

Company Registration Number: 07542155 (England & Wales)

The Tenax Schools Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements

For the year ended 31 August 2023



The Tenax Schools Trust
(A Company Limited by Guarantee)

Contents

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 16
Governance Statement	17 - 21
Statement of Regularity, Propriety and Compliance	22
Statement of Trustees' Responsibilities	23
Independent Auditors' Report on the Financial Statements	24 - 28
Independent Reporting Accountant's Report on Regularity	29 - 30
Statement of Financial Activities Incorporating Income and Expenditure Account	31 - 32
Balance Sheet	33
Statement of Cash Flows	34
Notes to the Financial Statements	35 - 67

The Tenax Schools Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members

The Bishop of Rochester (currently The Right Reverend Jonathan Gibbs)
The Archdeacon of Tonbridge (currently The Venerable Sharon Copestake)
The Area Dean of Tunbridge Wells (currently The Reverend Nicholas Cornell)
The Chichester Diocesan Board of Education (currently represented by The Reverend Dr Edward Dowler, Archdeacon of Hastings)
Mr Simon Curtis (appointed as member 1 April 2023)
Lady Jacqueline Evans (stepped down as member 31 March 2023)

Trustees

Sir Ian Bauckham CBE, CEO
Mr Matthew Bedford, Vice-Chair^{1,4}
Lady (Jacqueline) Evans, Chair (retired on 18 August 2023)^{2,4,5,6}
Mr Trevor Cristin⁵
Mr Simon Curtis, Chair^{1,4,5,6}
Mr David Godfrey (retired on 18 August 2023)^{1,3}
Mrs Gillian Lloyd (Hargreaves)^{3,4}
Mr David Ralph^{1,3,4,6}
Mrs Tania Kibara^{1,7}
Mr Andrew Rathbone^{5,6,7}
Mr Andrew Robinson MBE^{3,8}

- ¹ Member of Finance & Audit Committee
- ² Member of Finance & Audit Committee (Audit only)
- ³ Members of Teacher Training and Development Committee
- ⁴ Members of Pay & HR Committee
- ⁵ Member of Education Committee
- ⁶ Member of CEO Performance Management Committee
- ⁷ Term of office began on 01.07.23
- ⁸ Term of office began on 02.11.23

Company registered number

07542155

Company name

The Tenax Schools Trust

Principal and registered office

Bennett Memorial Diocesan School, Culverden Down, Tunbridge Wells, Kent, TN4 9SH

Company secretary

Mrs Catherine Dottridge

Chief executive officer

Sir Ian Bauckham CBE

The Tenax Schools Trust
(A Company Limited by Guarantee)

Reference and Administrative Details (continued)
For the year ended 31 August 2023

Executive group

Sir Ian Bauckham, CBE Chief Executive Officer/Accounting Officer
Mrs Catherine Dottridge, Chief Financial Officer
Mr Matthew Clark, Director of Primary Education
Mr John Sparke, Secondary Headteacher

External auditor

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

Solicitors

Lee Bolton Monier Williams, 1 The Sanctuary, Westminster, London, SW1P 3JT

Stone King LLP, 91 Charterhouse Street, London, EC1M 6HR

Bankers

Lloyds Bank plc, 82 Mount Pleasant Road, Tunbridge Wells, TN1 1RP

Internal auditor

Mrs Gail Payne ACCA

Headteachers

Mr Christopher Blackburn (Fordcombe CE Primary School)
Mr David Rye (West Malling CE Primary School)
Mrs Tina Holditch (Leybourne Ss Peter and Paul CE Primary School)
Mrs Jane Mallon (Head of School, Brenchley & Matfield CE Primary School)
Mr Jon Sparke (Bennett Memorial Diocesan Secondary School)
Mrs Vicki Edwards (Sir Henry Fermor CE Primary School from 01.09.23)
Mrs Becks Hood (Bishop Chavassee CE Primary School from 01.09.23)
Mrs Sacha Strand (Sir Henry Fermor CE Primary School and Bishop Chavassee CE Primary School to 31.08.23)
Mrs Jacqueline Zadeh (Jarvis Brook Primary School)

Website

www.tenaxschoolstrust.co.uk

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report
For the year ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Tenax Schools Trust is a Church of England Multi Academy Trust that exists to provide outstanding education in both primary and secondary schools in Kent and East Sussex. The Trust had a combined number of pupils on roll of 3,412 as at census date October 2023*

School Name	No. on roll Census Oct 2023	
Bennett Memorial Diocesan Secondary School	1899	Founding School - 1 September 2015
Bishop Chavasse CE Primary School	355	New Free School - opened 1 September 2017
Brenchley & Matfield CE Primary School	195	Converted 1 May 2016
Fordcombe CE Primary School	57	Converted 1 October 2018
Jarvis Brook Primary School	126	Converted 1 March 2017
Leybourne Ss Peter and Paul CE Primary School	211	Converted 1 March 2017
Sir Henry Fermor CE Primary School	363	Converted 1 April 2016
West Malling CE Primary School	206	Joined 1 September 2017

*Plus a further 15 pupils in the pre-school

The Trust also includes:

- The Kent Teaching School Hub, operated by Bennett Memorial Diocesan School, which was designated by the DfE in February 2021 as the Teaching School Hub for both East Kent and West Kent. From September 2021, Teaching School Hubs have been responsible for the delivery of the Early Career Framework, teacher professional development (primarily the full reformed suite of National Professional Qualifications), Appropriate Body services and Initial Teacher Training.
- The Teach Kent & Sussex SCITT (School Centred Initial Teacher Training), which delivers Initial Teacher Training.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Articles of Association is the primary governing document of the Academy Trust.

The Trustees of The Tenax Schools Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Tenax Schools Trust.

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

Members' liability

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

Trustees' indemnities

Trustees (Directors) benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust.

Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are appointed under the terms of the Articles of Association and its Governance Plan. As of October 2023, the Members of the Tenax Schools Trust have appointed 9 Trustees. A recruitment exercise is underway to fill a further vacancy to ensure that the full range of skills and expertise required is represented on the Board. The Members and Trustees look for the most appropriate candidates bringing relevant experience and skills when appointing new Trustees.

Policies and procedures adopted for the induction and training of Trustees

New Trustees receive an induction and all Trustees partake in an annual programme of training and development. The Trustees have access to policies, procedures, minutes, budgets, accounts and other relevant plans and documents that they need to fulfil their role as Trustees.

Organisational structure

Our governance structure and arrangements, including roles and responsibilities, are set out in our Governance Plan. The Board of Trustees is accountable for all aspects of the Trust's work and monitors the performance of the schools through full Board of Trustees meetings held at least six times per year.

There are **three** main committees of the Board of Trustees for monitoring the performance of the Trust:

1. **The Finance, Audit and Risk Committee's** prime responsibility is to have strategic oversight of all matters related to Audit, Risk, Finance and Capital Assets of the Trust. The Committee will discharge its responsibility through seeking to:
 - assist the decision making of the Board, by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of their finances and capital assets, including proper planning, monitoring and probity.
 - oversee and approve the Trust's programme of internal scrutiny, ensure that risks are being addressed appropriately through internal scrutiny, report to the Trust Board on the adequacy of the Trust's internal control framework including financial and non-financial controls and management of risks and monitor the delivery of objectives and provide independent assurance over the suitability and compliance with its financial systems and operational controls, seeking to ensure that the Trust is operating within the Funding Agreement and in line with the Academy Trust Handbook.
2. **The Education Committee's** prime responsibility is to exercise the Trust Board's responsibility to secure a high quality of education and assure effective safeguarding across the Trust. The Committee will discharge its responsibility by considering the primary and secondary Education Reports written by the Director of Primary Education and Headteacher of Bennett respectively which will set out key educational issues and risks from across the schools in the Trust, and ways in which they are being addressed. It will also consider the Safeguarding Report prepared by the Trust's nominated executive lead on safeguarding which will provide an overview of safeguarding across the Trust.
3. **The Teacher Training and Development Committee's** purpose is to ensure accountability for the Trust's Teaching School Hubs and SCITT against its strategic objectives and oversees the wider continuous professional development of Tenax teaching staff.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

In addition, there is a **Pay and HR Committee** and further committees for specific purposes, including a committee established to oversee the annual CEO Performance Management process. Each Committee has Terms of Reference, including details of delegation where applicable, which is reviewed annually by the Board of Trustees.

Each school in the Trust has a local governing body (LGB) which is accountable to the Board of Trustees. This will comprise in each case: The headteacher (ex officio), one further elected staff local governor (term: 3 years), two elected parent governors (term: 3 years); five or more governors appointed by the Board of Trustees (who may include trustees or employees from other schools in the Trust selected on the basis of their skills or professional experience), each for a term of 3 years. The chair of each LGB is appointed by the Board of Trustees.

The Trustees have delegated the day-to-day management of the Trust to the Chief Executive Officer (CEO) who is supported by the Executive group, as detailed in the Reference and Administrative details on page 2. Trustees keep the balance of accountabilities across the Executive group under regular review, in order to manage day-to-day operational activities. The CEO is, with the headteacher of the individual school, responsible for the overall leadership and management of the school. Each school has a leadership management team who are responsible for operational matters relating to curriculum, teaching, learning, student attainment, achievement, broader development, welfare, recruitment and finance.

The CEO is the Accounting Officer for the Trust.

In November 2023 it was announced that the current CEO, Sir Ian Bauckham CBE, had been appointed as Chief Regulator at Ofqual from January 2024. This means he will leave the Trust on 31st December 2023. Consequently, the Board has put in place an interim CEO and will recruit a new substantive CEO through open national recruitment in the early part of 2024.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees annually review and agree a Pay Policy for the Trust with regard to setting key management personnel pay. All arrangements for setting pay and remuneration are overseen by the Trust's Pay & HR Committee with pay decisions determined on the basis of evidence supporting performance outcomes.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publications Requirements) Regulations 2017, where an Academy Trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations.

It should be noted that the information to be disclosed covers the period 1 April 2022 to 31 March 2023 and is not in-line with the academic year.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
4	3.8 FTE

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	1
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	TOTAL £6,435
Provide the total pay bill	£16,447,931
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) ×100	0.04%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) ×100	0%
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Related parties and other connected charities and organisations

There are no related parties which either control or significantly influence the decisions and operations of the trust, and this has not been impacted by Covid-19.

Engagement with employees (including disabled persons)

Employee involvement

Where appropriate the Trust consults on matters such as policy, pay, health, safety and welfare with the relevant staff and trade unions and employees are encouraged to share ideas. The Trust provides information to employees by way of written communications, staff meetings and briefings and, on specific matters, directly by management and has continued to build on the use of technologies for virtual interaction and electronic communication with colleagues, which was developed during the Covid-19 pandemic.

Equal Opportunities

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

Disabled persons

All schools in the Trust have provision for disabled persons. The policy of the Trust is to promote the recruitment and retention of all students and employees with disabilities. Each school does this by having an Accessibility Plan, which includes adapting the physical environment, making support resources available and through training and development. These plans have been informed by independent accessibility audits carried out in January 2022 at all Trust schools, by Equality Act Audits. The audits, funded by SCA, resulted in a detailed report for each school along with suggested actions, which have been incorporated into School Accessibility Plans, and form part of the Trust estates management framework.

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

The Directors fulfil their duty to promote the success of the Charitable Company, under Section 172 of the Companies Act 2006 (the Act) and consider the interests of Tenax School Trust's key stakeholders when making decisions. The Trust has a clear purpose which is to provide outstanding education in both primary and secondary schools in Kent and East Sussex. This requires the Board, Executive Group and other employees to maintain an approach to strategic, financial and operational decision making that is values based and sustainable in approach, and therefore aligned to the requirements and expectations of Section 172. Our long-term success relies upon our delivering the strategic objectives described in the Directors' report through our talented and committed employees; close working relationships with regulators and suppliers, providing benefits to both the pupils in our schools and the wider school community. In the light of our purpose and strategy as set out in the Directors' Report our Directors take steps to understand the needs and priorities of each stakeholder group and do so via a number of mediums, including by direct engagement through school visits and discussions with employees; employee, parent and pupil surveys; and via committees and forums. Strategic priorities are discussed with the Board at the start of each year. These are informed by our long-term vision, the outcomes for pupils and other key performance measures from the previous year and the outcomes of our stakeholder surveys. The Board set key performance indicators and targets relating to these priorities and monitor performance against these.

OBJECTIVES AND ACTIVITIES

Ethos, aims and objectives

Tenax is a Church of England Trust. Our vocation is to be deeply Christian and at the same time to serve the common good in all aspects of our work. In our schools, our vision for education is expressed and promoted as one of human flourishing that inspires what the school is and does. In our Church schools, the deeply Christian foundation for this vision will be seen explicitly in the curriculum, both in RE and more widely, and also in the authentically Christian worship and ethos of those schools. In all contexts our work is underpinned by the values of wisdom, hope, community and dignity.

Our strategic aims underpin our work across the organisation. This work particularly focusses on the running and improving of academy schools, and also includes the training and professional development of teachers both for our Trust and the wider sector, and other activities which make a positive contribution to the educational public good. Our strategic aims are:

1. To provide high quality education to all pupils in all our schools across the age range through a broad, knowledge-rich curriculum that unlocks 'the best of what has been thought and said'
2. To provide rich personal development to form children and young people as confident, committed and engaged adults who are ready and able to make a positive contribution to the society in which they will live, in a safe and nurturing environment
3. To be the centre of outstanding teacher training and development, providing rigorous, evidence-based professional training for teachers at all stages on a local and regional scale
4. To seek to play a strong role in the promotion of good quality education for the public good beyond our own schools whenever economically viable opportunities arise to do so

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

5. To grow the Trust sustainably as a family of schools, attracting new schools that fit the tapestry of our Trust family
6. To further develop the effectiveness of governance across the Trust to assure strategic leadership and accountability and support growth

Objectives, which are developed and reviewed annually, reflect and support the delivery of the Trust's ethos and strategic aims.

We value diversity and will preserve the distinctive local character of each school. We welcome pupils and families from all backgrounds and from all faiths and none.

Public benefit

The principal public benefit arising from the Trust's charitable activities is the academic and personal education and faith development of the students educated at the schools operated by the Academy Trust in accordance with the principles set out in the Trust's Funding Agreement. This benefit is identifiable in terms of educational outcomes, it is clear what they are (for example quality of education including curriculum offered and examination and assessment results), they are related to the aims, and there is no identifiable detriment.

The beneficiaries of the Trust's educational activity are appropriate to the Trust's aims, in that they are pupils living in the locality of the Trust's schools; access to the public benefit of education is not restricted by ability to pay for it, no fees are charged for core educational activities, and the Trust has a wide ranging grants and concessions programme to enable those in financial difficulty to take part in supplementary activities. As a result, children in disadvantaged circumstances are able to benefit fully from the education the Trust offers. There are many practical examples of pupils from disadvantaged backgrounds who attended Trust schools and who have achieved excellent outcomes.

The Trustees have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission, including the guidance 'Public benefit: running a charity (PB2)' - in exercising their powers and duties.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

STRATEGIC REPORT

Achievements and performance

Following the suspension of examinations and assessments during the pandemic, KS2 tests and GCSE and A Level examinations were reinstated in the summer of 2022. At GCSE and A Level grading was pitched at a mid-way point between the generous approach taken during the pandemic and the 'normal' pre-pandemic standard. In 2023 grading for GCSE and A Level returned to the pre-pandemic standard. Performance tables for primary schools were not published in 2022 but will be published for 2023. Secondary performance tables resumed publication in 2022 and the performance information published for Bennett Memorial Diocesan School compared to national averages is set out below:

	Progress 8	Entering E Bacc	5 or above in English and mathematics	Attainment 8 Score	EBacc Average Point Score
Bennett Memorial	+0.95	89%	67%	58	5.41
National Average	-0.03	39%	45%	46.2	4.05

Post 16, no value added measures are published in 2023. The following data summarises key available performance data:

	A Level Average Point Score	Applied Qualifications Point Score	General Average	Tech Levels
Bennett Memorial	40.27	39.87		44.74
National Average	38.87	31.98		30.56

In this reporting period, the academic year 2022-2023, Ofsted inspections took place at Fordcombe and West Malling Primary Schools. A summary of the Ofsted inspection ratings of each school is as follows:

	Last inspected	Current Grading
Bennett Memorial	June 2012	Outstanding
Leybourne St Peter and St Paul	November 2021	Good
West Malling	January 2023	Good
Brenchley and Matfield	November 2018	Good
Bishop Chavasse	June 2022	Good
Fordcombe	October 2022	Good
Jarvis Brook	October 2019	Good
Sir Henry Fermor	February 2019	Good

Review of activities

During this year the Trust comprised eight schools. In addition an Academy Order remains in place for another local primary school, St Mary's Lamberhurst, to join the Trust.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

The Trust continues to work with all schools to further develop the quality of education, with a particular focus on refining curriculum planning, improving pedagogy through evidence-based teacher development, and enabling all pupils, including the disadvantaged and those with special educational needs, to achieve highly. Further, the Trust has focused on continuing to improve attendance, behaviour and personal development across our schools as the recovery from the pandemic continues. Safeguarding continues to be a priority across the Trust and the Trust Board and Local Governing Bodies have further refined their approach to ensuring safeguarding practice is strong in all schools.

The Trust's School Centred Initial Teacher Training provision (SCITT), known as Teach Kent and Sussex, having been judged by Ofsted to be Outstanding shortly before the pandemic, has continued to operate successfully. It finished the year 2022-2023 within budget, and at the time of writing 39 out of 41 newly qualified primary and secondary teachers have secured employment. 38 new trainees have begun their training in September 2023, with an additional 5 continuing with year 2 of their part-time training course, resulting in an overall total of 43 trainees as at September 2023.

In January 2021, Bennett Memorial Diocesan School, within the Tenax Schools Trust, was designated by the DfE as the Teaching School Hub for two of the 87 Teaching School Hub areas nationally, covering in our case both East and West Kent.

During the second year of operation, the school year 2022-2023, the Kent Teaching School Hub had significant impact across our areas. We worked with over 363 schools, and 1695 teachers have now benefited from at least one of our professional development programmes. We worked with 73% of secondary schools and 45% of primaries in our region, and our programmes are also accessed by specialist provision and PRU. 125,000 pupils attend schools which are engaged with our professional development programmes, which is well over half of all school pupils across our two areas. We also have smaller but significant participation levels from beyond our designated area, working with 65 out of area schools.

In our third year of designation, 2023-2024, numbers are strengthening in all areas. A further 253 teachers joined our NPQ Autumn 2023, and we continue to be the only Teaching School Hub in the south east region providing the full suite of NPQ's for every cohort. ECF registrations for the coming year are ongoing and already up 45% from last year's total with 360 new ECT's signed up.

Our largest area of growth is our Appropriate Body service for the accreditation of Early Career induction. We currently have over 451 new registrations for 2023, up from 280 ECT registrations the previous year.

The Trust continues to promote robust and proper business and financial management and the CFO continues to be a respected leader in this field, and a member of the ESFA's Academies Finance and Assurance Working Group. The Trust's wider central support services continue to benefit from the expertise of its finance, HR, governance and project management professionals, which are also at sector leading standards.

Key performance indicators

The Board of Trustees has identified that the following are the key performance indicators for the Trust which are tracked and monitored through standard monitoring reports:

- School and SCITT performance and quality of education as judged by Ofsted.
- Teaching School Hub performance in line with or above KPIs agreed with DfE.
- Latest performance outcomes – in line or above national expectations.
- School and SCITT improvement targets met or exceeded.
- Pupil attendance figures.
- Percentage of income received through General Annual Grant (GAG) spent on total staff costs – aim for 85%. GAG is the main source of income for schools within The Tenax Schools Trust. Additional staffing will be permitted (over 85%) with the proviso that there is sufficient supplementary funding available to offset (these other sources of income can be pupil Premium and PE/Sport Premium and additional Government funding which vary according to factors such as the number and age of pupils and geographic location). Going forward, some of these additional supplementary funding streams will be incorporated in GAG funding e.g. Teachers Pay and Pension funding etc.
- Pupil numbers (leading directly to ESFA funding level) – aim to reach full capacity.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

- Financial stability – aim for income to match expenditure each year with sufficient cash reserves, the level of which will depend upon the size and phase of the school and will be determined in consultation with the CFO.

Going concern

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

Promoting success of the company

The Board of Trustees continued to act in a way most likely to promote the success of the Trust, and in doing so, through its code of conduct, has due regard to:

- The charitable 'object' (the purpose) of the Trust: to advance education in the public interest; and to
- respect and safeguard the character of this Trust as a Church of England Trust
- The Nolan Principles of Public Life
- The responsibilities of Trustees as directors under company law and Trustees under charity law
- The interests of the Trust and its stakeholders in their decision making including pupils and their parents, its employees, local communities and government and making decisions that are right for the communities and children they serve.

Financial review

At 31 August 2023, total funds comprised £30,596,781 (2022: £29,296,477) consisting of unrestricted funds of £2,783,107 (2022: £2,689,558) and a restricted funds of £531,494 (2022: £243,321).

The in-year gain before actuarial losses on defined benefit pension scheme for the reporting year is £369,304 (2022: loss of £646,702) instead of the loss made last year which included Condition Improvement Funding for various capital projects and a substantial donation of assets (from the EFSA and Local Authority). The relevant depreciation of the associated assets has been charged to the Statement of Financial Activities.

The figure of £5.7 million for cash at bank and in hand recorded at the balance sheet date reflected the fact that the Academy Trust was holding funds received in advance of the 2023/2024 financial year, including School Condition Allocation funding, universal infant free school meals and contributions towards trips and other activities and other creditor accruals. Prioritisation of SCA is agreed by the Finance, Audit and Risk Committee, through consideration of the Trust Forward Management Asset Plan (FAMP), including areas identified through condition surveys as requiring urgent or essential work.

The unrestricted funds and restricted fixed asset funds are held for future improvements and capital projects.

The gain of £255,000 included in the restricted funds relates to the Trust's Local Government Pension Scheme fund asset. This surplus is not an immediate asset and so funds would not have been received in relation to this. The surplus on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 26. Any future liabilities can be met in the longer term from any combination of increased employer and employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy Trust, at the discretion of the Trustees.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

Reserves policy

The Board of Trustees considers the levels of reserves needed in order to maintain a sufficient contingency to minimise any future financial risks facing the Trust, such as cashflow fluctuations and delays between spending and receipt of grants or emergency expenditure to cover unforeseen issues or extra costs in-year. The Trust also sets aside sufficient reserves for future planned investment and improvement and strategic development and growth. Under the reserves policy, the Board of Trustees:

- Regularly reviews the level of reserves and the nature of income and expenditure streams and the need to match income with commitments. A target reserve figure which is appropriate for the individual circumstances and priorities of the schools and Trust is considered annually by Trustees. The level of reserves and as a % of income is monitored regularly by the Finance, Audit and Risk Committee in the light of prevailing circumstances.
- Discloses the reserve funds for each school, with individual schools to normally spend these as determined by the school and CFO.
- Allows a surplus balance brought forward into the Trust by a joining school to be normally deployed at the discretion of the school in agreement with the CFO.
- Ensures schools are maintaining balanced 3 year budgets.
- Considers the set aside of funds for significant projects that cannot be met by future income alone
- Allows sinking funds for specific regeneration projects, for example the all-weather pitch, to fall outside of the general reserves balance and agree these annually by the Finance, Audit and Risk Committee with level of contributions derived from associated trading profits.

The Board of Trustees have reviewed the Trust's reserves policy in light of the ongoing COVID-19 pandemic and in the light of increasing operating costs and wider effects of the cost-of-living crisis during 2022 and will continue to keep it under review especially as to whether there should be a change to the level of funds set aside for future commitments.

Investment policy

The Finance, Audit and Risk Committee considers the management of the Trust's funds bearing in mind the responsibilities that come with the receipt of central government funding and:

- Regularly monitors cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payments runs) and that the current account has adequate balances to meet forthcoming commitments
- Maintains a working balance to respond to unexpected financial demands
- Ensures schools' accounts are not overdrawn
- Keeps the automatic transfer facility for current accounts in operation to maximise interest in deposit accounts bearing higher interest rate
- Reviews periodically interest rates and compares with other investment opportunities

The Board of Trustees does not believe there are any implications for any existing or potential investments the academy trust holds from the ongoing COVID-19 pandemic or the cost-of-living crisis.

Principal risks and uncertainties

The Trust practices through the Board of Trustees and the constituted sub-committees, robust risk management principles. It formally reviews its risk management regularly and considers whether risks are appropriately assessed and whether the control measures and mitigation strategies implemented are proportionate to the gravity of the risk. Risks are assessed, graded and prioritised in terms of their likelihood and their seriousness, should they occur.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

The Board has a risk register which is presented and considered regularly at meetings of the Board of Trustees. It has assessed the major risks and uncertainties to which the academy trust is exposed, in particular:

- Failure to comply with statutory safeguarding requirements. This has been addressed by reviewing and improving controls in place including defined roles and responsibilities for safeguarding; Designated Safeguarding Leads and nominated governors completing at least an annual report to the LGB; and external reviews carried out on safeguarding policy and practice
- Insufficient cash reserves driven by increasing costs and/or strain on school funding. This is mitigated by robust financial planning systems to match resources to priorities, and cautious budgeting; discipline and restraint in pay policy to ensure value for money in staff salary costs; scale benefits, shared resourcing and efficiencies through benefits of Trust working
- IT breach resulting in confidential data theft or corruption. This is being mitigated by disaster recovery plans and cyber response plans in place, robust and tested IT security procedures in place, and training on data protection awareness and cyber security practice delivered to all staff at least annually

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective to not run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Trustees collectively, whilst more minor risks are dealt with by senior executive officers.

This year, once again, the Board's regular review of risk and control measures has included the maintenance of the Trust's estate in a safe working condition. This has included commissioning external inspections for RAAC in response to DfE guidance.

Fundraising

The Trust recognises the vital contribution made by its supporters, with voluntary donations accounting for approximately 0.46% of the Trust's incoming resources. This support helps us to enable the Trust to offer a richer experience for pupils in and beyond the taught curriculum

We believe that giving to charity should be a positive experience, and to help ensure that this is the case the Trust has put in place a policy that seeks to ensure that the highest possible standards of fundraising practice are being adopted. This policy acknowledges the damaging impact an excessively aggressive approach to fundraising can have on vulnerable people, whether from unreasonably persistent approaches being made or undue pressure to give being applied, and great care is undertaken to ensure that such practices are not adopted by the Trust. The Trust complies with all aspects of the Fundraising Regulator's Code of Practice. All fundraising activity is carried out within the Trust and it does not utilise the services of any external commercial fundraisers.

The Trust welcomes feedback on its fundraising approach and seeks to make improvements wherever it can. Any complaints received in respect of our fundraising activities are taken very seriously and are acted upon immediately. We are pleased to report that during the year no complaints were received in respect of our fundraising activity.

Streamlined Energy and Carbon Reporting

As the Trust is classed as a large company, our Streamlined Energy and Carbon Report is shown below, along with a comparison with last year's report. The overall emissions figure is 0.19 tonnes CO₂e per pupil. The pupil numbers in the calculation are from the October 2022 census and include the Jarvis Brook nursery, as the nursery building is included in the energy usage calculation.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

Overall energy consumption has reduced in the last year in comparison with 2021/22, and there have been reductions in the use of Trust transport. We are developing a Trust sustainability strategy to identify further opportunities to reduce energy consumption, and to identify examples of good practice that can be shared across all Trust schools. We continue to invest in LED lighting in schools, and to encourage reduction in travel between sites, where possible, for example through flexible working and use of video conferencing. Several schools have now installed smart meters. We were unsuccessful in our bid for funding from the Public Sector Decarbonisation Scheme, which would have helped fund a boiler replacement project in one of our primary schools. One of our other schools, was selected to participate in a DfE Low Carbon Heating Pilot programme, but they have now been notified that the DfE has cancelled this programme due to funding issues.

Tenax Schools Trust Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for 1 September 2022 to 31 August 2023

Trust data from 2021/22 is provided for comparison purposes	Current reporting year 2022/23	Comparison reporting year 2021/22
Energy consumption used to calculate emissions (kWh)	3,230,329	3,365,893
Gas [kWh]	1,845,039	1,889,538
Oil [kWh]	373,954	439,987
Electricity [kWh]	999,999	1,006,926
Transport Fuel [kWh]	11,336	29,442
Scope 1 direct green house gas (GHG) emissions in metric tonnes CO₂e	431.74	460.65
Gas consumption	336.83	344.92
Oil consumption	92.28	108.58
Owned transport – mini-buses	2.63	7.16
Scope 2 energy indirect emissions in metric tonnes CO₂e	207.07	194.72
Purchased electricity	207.07	194.72
Scope 3 other indirect emissions in metric tonnes CO₂e	1.70	1.05
Business travel in employee owned vehicles	1.70	1.05
Total gross emissions in metric tonnes CO₂e	640.51	656.42
Total number of students within the trust October 2022	3,391.00	3,309.00
Intensity ratio Tonnes CO₂e per pupil	0.19	0.20

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measure

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

Measures planned to improve energy efficiency in the next 12 months

- We have continued to utilise video conferencing in order to reduce the need for travel between sites.
- We are working on a Trust sustainability strategy, to identify actions to take to reduce energy consumption.
- We are investing in LED lighting in Trust schools, and several schools have now completed their upgrades.
- Several schools have installed smart meters to improve their understanding of energy consumption and we aim to expand this across the Trust.

Plans for future periods

The Trust's ethos and strategic aims are set out above. As well as prioritising the development of our schools' distinctive ethos, these aims envisage further sustainable growth in the size and number of academies. As it continues to grow, the Trust will both continue to make the case locally and nationally for Church of England schools, and fulfil its mission to incorporate non-denominational schools which share the Trust's values and approach to education. As of autumn 2023 the Trust has been asked to sponsor a further primary school, which will grow the size of the Trust once the school has been incorporated.

The Trust will continue to ensure that in all schools the curriculum is well designed, properly sequenced and enriching for pupils, and that evidence-informed and effective pedagogy is at the heart of teacher practice and professional development.

Through the work of The Kent Teaching School Hub, and our partnership with the Ambition Institute, the Trust will continue to develop its delivery of the Early Career Framework and reformed National Professional Qualifications, and we will continue actively to promote teacher development opportunities through the Trust and more widely. Following Government decisions to focus Appropriate Body (AB) responsibilities (for the recognition of teachers completing their statutory early career induction) in Teaching School Hubs the Trust aims to become the AB of choice in the East and West Kent areas.

As our communities recover from the Covid-19 pandemic and live through the challenges of rising costs of living, we will do all we can to support pupils and families to access the fullest possible range of educational opportunity.

Finally, we will continue to make a distinctive and high profile contribution to education at national level through participation in national debate, review work and support for school improvement and national initiatives and projects.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- That Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Members.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Trustees' Report (continued)
For the year ended 31 August 2023

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'S Curtis', with a long horizontal flourish extending to the right.

Mr Simon Curtis
Chair of Trustees

The Tenax Schools Trust
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

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

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

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

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 6 times during the year 5 out of 6 meetings being held in person and the remaining 1 being held virtually. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Sir Ian Bauckham CBE, CEO	6	6
Mr Simon Curtis, Chair	6	6
Mr Matthew Bedford, Vice-Chair	5	6
Mr Trevor Cristin	5	6
Mrs Gillian Lloyd (Hargreaves)	6	6
Mr David Ralph	5	6
Lady Jacqueline Evans (Term of office ended on 18.08.23)	6	6
Mr David Godfrey (Term of office ended on 18.08.23)	6	6
Ms Tania Kibara (Term of office began on 01.07.23)	1	1
Mr Andrew Rathbone (Term of office began on 01.07.23)	1	1

Mrs Catherine Dottridge (CFO) was in attendance 3 of the 6 meetings in the year.

In March 2023 Lady (Jacqueline) Evans stepped down as chair of the Trust Board and the Board elected Mr Simon Curtis as new chair. At the end of the school year 2022-2023 Lady Evans ended her term of office as a trustee after many years of exemplary service. Mr David Godfrey also stepped down as his term ended at the same time. The Members have appointed Mr Andy Rathbone and Mrs Tania Kibara as new trustees with effect from 1 July 2023 and Mr Andrew Robinson MBE with effect from 2 November 2023.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

Conflicts of Interest

The Board of Trustees has an established procedure for the identification and management of potential conflicts of interest, including, but not limited to, the maintenance of up-to-date declarations and registers of business interests for Local Governors, Trustees and Members, which are published on the Trust website and on individual school websites, as appropriate. Opportunity is provided at every meeting of the Trust Board, its Committees and Local Governing Body meetings, for Trustees and Local Governors to declare any new interests, changes to previously declared interests or interests against specific items on the agenda for that meeting. Where possible conflicts of interest are identified, Trustees and Local Governors will, as deemed appropriate by other Trustees, Committee members or Local Governors, not participate in discussion and voting on the relevant business item, or will withdraw from the relevant section of the meeting. In addition, the registers of business interests of each Local Governing Body and of the Trust Board are reviewed annually by Chairs and Clerks of Local Governing Bodies; by the Finance, Audit & Risk Committee in order to identify and mitigate any potential conflicts of interest.

Governance review

The Trust commissioned an external review of governance, which was undertaken by the Confederation of School Trusts in May 2022. Recommendations resulting from that review were presented to the Trust Board in July 2022 and changes have been made to clarify remits and lines of reporting of Trust committees in response to the recommendations.

Committees of the Board of Trustees

Every committee reviews its role in the light of changes in legislation, responsibilities and accountability annually.

The Finance, Audit and Risk Committee is a sub-committee of the Board of Trustees. As the Trust's annual income is below £50m the Board has exercised the option, allowed within the Academy Trust Handbook, of combining Audit and Risk with Finance. Attendance at the Finance, Audit and Risk Committee during the year at meetings was as follows:

Member	Meetings attended	Out of a possible
Mr David Ralph (Chair of Committee)	4	4
Mr Matthew Bedford	4	4
Mr David Godfrey	4	4
Lady (Jacqueline) Evans (audit only)	1	1
Mrs Catherine Dottridge (CFO)*	2	4
Mr Simon Curtis	2	2

* except when meeting in 'Audit or Risk' mode when they were considered in attendance.

- Sir Ian Bauckham CBE, CEO (Accounting Officer) was in attendance at two meetings during the year
- Mrs Pauline Barritt (Finance Director) was in attendance at all meetings of the Finance, Audit and Risk Committee.
- Mrs Anne Gibbins (Business Development Manager) attended the part of meetings where matters relating to School Condition Allocation were considered.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Education Committee is a sub committee of the Board of Trustees. Attendance at the Education Committee during the year at meetings was as follows:

Member	Meetings attended	Out of a possible
Mr Simon Curtis (Chair of Committee)	3	3
Mr Trevor Cristin	3	3
Lady (Jacqueline) Evans	3	3

Mr Jon Sparke (Secondary Headteacher) and Mr Matthew Clark (Director of Primary Education) were in attendance at all meetings during the year.

The Teacher Training and Development Committee is a sub committee of the Board of Trustees. Attendance at Teacher Training and Development Committee meetings in the year was as follows:

Member	Meetings attended	Out of a possible
Mr David Godfrey (Chair of Committee)	3	3
Mr David Ralph	3	3
Mr Jon Sparke (Headteacher, Bennett Memorial Diocesan School and Trust Executive Lead for Professional Development)	3	3
Mrs Gillian Lloyd (Hargreaves)	3	3

Mr Richard Tyson Director of Professional Development (including Teach Kent & Sussex and Kent Teaching School Hub) was "in attendance" at all meetings of the Teacher Training & Development Committee.

The Pay and HR Committee ensures detailed scrutiny of remuneration matters including Executive and senior management team remuneration, Trust-wide pay awards and policy, pensions arrangements and other human resources matters. Attendance at Pay and HR Committee meetings in the year was as follows:

Member	Meetings attended	Out of a possible
Mr Matthew Bedford (Chair of Committee)	2	2
Lady (Jacqueline) Evans	2	2
Mr David Ralph	2	2
Mrs Gillian Lloyd (Hargreaves)	2	2

Mrs Claire Isaacs (Director of HR) was also in attendance at both meetings, in an advisory capacity. Sir Ian Bauckham attended both meetings, in an advisory capacity.

The CEO Performance Management Committee undertakes the annual CEO performance review process taking into account the advice of an external consultant, commissioned for this purpose and recommends to the Pay & HR Committee whether the outcome of the CEO appraisal meets the criteria for pay progression as covered under the adopted pay policy.

Member	Meetings attended	Out of a possible
Lady (Jacqueline) Evans	1	1
Mr David Ralph	1	1
Mr Simon Curtis	1	1

The Tenax Schools Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Review of value for money

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

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

- Operating a robust pay and performance management policy which rewards and incentivises effective teachers and does not reward relatively less successful teaching. A designated Pay and HR Committee is in place to annually review and manage implementation of the Trust's Pay Policy.
- Undertaking effective procurement using, where appropriate, competitive tendering, to ensure best value is achieved for contracts and services and obtaining alternative quotes for large scale projects.
- Challenging existing contracts and changing suppliers where necessary to ensure value for money for service delivery.
- Effective and efficient deployment of staff through regular use of deep dive analysis and benchmarking reviews of staffing structures and costs; and the sharing of resource where possible across schools and activities.
- Achieving cost savings and efficiencies through realising scale benefits from growing the Trust

The purpose of the system of internal control

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

Capacity to handle risk

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

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the Board of Trustees.
- Regular reviews by the Finance Audit and Risk 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

The risk and control framework (continued)

- Clearly defined purchasing guidelines.
- Delegation of authority and segregation of duties.
- Identification and management of risks.

The Board of Trustees has considered the options for delivering internal scrutiny and this year has again appointed a suitably qualified and independent internal auditor.

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

- Review of previous year findings
- Testing of purchase and payment authorisations
- Testing of capitalisation procedures

The internal auditor reports to the Board of Trustees through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal auditor has delivered the schedule of work as planned and any management actions identified in the areas under review have been followed up.

This year, once again, the Board of Trustees also agreed to internal scrutiny of the Trust's safeguarding practice and procedures and agreed to buy-in an independent audit service to deliver this by using the relevant Local Authority's safeguarding team. These reviews were scrutinised by the relevant Designated Safeguarding Governor(s), on behalf of the Local Governing Body (LGB), which has responsibility for the scrutiny of safeguarding in each school. Findings were also shared with the Board of Trustees within the scope of its regular meetings cycle. Several areas for further increasing resilience of arrangements were identified and actioned.

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

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk 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 on 7 December 2023 and signed on their behalf by:



Simon Curtis
Chair of Trustees



Sir Ian Bauckham CBE
Accounting Officer

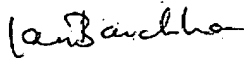
The Tenax Schools Trust
(A Company Limited by Guarantee)

Statement of Regularity, Propriety and Compliance

As accounting officer of The Tenax Schools 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.



Sir Ian Bauckham CBE
Accounting Officer
Date: 7 December 2023

The Tenax Schools 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 judgements 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:



Mr Simon Curtis
Chair of Trustees
Date: 7 December 2023

The Tenax Schools Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Tenax Schools Trust

Opinion

We have audited the financial statements of The Tenax Schools 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Tenax Schools Trust
(continued)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Tenax Schools Trust
(continued)

Auditors' responsibilities for the audit of the financial statements

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

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

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 company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery 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, 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 and management bias in accounting estimates. 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
- Conducting interviews with appropriate personnel to gain further insight into the control systems implemented, and the risk of irregularity; and
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including cash, payroll and credit card expenditure; and
- Review of cash and credit card expenditure to confirm no evidence of personal benefit; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Identifying key contracts and confirming that all required procurement and tendering procedures have been followed; and
- Checking and reperforming the reconciliation of key control accounts; 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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Tenax Schools Trust
(continued)

- 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 internal controls and physical inspection of tangible assets susceptible to fraud or irregularity; 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 for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of The Tenax Schools 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.



Simon Webber BA (Hons), DChA, FCA (Senior Statutory Auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

7 December 2023

The Tenax Schools Trust
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 14 July 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 The Tenax Schools 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 The Tenax Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Tenax Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Tenax Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of The Tenax Schools Trust's funding agreement with the Secretary of State for Education dated 27 October 2015 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to The Tenax Schools Trust and the Education & Skills Funding Agency (continued)

Approach

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

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

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

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

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
Reporting Accountant
Chartered Accountants

Date: 7 December 2023

The Tenax Schools Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 August 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Note					
Income from:						
Donations and capital grants	4	107,335	-	693,511	800,846	813,359
Other trading activities	3	244,882	-	-	244,882	180,637
Investments	7	8,743	-	-	8,743	1,058
Charitable activities	5	-	20,014,055	-	20,014,055	18,374,974
Teaching schools		3,648	440,320	-	443,968	709,563
Other income	6	1,102,551	-	-	1,102,551	1,314,267
Total income		1,467,159	20,454,375	693,511	22,615,045	21,393,858
Expenditure on:						
Charitable activities	9	574,024	20,500,291	677,856	21,752,171	21,356,954
Teaching schools	8	-	493,570	-	493,570	683,606
Total expenditure		574,024	20,993,861	677,856	22,245,741	22,040,560
Net income/(expenditure)		893,135	(539,486)	15,655	369,304	(646,702)
Transfers between funds	19	(1,147,389)	868,257	279,132	-	-
Net movement in funds before other recognised gains/(losses)		(254,254)	328,771	294,787	369,304	(646,702)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	931,000	-	931,000	7,037,000
Net movement in funds		(254,254)	1,259,771	294,787	1,300,304	6,390,298
Reconciliation of funds:						
Total funds brought forward		2,689,558	(243,321)	26,850,240	29,296,477	22,906,179
Net movement in funds		(254,254)	1,259,771	294,787	1,300,304	6,390,298
Total funds carried forward		2,435,304	1,016,450	27,145,027	30,596,781	29,296,477

The Tenax Schools Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the year ended 31 August 2023

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

The notes on pages 35 to 67 form part of these financial statements.

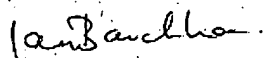
The Tenax Schools Trust
(A Company Limited by Guarantee)
Registered number: 07542155

Balance Sheet
As at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	26,402,450	26,399,906
Current assets			
Debtors	16	486,733	699,317
Cash at bank and in hand		5,679,128	4,536,667
		<u>6,165,861</u>	<u>5,235,984</u>
Liabilities			
Creditors: amounts falling due within one year	17	(1,829,928)	(1,478,708)
		<u>4,335,933</u>	<u>3,757,276</u>
Net current assets			
		<u>30,738,383</u>	<u>30,157,182</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	18	(141,602)	(156,705)
Net assets excluding pension asset / liability		<u>30,596,781</u>	<u>30,000,477</u>
Defined benefit pension scheme asset / liability	26	-	(704,000)
Total net assets		<u><u>30,596,781</u></u>	<u><u>29,296,477</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	27,145,027	26,850,240
Restricted income funds	19	1,016,450	460,679
Pension reserve	19	-	(704,000)
		<u>28,161,477</u>	<u>26,606,919</u>
Total restricted funds	19		
Unrestricted income funds	19	2,435,304	2,689,558
		<u>30,596,781</u>	<u>29,296,477</u>
Total funds		<u><u>30,596,781</u></u>	<u><u>29,296,477</u></u>

The financial statements on pages 31 to 67 were approved by the Trustees, and authorised for issue on 07 December 2023 and are signed on their behalf, by:

Sir Ian Bauckham CBE
Accounting officer



Mr Simon Curtis
Chair of Trustees



The notes on pages 35 to 67 form part of these financial statements.

The Tenax Schools 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	786,435	(401,842)
Cash flows from investing activities	23	371,129	662,590
Cash flows from financing activities	22	(15,103)	(27,527)
Change in cash and cash equivalents in the year		1,142,461	233,221
Cash and cash equivalents at the beginning of the year		4,536,667	4,303,446
Cash and cash equivalents at the end of the year	24, 25	5,679,128	4,536,667

The notes on pages 35 to 67 form part of these financial statements

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

The Tenax Schools Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is Bennett Memorial Diocesan School, Culverden Down, Tunbridge Wells, Kent, TN4 9SH. The principal activity of the Academy Trust is to provide a secondary and primary education for pupils that satisfies the requirements of the Education Act 2002.

1. Accounting policies

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.

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

The Academy Trust's functional and presentational currency is Pounds Sterling.

The Academy Trust's financial statements are presented to the nearest pound.

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.

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

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.

- **Trading and 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.4 Expenditure

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

• **Charitable activities**

These are costs incurred on the Academy 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.

1.6 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Premises occupied under a licence by church academies

The Rochester Diocesan Board of Education and Chichester 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 Rochester Diocesan Board of Education and Chichester 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Long-term leasehold land	- Not depreciated
Long-term leasehold property	- 2% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line
Assets under construction	- Not depreciated

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 freehold or leasehold land and buildings.

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

1.7 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.

1.8 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.

1.9 Liabilities

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

1.10 Provisions

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

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.11 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.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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.

1.13 Operating leases

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

1. Accounting policies (continued)

1.14 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.

1.15 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

2. Critical accounting estimates and areas of judgement

Estimates and judgements 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.

Multi-employer defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2022 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 £26,402,450 at the reporting date (see note 15). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets 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 trustees consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

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

Critical areas of judgement:

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 26 for further details.

Local Government Pension Scheme

The plan surplus as at 31 August 2023 was £255,000 (plan deficit 2022: £704,000). A pension plan asset is recognised to the extent that the company 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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

3. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	169,132	169,132	158,807
Insurance claims	75,750	75,750	21,830
Total 2023	<u>244,882</u>	<u>244,882</u>	<u>180,637</u>

4. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	107,335	-	107,335	109,091
Capital grants	-	693,511	693,511	704,268
Total 2023	<u>107,335</u>	<u>693,511</u>	<u>800,846</u>	<u>813,359</u>
Total 2022	<u>109,091</u>	<u>704,268</u>	<u>813,359</u>	

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

5. Funding for the Academy Trust's educational operations

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants			
General Annual Grant (GAG)	16,701,794	16,701,794	15,570,628
Start up grants	29,250	29,250	16,250
Pupil Premium	609,986	609,986	527,701
Universal Infant Free School Meals	221,721	221,721	202,121
PE and Sports Grant	124,972	124,972	152,721
Other DfE/ESFA grants	948,650	948,650	530,255
	<u>18,636,373</u>	<u>18,636,373</u>	<u>16,999,676</u>
Other government grants			
Local Authority grants	1,377,682	1,377,682	1,375,298
	<u>20,014,055</u>	<u>20,014,055</u>	<u>18,374,974</u>
Total 2023	<u>20,014,055</u>	<u>20,014,055</u>	<u>18,374,974</u>
Total 2022	<u>18,374,974</u>	<u>18,374,974</u>	

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Contributions towards school trips	751,440	751,440	507,502
Contributions towards clubs and educational activities	1,851	1,851	13,867
Other incoming resources	349,260	349,260	792,898
Total 2023	<u>1,102,551</u>	<u>1,102,551</u>	<u>1,314,267</u>
Total 2022	<u>1,314,267</u>	<u>1,314,267</u>	

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	8,743	8,743	1,058

8. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022, as restated* £
Direct costs	13,892,629	-	1,680,186	15,572,815	13,805,036
Allocated support costs	2,389,165	1,905,651	1,884,540	6,179,356	7,551,918
Teaching school	166,137	-	327,433	493,570	683,606
Total 2023	16,447,931	1,905,651	3,892,159	22,245,741	22,040,560
Total 2022	15,949,936	2,056,243	4,034,381	22,040,560	

*The restatement of the comparative data represents the reclassification of teaching assistant costs, from support costs to direct costs.

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	15,572,815	6,179,356	21,752,171	21,356,954
Total 2022	13,805,036	7,551,918	21,356,954	

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022, as restated* £
Staff costs	13,892,629	13,892,629	12,050,859
Educational supplies and services	1,193,700	1,193,700	1,166,180
Examination fees	112,986	112,986	206,774
Educational consultancy**	180,439	180,439	302,093
Staff development and training	78,289	78,289	27,404
Technology costs	93,905	93,905	21,005
Other direct costs	20,867	20,867	30,721
	<u>15,572,815</u>	<u>15,572,815</u>	<u>13,805,036</u>

*The restatement of the comparative data represents the reclassification of teaching assistant costs, from support costs to direct costs.

**Education consultancy reflects the use of our partner schools and facilitators to support the work of our Teaching School Hub and SCITT, including the delivery of teacher training and professional qualifications and development programmes.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	Total funds 2022, as restated* £
Pension finance costs	15,000	15,000	101,000
Staff costs	2,389,165	2,389,165	3,588,540
Depreciation	540,703	540,703	492,002
Technology costs	306,395	306,395	262,636
Recruitment and support	13,409	13,409	30,823
Maintenance of premises and equipment	602,964	602,964	828,149
Cleaning	417,264	417,264	415,462
Rates and water	92,836	92,836	152,601
Energy costs	647,374	647,374	666,902
Insurance	109,473	109,473	98,977
Security and transport	23,548	23,548	20,124
Catering	543,808	543,808	445,585
Governance costs	56,578	56,578	89,020
Other support costs	420,839	420,839	360,097
	6,179,356	6,179,356	7,551,918

*The restatement of the comparative data represents the reclassification of teaching assistant costs, from support costs to direct costs.

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	53,199	74,312
Depreciation of tangible fixed assets	540,703	492,007
Fees paid to external auditors for:		
- audit	29,600	28,200
- other services	2,800	2,750

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	12,198,654	11,048,597
Social security costs	1,065,296	1,120,060
Pension costs	2,975,145	3,602,661
	16,239,095	15,771,318
Agency staff costs	208,836	174,618
Severance payments	-	4,000
	16,447,931	15,949,936

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	193	187
Administration and support	284	261
Management	26	21
	503	469

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Teachers	166	158
Administration and support	164	150
Management	26	20
	356	328

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

11. Staff (continued)

c. 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	5	6
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	-
In the band £90,001 - £100,000	2	1
In the band £100,001 - £110,000	2	2
	<u>2</u>	<u>2</u>

d. Key management personnel

The key management personnel of the Academy Trust comprise the Executive group as listed on page 2. The total salaries received by key management personnel for their services to the Academy Trust was £370,204 (2022: £352,734). Employer pension contributions were a total of £86,600 (2022: £81,389) and employer national insurance contributions were a total of £46,798 (2022: £45,249).

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

12. Central services

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

- Educational support services
- Finance, human resources and administrative support
- Others as arising

The Academy Trust charges for these services on the following basis:

A flat percentage of 3.5% of General Annual Grant income for basic services as per above and 5% for those schools wanting additional finance and human resources support.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Bennett Memorial Diocesan School	342,512	308,416
Bishop Chavassee CE Primary School	49,090	40,673
Brenchley and Matfield CE Primary School	28,362	24,968
Fordcombe CE Primary School	17,732	15,530
Jarvis Brook Primary School	24,561	21,037
Leybourne Ss Peter and Paul CE Primary School	32,094	29,668
SCITT	15,539	18,471
Sir Henry Fermor CE Primary School	55,978	52,044
West Malling CE Primary School	30,564	28,666
Total	596,432	539,473

13. Trustees' remuneration and expenses

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

		2023 £	2022 £
Sir Ian Bauckham CBE, CEO	Remuneration	105,000 - 110,000	100,000 - 105,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

14. Trustees' and Officers' insurance

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

15. Tangible fixed assets

	Freehold land and property £	Long-term leasehold land and property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 September 2022	4,019,000	23,620,140	399,924	638,679	3,988	28,681,731
Additions	-	359,690	76,616	106,941	-	543,247
At 31 August 2023	4,019,000	23,979,830	476,540	745,620	3,988	29,224,978
Depreciation						
At 1 September 2022	-	1,379,457	259,702	638,678	3,988	2,281,825
Charge for the year	-	422,885	82,220	35,598	-	540,703
At 31 August 2023	-	1,802,342	341,922	674,276	3,988	2,822,528
Net book value						
At 31 August 2023	4,019,000	22,177,488	134,618	71,344	-	26,402,450
At 31 August 2022	4,019,000	22,240,683	140,222	1	-	26,399,906

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

16. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	53,554	34,286
VAT recoverable	184,011	224,222
Prepayments and accrued income	249,168	440,809
	<u>486,733</u>	<u>699,317</u>

17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	13,817	14,445
Trade creditors	59,435	3,149
Other taxation and social security	(61,484)	229,630
Pension fund loan payable	401,217	166,062
Other creditors	145,962	2,669
Accruals and deferred income	1,270,981	1,062,753
	<u>1,829,928</u>	<u>1,478,708</u>

	2023 £	2022 £
Deferred income at 1 September 2022	401,030	755,434
Resources deferred during the year	513,708	401,030
Amounts released from previous periods	(401,030)	(755,434)
	<u>513,708</u>	<u>401,030</u>

At the balance sheet date the Academy Trust was holding funds received in advance of the 2023/2024 financial year in respect of School Condition Allowance Funding, free school meals and contributions towards trips and other activities.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

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

	2023	2022
	£	£
Other loans	141,602	156,705

Included in other loans are long term, interest free Salix loans from Kent County Council to Leybourne Ss Peter and Paul CE Primary School and Bennett Memorial Diocesan School.

Included in other loans are long term, interest free CIF loans from the ESFA to Bennett Memorial Diocesan School, Brenchley and Matfield CE Primary School and Sir Henry Fermor CE Primary School.

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	86,333	100,150
	86,333	100,150

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

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	2,689,558	1,467,159	(574,024)	(1,147,389)	-	2,435,304
Restricted general funds						
General Annual Grant (GAG)	279,387	16,731,044	(16,871,510)	868,257	-	1,007,178
Other DfE/ESFA grants	181,292	2,171,349	(2,343,369)	-	-	9,272
Other Government grants	-	1,551,982	(1,551,982)	-	-	-
Pension reserve	(704,000)	-	(227,000)	-	931,000	-
	(243,321)	20,454,375	(20,993,861)	868,257	931,000	1,016,450
Restricted fixed asset funds						
General Fixed Asset Fund	26,368,177	-	(539,053)	573,330	-	26,402,454
DfE/ESFA capital grants	482,063	693,511	(138,803)	(294,198)	-	742,573
	26,850,240	693,511	(677,856)	279,132	-	27,145,027
Total Restricted funds	26,606,919	21,147,886	(21,671,717)	1,147,389	931,000	28,161,477
Total funds	29,296,477	22,615,045	(22,245,741)	-	931,000	30,596,781

The Tenax Schools Trust
(A Company Limited by Guarantee)

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:

Unrestricted funds are applied to the general work of the Academy Trust to support activities inside and outside the curriculum.

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.

DfE/ESFA capital grants funds is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities. The balance on the fund represents unspent capital grant money to be spent in the first school term of 2023/2024.

The SCITT processes bursary payments for trainees and receives tuition funding payments.

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

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

The Tenax Schools Trust
(A Company Limited by Guarantee)

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	2,142,614	1,607,553	(518,164)	(542,445)	-	2,689,558
Restricted general funds						
General Annual Grant (GAG)	177,931	15,558,856	(15,993,211)	535,811	-	279,387
Other DfE/ESFA grants	-	1,429,048	(1,429,048)	-	-	-
Other Government grants	-	1,375,298	(1,381,932)	6,634	-	-
SCITT	110,909	718,835	(648,452)	-	-	181,292
Pension reserve	(6,465,000)	-	(1,276,000)	-	7,037,000	(704,000)
	<u>(6,176,160)</u>	<u>19,082,037</u>	<u>(20,728,643)</u>	<u>542,445</u>	<u>7,037,000</u>	<u>(243,321)</u>
Restricted fixed asset funds						
General Fixed Asset Fund	26,849,179	-	(492,002)	11,000	-	26,368,177
DfE/ESFA capital grants	90,546	704,268	(301,751)	(11,000)	-	482,063
	<u>26,939,725</u>	<u>704,268</u>	<u>(793,753)</u>	<u>-</u>	<u>-</u>	<u>26,850,240</u>
Total Restricted funds	<u>20,763,565</u>	<u>19,786,305</u>	<u>(21,522,396)</u>	<u>542,445</u>	<u>7,037,000</u>	<u>26,606,919</u>
Total funds	<u><u>22,906,179</u></u>	<u><u>21,393,858</u></u>	<u><u>(22,040,560)</u></u>	<u><u>-</u></u>	<u><u>7,037,000</u></u>	<u><u>29,296,477</u></u>

The Tenax Schools Trust
(A Company Limited by Guarantee)

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 £
Bennett Memorial Diocesan School*	1,583,551	1,309,553
Bishop Chavassee CE Primary School**	487,592	458,752
Brenchley and Matfield CE Primary School	159,658	350,904
Fordcombe CE Primary School	73,068	26,570
Jarvis Brook Primary School	136,990	136,998
Leybourne Ss Peter and Paul CE Primary School	80,384	104,457
SCITT	15,746	181,292
Sir Henry Fermor CE Primary School	462,627	276,105
Tenax Schools Trust***	392,441	206,600
West Malling CE Primary School	59,697	99,006
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	3,451,754	3,150,237
Restricted fixed asset fund	27,145,027	26,850,240
Pension reserve	-	(704,000)
	<hr/>	<hr/>
Total	30,596,781	29,296,477
	<hr/>	<hr/>

*This includes a designated contribution to KCC for the expansion project, the 3G sinking fund, Teacher Training and Development Programmes trading income, and funding for the Teaching School Hubs (West and East Kent).

**This includes additional funding to support the status of growing free school.

***This includes an academy conversion support grant received for a school to join the Trust.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

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 £
Bennett Memorial Diocesan School	8,519,950	58,278	973,304	1,726,739	11,278,271	10,803,216
Bishop Chavassee CE Primary School**	1,385,793	31,947	48,376	322,808	1,788,924	1,420,480
Brenchley and Matfield CE Primary School	838,050	12,568	89,429	176,563	1,116,610	953,140
Fordcombe CE Primary School	469,778	12,597	35,187	84,957	602,519	613,229
Jarvis Brook Primary School	748,633	6,764	51,728	206,311	1,013,436	844,473
Leybourne Ss Peter and Paul CE Primary School	977,027	9,804	56,422	184,253	1,227,506	1,046,019
SCITT	165,169	132,358	109,978	177,974	585,479	689,926
Sir Henry Fermor CE Primary School	1,519,001	10,120	73,566	265,985	1,868,672	1,825,326
Tenax Schools Trust	708,896	11,741	10,148	112,118	842,903	2,061,887
West Malling CE Primary School	1,090,479	14,917	76,296	199,026	1,380,718	1,290,862
Academy Trust	16,422,776	301,094	1,524,434	3,456,734	21,705,038	21,548,558

The Tenax Schools Trust
(A Company Limited by Guarantee)

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	-	-	26,402,450	26,402,450
Current assets	2,435,304	2,987,980	742,577	6,165,861
Creditors due within one year	-	(1,829,928)	-	(1,829,928)
Creditors due in more than one year	-	(141,602)	-	(141,602)
Total	2,435,304	1,016,450	27,145,027	30,596,781

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	-	-	26,399,906	26,399,906
Current assets	2,689,558	2,096,092	450,334	5,235,984
Creditors due within one year	-	(1,478,708)	-	(1,478,708)
Creditors due in more than one year	-	(156,705)	-	(156,705)
Provisions for liabilities and charges	-	(704,000)	-	(704,000)
Total	2,689,558	(243,321)	26,850,240	29,296,477

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

21. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	369,304	(646,702)
Adjustments for:		
Depreciation	540,703	492,007
Capital grants from DfE and other capital income	(693,511)	(704,268)
Interest receivable	(8,743)	(1,058)
Defined benefit pension scheme cost less contributions payable	212,000	1,175,000
Defined benefit pension scheme finance cost	15,000	101,000
(Increase)/decrease in debtors	212,584	(107,378)
Increase/(decrease) in creditors	139,098	(710,443)
Net cash provided by/(used in) operating activities	786,435	(401,842)

22. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(15,103)	(27,527)
Net cash used in financing activities	(15,103)	(27,527)

23. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	8,743	1,058
Purchase of tangible fixed assets	(331,125)	(42,736)
Capital grants from DfE Group	693,511	704,268
Net cash provided by investing activities	371,129	662,590

The Tenax Schools Trust
(A Company Limited by Guarantee)

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	5,679,128	4,536,667
Total cash and cash equivalents	5,679,128	4,536,667

25. Analysis of changes in net debt

	At 1 September 2022	Cash flows	At 31 August 2023
	£	£	£
Cash at bank and in hand	4,536,667	1,142,461	5,679,128
Debt due within 1 year	(180,507)	(234,527)	(415,034)
Debt due after 1 year	(156,705)	15,103	(141,602)
	4,199,455	923,037	5,122,492

Notes to the Financial Statements
For the year ended 31 August 2023

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 and East Sussex County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £401,207 were payable to the schemes at 31 August 2023 (2022 - £166,062) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

The 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 £2,378,187 (2022 - £1,766,718).

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.

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £979,000 (2022 - £845,000), of which employer's contributions totalled £759,000 (2022 - £651,000) and employees' contributions totalled £ 220,000 (2022 - £194,000). The agreed contribution rates for future years are 22.5 (KCC) and 14.5 - 14.8 (ESCC) per cent for employers and 5.5 to 12.5 per cent for employees.

As set out in note 3, the plan surplus as at 31 August 2023 was £255,000 (plan deficit 2022: £704,000). 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.

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

Principal actuarial assumptions

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

East Sussex County Council Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	3.90	2.90
Rate of increase for pensions in payment/inflation	2.90	2.9
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:

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

26. Pension commitments (continued)

	2023 Years	2022 Years
Retiring today		
Males	20.9	21.2
Females	23.8	23.8
Retiring in 20 years		
Males	21.9	22.1
Females	25.3	25.1

Sensitivity analysis

Kent County Council Pension Fund

	2023 £000	2022 £000
Discount rate -0.1%	152,000	174,000
Mortality assumption - 1 year increase	239,000	221,000
Pension rate +0.1%	146,000	162,000

East Sussex County Council Pension Fund

	2023 £000	2022 £000
Discount rate -0.1% (2022 -0.5%)	38,000	43,000
Salary rate +0.1% (2022 +0.5%)	1,000	2,000
Pension rate +0.1% (2022 +0.5%)	37,000	40,000

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	6,907,000	5,961,000
Gifts	50,000	43,000
Corporate bonds	1,451,000	1,205,000
Property	997,000	1,010,000
Cash and other liquid assets	118,000	162,000
Target return portfolio	609,000	531,000
Infrastructure	322,000	-
Total market value of assets	10,454,000	8,912,000

The actual return on scheme assets was £(-82,000) (2022 - £(-70,000)).

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

26. Pension commitments (continued)

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

	2023 £	2022 £
Current service cost	(966,000)	(1,821,000)
Interest income	394,000	143,000
Interest cost	(409,000)	(244,000)
Administrative expenses	(5,000)	(5,000)
Total amount recognised in the Statement of Financial Activities	(986,000)	(1,927,000)

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

	2023 £	2022 £
At 1 September	9,607,000	14,778,000
Interest cost	409,000	244,000
Employee contributions	220,000	194,000
Actuarial gains	(468,000)	(6,998,000)
Benefits paid	(197,000)	(180,000)
Current service costs	966,000	1,821,000
Change in demographic assumptions	(83,000)	(252,000)
At 31 August	10,454,000	9,607,000

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

	2023 £	2022 £
At 1 September	8,903,000	8,313,000
Interest income	394,000	143,000
Actuarial gains/(losses)	380,000	(213,000)
Employer contributions	759,000	651,000
Employee contributions	220,000	194,000
Benefits paid	(197,000)	(180,000)
Administration expenses	(5,000)	(5,000)
At 31 August	10,454,000	8,903,000

The Tenax Schools Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the year ended 31 August 2023

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	130,377	53,199
Later than 1 year and not later than 5 years	155,310	84,895
Later than 5 years	-	2,682
	<u>285,687</u>	<u>140,776</u>

28. Members' liability

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

29. Related party transactions

Owing to the nature of the 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 took place in the financial period:

The Rochester Diocesan Board own the legal title of the land and freehold property where the Bennett Memorial Diocesan academy is situated therefore only the value of the land that is owned by the Academy Trust, comprising the school sports field and driveway, is included in these financial statements. There is no formal lease in place and the Rochester Diocesan Board do not charge rent for the use of the property.

30. Controlling party

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