bredgar Church of England Primary School	401,381	86,531	54,335	77,427	619,674	624,434
Borden Church of England Primary School	510,086	85,785	59,012	98,431	753,314	824,296
Lydd Primary School	1,084,004	179,657	84,802	173,653	1,522,116	1,533,272
Dymchurch Primary School	707,206	125,310	70,938	119,895	1,023,349	1,113,249
Lynsted and Norton Primary School	452,213	51,095	45,051	92,972	641,331	686,416
Milstead and Frinsted Church of England Primary School	461,059	68,488	63,984	74,164	667,695	641,520
Petham Primary School	457,159	63,814	56,140	98,982	676,095	657,875
Selling Church of England Primary School	555,196	112,348	77,443	97,609	842,596	956,679
Central services	498,448	715,994	26,276	112,086	1,352,804	1,155,544
Academy trust	7,815,740	1,911,072	759,146	1,305,029	11,790,987	12,123,793

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**Notes to the financial statements
for the year ended 31 August 2023**

20. 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	-	-	12,515,548	12,515,548
Current assets	163,252	1,323,279	526,367	2,012,898
Creditors due within one year	-	(1,152,143)	-	(1,152,143)
Creditors due in more than one year	-	(131,381)	-	(131,381)
Total	163,252	39,755	13,041,915	13,244,922

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	11,499,409	11,499,409
Current assets	310,801	1,312,677	1,103,577	2,727,055
Creditors due within one year	-	(1,055,269)	-	(1,055,269)
Creditors due in more than one year	-	(71,850)	-	(71,850)
Provisions for liabilities and charges	-	(1,010,000)	-	(1,010,000)
Total	310,801	(824,442)	12,602,986	12,089,345

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Notes to the financial statements
for the year ended 31 August 2023

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(64,423)	(255,452)
Adjustments for:		
Depreciation	195,222	165,993
Capital grants from DfE and other capital income	(662,056)	(1,357,380)
Interest receivable	781	118
Defined benefit pension scheme cost less contributions payable	181,000	969,000
Defined benefit pension scheme finance cost	29,000	117,000
Decrease/(increase) in debtors	674,887	(593,579)
Increase in creditors	94,063	49,999
Loss on disposal of fixed assets	-	25,031
Net cash provided by/(used in) operating activities	448,474	(879,270)

22. Cash flows from financing activities

	2023 £	2022 £
Cash inflows from new borrowing	89,550	-
Repayments of borrowing	(27,207)	(885)
Net cash provided by/(used in) financing activities	62,343	(885)

23. Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(1,211,362)	(1,197,127)
Capital grants from DfE Group	662,056	1,357,380
Interest received	(781)	(118)
Net cash (used in)/provided by investing activities	(550,087)	160,135

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Notes to the financial statements
for the year ended 31 August 2023

24. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	941,090	980,360
Total cash and cash equivalents	941,090	980,360

25. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	980,359	(39,269)	941,090
Debt due within 1 year	(8,765)	(2,812)	(11,577)
Debt due after 1 year	(71,850)	(59,531)	(131,381)
	899,744	(101,612)	798,132

26. Pension commitments

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

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £952,623 (2022 - £884,600).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust 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 £810,000 (2022 - £739,000), of which employer's contributions totalled £650,000 (2022 - £582,000) and employees' contributions totalled £ 160,000 (2022 - £157,000). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5-12.5 per cent for employees.

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

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

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

Principal actuarial assumptions

Kent County Council Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25

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	20.7	21.0
Females	23.2	23.5
Retiring in 20 years		
Males	22.0	22.3
Females	24.6	24.9

Sensitivity analysis

Kent County Council Pension Fund

	2023	2022
	£000	£000
Discount rate +0.1%	(507,000)	(593,000)
Discount rate -0.1%	542,000	637,000
Mortality assumption 1 year increase	543,000	636,000
Mortality assumption 1 year decrease	(507,000)	(594,000)
Salary rate +0.1%	525,000	615,000
Salary rate -0.1%	(524,000)	(614,000)

Share of scheme assets

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

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	5,739,000	5,466,000
Gilts	53,000	48,000
Corporate bonds	1,249,000	1,103,000
Property	911,000	981,000
Cash and other liquid assets	95,000	141,000
Absolute return fund	648,000	600,000
Infrastructure	342,000	-
Restriction of pension asset as below	(232,000)	-
Total market value of assets	8,805,000	8,339,000

The actual return on scheme assets was £(63,000) (2022 - £(103,000)).

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

	2023 £	2022 £
Current service cost	(764,000)	(1,547,000)
Past service cost	(62,000)	-
Interest income	370,000	134,000
Interest cost	(399,000)	(251,000)
Administrative expenses	(5,000)	(4,000)
Total amount recognised in the Statement of financial activities	(860,000)	(1,668,000)

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

	2023 £	2022 £
At 1 September	9,349,000	15,162,000
Past service costs	62,000	-
Interest cost	399,000	251,000
Employee contributions	160,000	157,000
Actuarial gains	(1,837,000)	(7,669,000)
Benefits paid	(92,000)	(99,000)
Current service cost	764,000	1,547,000
At 31 August	8,805,000	9,349,000

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**Notes to the financial statements
for the year ended 31 August 2023**

26. Pension commitments (continued)

As set out in note 2, the plan surplus as at 31 August 2023 was £232,000 (2022: liability £1,010,000). The trustees, are not expecting to recover the surplus through reduced contributions and they do not anticipate receiving any refunds from the plan and therefore the net surplus recognised within the financial statements has been restricted to £NIL.

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

	2023 £	2022 £
At 1 September	8,339,000	7,806,000
Interest income	370,000	134,000
Actuarial losses	(617,000)	(237,000)
Employer contributions	650,000	582,000
Employee contributions	160,000	157,000
Benefits paid	(92,000)	(99,000)
Administration expenses	(5,000)	(4,000)
At 31 August	8,805,000	8,339,000

27. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	28,380	14,545
Later than 1 year and not later than 5 years	54,832	39,042
Later than 5 years	75,430	83,370
	158,642	136,957

28. Members' liability

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

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Notes to the financial statements
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29. Related party transactions

Owing to the nature of the academy trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions have taken place:

During the year, Michael O'Connell, a director, conducted Designated Safeguarding Lead training for the Academy Trust. The Total cost to the Academy Trust for this work, was £700 (2022: £Nil).

During the year, Ethos School Improvements Limited provided services to the Trust totalling £1,481 (2022: £1,552). Ethos School Improvements Limited has a director who is a member of the Academy Trust.

During the prior year ended 31 August 2022, The Diocese of Canterbury Academies Trust provided services to the Academy Trust. They are a signatory member of the Academy Trust. The total cost to the Academy Trust for this service was £4,000.

During the prior year ended 31 August 2022, Medway Computers Ltd conducted work for the Academy Trust. The company is owned by Mr D Lucas, the spouse of Mrs L Lucas (the COO until May 2023). The total cost to the Academy Trust for this work was £1,822.

During the prior year ended 31 August 2022, Graham Whitehead Plumbing and Heating conducted work for the Academy Trust. Mr G Whitehead was the father of Mr D Whitehead (the Trust CEO). The total cost to the Academy Trust for this work was £511.

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