
THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

M Rea (until 30 March 2022)
M Bunn
D Cooksey
K Dallow

Trustees

M Rea, Chairman, Chair
K Bailey
P Jackson, Executive Officer
M Hayward
S Salisbury
V Lee
J Tilley (resigned 30 March 2022)
S Turner
G Scott
K Kavanagh (appointed 29 November 2022)

Company registered number

10765135

Company name

The Villages Multi-Academy Trust

Principal and registered office

Ankerage Green
Worcester
WR4 0DZ

Company secretary

A Thomas

Chief executive officer

P Jackson

Senior management team

P Jackson, Chief Executive Officer
R Thorp, Principal (Lyppard Grange Primary)
R Higgins, Principal (Nunnery Wood Primary)
D Groves, Deputy Principal (Lyppard Grange Primary)
R Bidwell, Deputy Principal (Nunnery Wood Primary)
A Thomas, Company Secretary

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditors

Randall & Payne LLP
Chartered Accountants & Statutory Auditors
Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Bankers

Lloyds Bank
4 The Cross
The Avenue
Worcester
WR1 3PY

THE VILLAGES' MULTI-ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

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

This is the Trustees' fifth annual report; the company was incorporated in May 2017. The Lyppard Grange Primary School converted and opened as an academy on 1st September 2017 with Nunnery Wood Primary School joining the Trust as an academy on 1st July 2018.

Both academy schools are within the city of Worcester, serving diverse communities. At the January 2021 census, a total of 826 pupils aged 4 years to 11 years were on roll.

Structure, governance and management

a. Constitution

The Villages' Multi-Academy Trust (the Trust) is a company limited by guarantee and an exempt charity (the Company). The Company's memorandum and articles of association are the primary governing documents of the Trust.

The Trustees are also the directors of the Company for the purposes of company law. The Company operates as The Villages' Multi-Academy 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.

b. Members' liability

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

c. Trustees' indemnities

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

d. Method of recruitment and appointment or election of Trustees

The members are entitled to appoint 11 Trustees. Trustees are selected according to the expertise and skills required by the Trust. The Board completes an annual skills audit of its trustees and uses this as a basis to identify any shortfalls in expertise in the Board's composition. Existing trustees draw on their wide network of professional contacts to source new trustees with the appropriate skills and expertise. For example, the two most recent appointees to the Board have been recruited because of their experience in risk management and quality assurance, and business development. All trustees are appointed rather than elected. The Chief Executive Officer (CEO) is also a Trustee.

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

Training and induction for Trustees will depend on their prior experience and/or knowledge. Most induction is carried out 'in-house' but external trainers may be brought in, and Trustees may attend external training provision where this is appropriate. All trustees take responsibility for keeping themselves up to date with developments in the sector. The CEO provides briefings and updates on developments in education and associated matters.

f. Organisational structure

The full board of the Trust (the Board) meets at least six times per year. During the year there has been a restructuring of the Board's committees. Previously there were four main committees of the Board which met up to six times per year: Business; Audit and Risk; Performance, Pay and Personnel; and School Improvement. In restructuring, the Business Committee was merged with Audit and Risk, and Personnel merged with School Improvement. This was driven by a desire to operate in a lean and efficient manner. The committees enable detailed discussions, understanding and scrutiny. Each committee reports on its meetings to the full board. The scope and remit of each committee is set out in the Trust's Scheme of Delegation and associated terms of reference.

Although some interim decisions are made within these committees, with full ratification being required by the Board, each committee has a range of delegated decision-making powers. Governance of each academy is delegated to Local Governing Bodies (LGBs). It is for each LGB to determine the most effective governance structure for their academy. The day-to-day operation of each academy is delegated to the Head Teacher and Senior Leadership Team of each academy which report back to their LGB as appropriate. The Head teachers and Senior Leadership Teams work with the support and collaboration of the CEO. The day-to-day operation of the Trust is delegated to the CEO, who reports directly to the Board. The CEO is the accounting officer.

For the period from 15 October 2021 to 15 April 2022, the CEO was absent from work. The principal of Nunnery Wood Primary School became interim Accounting Officer for the duration of this period whilst non-executive directors took a more hands-on role in managing the Trust's work. The CEO's absence gave the Trust Board and LGBs the opportunity to evaluate the leadership model in place for Lyppard Grange, Nunnery Wood and the Villages' Trust and consider how effective it is in supporting the wider aims and objectives of our schools and the Trust. As a result, the Trust Board decided to make some changes. At the start of the Summer Term, Mrs Becky Thorp became Head Teacher of Lyppard Grange Primary School and Mr Dave Groves became the Deputy Head Teacher.

Relinquishing the headship enables Phil Jackson to further focus on the broader aims of the Trust as Chief Executive Officer. First and foremost, this means ensuring both Lyppard Grange and Nunnery Wood continue to provide good education for the children in each school. As well ensuring the Trust meets its statutory obligations, the CEO's other key objective is to further grow the Trust with additional schools. This in turn, will increase our capacity to support each school.

Despite the restrictions necessitated by the Covid 19 pandemic now easing, Trustees' meetings have continued to be conducted virtually during this reporting period. A return to in-person meetings is planned for November 2022. During 2021-2022, there were times when meetings were postponed due to operational necessity. In such circumstances (for example School Improvement Committee), chairs and headteachers managed issues that arose and communicated any updates for continued scrutiny.

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TRUSTEES' REPORT (CONTINUED)
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Structure, governance and management (continued)

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

The Board has set a separate Pay Policy for Teaching Staff and for Support Staff. These are based on national models and apply to both schools within the Trust. These policies include information relating to the setting of pay and remuneration for the senior leadership as well as the CEO. No other Trustees are remunerated for their work. The Pay Policies are closely linked to the Trust's Performance Management (Teachers) Policy and Non-Teaching Staff Appraisal Policy.

Pay progression for teachers, including senior leaders, is directly linked to performance and pupil outcomes. Performance reviews for the CEO and headteachers is completed by a dedicated committee of Trustees, with input from LGBs and an appropriately experienced external advisor. The final decisions on senior staff remuneration are taken by the full Board. Performance management and pay progression of deputy head teachers and all other staff is delegated to the LGBs, who act on the recommendations of the respective headteacher in each school.

h. Trade Union Facility Time

As the Trust contracts into trade union facilitation through Worcestershire County Council's arrangement with local trade union officials, no employees of the Trust acted as trade union officials during the period.

Total cost of trade union facilitation	£ 1,658.22
Total pay bill	£ 3,332,226.86
Percentage of pay bill spent on trade union facilitation	0.0498%

i. Related Parties and Other Connected Charities and Organisations

The Trust had two related party relationships; spouses of two of the Trusts' directors are employed by the Trust. They were employed prior to conversion as an Academy and are remunerated in accordance with the normal pay scales for their roles. The related directors play no role in their performance reviews or salary considerations.

Additionally, one of the Trust directors, Mr J Tilley, is a school improvement advisor, providing some services to the schools. During this period services were provided both for free and at cost depending on the nature of the work. Charges for work completed in 2021-2022 were authorised in advance by the full Trust Board and the ESFA. This Trustee resigned during the period and therefore, any work to be undertaken in the future would not be as a related party.

These relationships are acknowledged in the Trustees' declarations of interest forms annually and these are published on the Trust's website. Any financial transactions are disclosed in the notes to the accounts.

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

Objectives and activities

a. Objectives and aims

The principal activity of the Company is the operation of two academies, The Lyppard Grange Primary School and Nunnery Wood Primary School, to provide education for pupils aged four years to eleven years.

The Trust has a central over-riding aspiration: to provide children with the very best possible start by 'empowering children to be secure, engaged and equipped for life.'

Objectives, Strategies and Activities

In empowering children to be secure, the Trust seeks to ensure they are:

- Self-aware; knowing their own strengths and weaknesses
- Self-disciplined and hard working
- Content in themselves with high self-esteem and a good sense of self-worth
- Confident in their own abilities
- Able to recognise right and wrong, with a sound moral compass
- Fit, healthy and active

In empowering children to be engaged, the Trust seeks to ensure they:

- A sense of responsibility
- Awareness of their community – locally, nationally & globally
- A willingness to participate in those communities
- Awareness of and empathy with others
- The willingness and ability to keep learning
- Strong communication and social skills

In empowering children to be equipped for life, the Trust seeks to ensure they are:

- Numerate & Literate
- Ready for the changing technological world
- Positive in their outlook
- Prepared to broaden their horizons
- Committed, tenacious and resilient
- Adaptable, independent and good team players
- Polite, respectful and courteous

Implicit in the vision of the Trust are core principles which govern the way in which each school operates and underpins decision making against which each school's performance and outcomes are measured:

- The needs of children are the highest priority – securing excellent outcomes for children is the raison d'être of our schools
- Each school is best placed to make the right decisions for the children in that school
- Effective collaboration between schools can have a significantly positive impact on raising standards
- Honest, open and transparent relationships between all stakeholders in schools – Members, Trustees, Governors, senior leaders, staff, children and parents – underpin effective collaboration. Positive, active partnerships are fundamental to sustained success.

Our aim to 'empower... to be secure, engaged and equipped for life' is not limited to the children in our school. We are as equally committed to empowering our staff to be secure and engaged in their work and equipped to be as effective in that as possible. This is reflected in our commitment to support staff at all stages of their careers across all roles within our schools. Our schools have a strong track record in developing a wide range of staff to ensure they are effective in their existing roles, as well as supporting those whose ambitions lie in progressing to leadership roles or broadening their expertise within education, administration or business practise.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

We recognise that our schools have a responsibility to develop new teachers, future leaders and support staff. Providing high quality CPD, development opportunities and experiences enable our newest teachers to develop their skills and improve their practise for the benefit of the children they teach. Similarly, middle and senior leaders have opportunities to further develop the range of expertise required by leaders in our schools, whether that be by leading specific projects or strands of schoolwork, undertaking national professional qualifications or working with other schools. This contributes to our own succession planning but also means the Trust and our schools are active participants in the shared responsibility of the profession to prepare future school leaders. In short, providing excellent continuing professional development is a non-negotiable feature of our schools and further growth of our Trust will enable us to improve this through increased expertise and capacity.

Beyond our children and staff, the Trust strives to empower our schools. We have a firm belief that each school's curriculum provision should meet the needs and benefit local children, local families, and local communities. Leaders, including those who serve on our local governing bodies, which are made up of parent governors as well as governors appointed by the Trust Board, are best placed to understand the needs of each cohort within their school and to identify and provide the broad and balanced curriculum they need to be ready for the next stage of their education.

To facilitate and promote the empowerment of each school, our Trust Board recognises the need for schools to have security. Fundamentally this relates to financial security, providing schools with the confidence that funding streams are maximised, expenditure carefully planned and monitored and that ultimately, budgets are enabling. It also relates though to supporting schools to be secure environments where children, staff and others are physically and emotionally safe and secure, and their health, safety and welfare promoted.

Similarly, we aim for our schools to be engaged in their communities and the wider city. Our headteachers take seriously the part they play alongside other headteachers in providing education to the children of Worcester. They lead our schools in engaging in city-wide collaboration at a range of levels and in a range of contexts – from meeting with other headteachers to consider current developments in education collectively, to enabling teachers, subject leaders, and others to work in association with their counterparts at schools across the city. In enabling our schools to be engaged, we enable our children to engage locally, regionally, nationally, and internationally, giving opportunities for children to participate in a wide range of enrichment activities within and significantly beyond Worcester.

Equipping our schools for life is also multi-faceted. At its simplest, the Trust ensures that each school has the resources it needs to provide the very best possible outcomes for the children. This includes recruiting and retaining the highest calibre of staff - teaching and non-teaching – as well as ensuring children and staff have access to high quality and reliable resources including technology, indoor and outdoor equipment. Being equipped for life is also reflected in the maintenance and development of our premises and accommodation, keeping them attractive and enabling learning environments.

Also, central to empowering our schools to be equipped for life is strong succession planning at all levels of our organisation. As well as ensuring that we provide training, experience and support to create future leaders, we are committed to nurturing new talent whether that be those who work as part of the teaching team, such as initial teacher training students or early career teachers, those embarking on a career as a teaching assistant, or those who join our administrative or premises teams.

There is an old African proverb which asserts that 'it takes a village to raise a child.' By working in partnership and collaboration, each of our schools are empowered to be secure, engaged and equipped to ensure that, in turn, our staff are empowered to be secure, engaged and equipped for life in our schools so that children raised in The Villages' Multi-Academy Trust are empowered to be secure, engaged and equipped for life.

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

Objectives and activities (continued)

b. Activity

This has been an exciting and engaging year for children in our schools. As the world emerged from the restrictions imposed due to the pandemic, our schools began the journey back towards some sense of normality – tentatively initially, but as time progressed, with increasing confidence and assuredness, and always with a desire to do the best we could for children and families. The staff teams at both schools approached the start of the new academic year with enthusiasm and looked for opportunities to reintroduce those elements of curriculum provision which had necessarily been suspended for the preceding eighteen months.

Good Schools

We are delighted that an Ofsted Inspection in March 2022, recognised Lyppard Grange as continuing to be a 'good' school, acknowledging the positive attitude and hard work of the children, staff, parents and governors, in partnership together. The opening paragraph of the inspection report, 'Pupils enjoy attending Lyppard Grange Primary School. They are respectful, perceptive and articulate. Pupils benefit from the school's balanced curriculum and enjoy work that makes them think', encapsulates everything the school aspires to achieve in fulfilling our mission statement of 'Empowering children to be secure, engaged and equipped for life'.

Two recommendations have been made for the school to improve further:

- documenting the ambitious curriculum in place at the school
- ensuring teaching assistants are always effectively deployed, so that their wide-ranging skills and knowledge have the greatest impact.

Similarly, the Trustees are thrilled that Nunnery Wood Primary School was also judged to be a 'good' school following an inspection by Ofsted in October 2022 (this is not strictly within the reporting period covered by this report). The recommendations for improvement are very similar to those made at Lyppard Grange, focusing on ensuring subject leaders have opportunities to monitor and evaluate the quality of the curriculum, and ensuring all teaching assistants are equipped to carry out their roles effectively.

The Trustees are hugely grateful to the whole staff team at Lyppard Grange and Nunnery Wood primary schools for their ongoing hard work and achievement of these positive outcomes.

Clearly, the very positive outcomes of these inspections provide fertile ground for further school to school collaboration, support and development.

Curriculum Provision

As recognised in the Ofsted visits, our teaching teams planned an increasingly broad and balanced curriculum, ensuring clear progression in provision and expectations so that as children move through school they know more and can do more. Teachers swiftly reinstated the high-quality, relevant and meaningful enrichment and enhancement opportunities that were a feature of provision prior to the pandemic.

The best schools ensure curriculum development is ongoing, and it is important to recognise that the current provision ensures children receive the full entitlement of the Early Years curriculum / National Curriculum.

Curriculum Enrichment – Educational Visits

Opportunities for children to participate in educational visits once again were embraced and during the course of the year, various groups visited a significant range of venues related to a number of subject areas including Cotswold Wildlife Park, Birmingham Repertory Theatre, Roman Baths, the National Space Centre, and Warwick Castle.

In addition to single-day visits, our schools reintroduced residential visits. Over 200 children from both schools visited the Pioneer Centre for three-day outdoor adventurous programmes. Such visits give the children

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

Objectives and activities (continued)

extensive opportunities to develop independence, teamwork and resilience, taking risks in a controlled environment and pushing themselves beyond their own expectations. Such visits are key milestones in the journey children make in our schools.

Curriculum Enrichment – the Arts

Both schools continued their ongoing commitment to enabling children to understand and participate in the arts. An extensive musical tuition programme was re-established, with individuals, groups and whole classes benefiting from high quality lessons. Some 200 children currently have instrumental music lessons at our schools.

Opportunities for singing also returned, as our pupils joined thousands of children from across the region as part of the Young Voices choir at the Resorts World Arena, National Exhibition Centre.

Curriculum Enrichment – Sport

A broad repertoire of sporting activity was revived as our schools collaborated with other local schools to stage inter-school tournaments across a range of sports including athletics, football, rugby, and netball. Children with additional needs also joined a Worcester-wide group for an inclusion festival of sport. The Pioneer Centre was not the only source of adventurous activities; children from both schools ventured out on the River Severn in bell-boats, with some then going on to compete in a city-wide regatta.

Curriculum Enrichment – British Values

As restrictions were removed, children across the Trust were able to participate in activities to celebrate the 70th Jubilee of the Queen. Teachers took this uplifting opportunity to reinforce children's understanding of our shared British Values whilst celebrating the Queen's service to the country.

Support for Disadvantaged Children

Supporting disadvantaged children has continued to be a priority. Specific funding streams have been carefully managed to ensure maximum impact. Pupil Premium continues to fund a range of provision and opportunity. Leaders used this funding stream to provide additional support for children individually and in small group activity. The funding has also enabled us to provide additional teaching assistant support, and the provision of a pastoral support worker as well as a family liaison officer. Additionally, Pupil Premium funding was used to support disadvantaged children to participate in educational visits with single-day visits fully funded and residential 50% funded by each school.

Additional funding provided through the National Tutoring Programme and the Covid Recovery Premium enabled schools to provide targeted academic support. Through a variety of delivery models, 80 children benefited from this bespoke, personalised learning.

School to School Collaboration

The Trust has continued to develop structures and mechanisms for our schools to work collaboratively to the benefit of all pupils. The academies' leadership teams planned opportunities for teachers at all levels to work on cross-school projects. Senior leaders have led this work, seeking opportunities to develop consistent approaches to a wide range of school activity. Examples include setting priorities for school improvement, tracking pupils' progress and target setting, staff performance management, attendance, and budget and resource management. Similarly, subject leaders have continued to work together on aspects of planning and provision to ensure that best practise is being shared and implemented in both schools.

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

Objectives and activities (continued)

Governance

At Board level, work has continued to focus on consolidating the effective leadership and governance of the Company and its schools, further refining the Trust's business functions, and supporting the work of both academies. Changes resulting from the restructured leadership team at both schools, supported by the revised CEO's role is already proving to be beneficial.

Trustees, together with the Governors and senior leaders of the academies, have developed a framework for enhancing the quality of teaching and learning within both schools: promoting the sharing of best practice; sharpening the focus on pupil outcomes still further.

The Trust continues to invest in its staff, seeking to recruit the best teachers and support staff, providing high-quality, professional development, and establishing effective succession planning to secure excellent outcomes for pupils going forward.

Promoting the health and welfare of children

Both academies have maintained their strong commitment to promoting the safety and welfare of all pupils within the Trust. The Trust has well-established and effective child protection policies and procedures. It works proactively with other agencies to support children and their families. The recent Ofsted inspections identified that safeguarding of pupils was robust, rigorous and effective in both schools.

Trust Growth

The Trust's ambitions for growth were hampered significantly both by the pandemic and by the absence of the CEO for a large part of the period. The Trust's determination to grow in order to increase capacity for further school improvement has driven the restructuring of its executive leadership with the goal of producing even better outcomes for pupils. This is reflected in the Trust's expectations of its CEO with clear goals set for the recruitment of new academies in coming years.

The Trust's ability to grow will depend on its business and administrative capacity to support that growth. Accordingly, the CEO continues to focus on improving the quality of both personnel and systems such that they scale as we grow, ensuring we can deliver services which promote and support excellent education for all pupils.

c. Public benefit

In setting Trust objectives, The Board has considered the Charity Commission's guidance on public benefit carefully. The primary purpose of the Trust is the advancement of effective education of pupils attending the two academies.

Both academies have the aspiration of providing the very best education to all pupils regardless of family background and circumstances, aiming to ensure all fulfil their potential and are fully ready for the next stage of their education.

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

Strategic report

Achievements and Performance

a. Key performance indicators

The Trust uses the attainment, progress, attendance, and behaviour of pupils in each academy as KPIs for the delivery of its primary objective. These are compared with the local authority and national averages where this data is available.

	Nunnery Wood	Lyppard Grange	LA Worcestershire	National
Whole school attendance	92.9	94.3		
% Achieving a good level of development (GLD) at the end of Reception	58.0	72.0	65.0	65.0
% Meeting Phonics threshold at the end of Y1	65.5	88.3	77.0	75.5
% Meeting phonics threshold by the end of Y2	85.0	93.0	87.8	86.9
KS1 % reaching the expected standard in:				
Reading	66.7	69.5	68.1	66.9
Writing	58.3	71.2	58.7	57.6
Maths	71.7	74.6	68.7	67.6
Re, Wr and Ma combined	58.3	64.4	54.5	53.4
KS2 % reaching the expected standard in:				
Reading	76.7	87.0	73.0	74.5
Writing	86.7	78.3	68.6	69.4
Maths	73.3	73.9	68.8	71.4
Re, Wr & Ma Combined	63.3	60.9	56.5	58.7

In almost all areas, both Nunnery Wood Primary School and Lyppard Grange Primary School pupils achieved better outcomes than their peers nationally, and in many areas, their peers locally too. This statistical analysis overview of performance reflects the findings of recent inspections, and more importantly, the lived experience of children in our schools.

The Financial impact of living with Covid

Nominally, September 2021 marked a return to normality, with all schools opening their doors to all classes. With most adults vaccinated there were high hopes of a resilient work force, but with vaccination still not available to younger children, many contracted the virus as they mixed freely once more. Worse still, the new Omicron variant proved capable of infecting even those adults that had had earlier variants or were fully vaccinated. Class bubbles, isolation periods, good ventilation and regular wiping down of surfaces were all deployed to help control the virus, but such measures created higher cleaning and heating costs. The most significant impact on the budget was in supply. The Trust was fortunate that good supply relationships meant that we could usually find the necessary extra staff, but the supply budget had to be adjusted up regularly.

Many extracurricular activities restarted but with most costs covered by parental contributions the revenue effect is neutral. Covid catchup funding was a welcome relief to support pupils regaining learning opportunities lost to Covid. This was further boosted by £13K funds carried forward from the previous year which had been earmarked to support summer camp where significant external funding was found. Every penny of the National Tutoring Fund was used and this and the recovery funds were judiciously spent and effectively targeted as shown by the excellent learning outcomes in national testing.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and Performance (continued)

Both schools have seen significant increases in SEND provision and whilst this is testament to the care and support available in our inclusive community, this care comes at a cost since top-up funding assumes base funding of £10,000 per pupil when the reality for schools in a poorly funded county like Worcestershire is a funding floor of only £4,180 per pupil. This deficit must be addressed as a national priority.

The Trust achieved a modest operational surplus before asset depreciation but part of this was due to planned capital expenditure having to be deferred on account of supply issues. This investment will now happen in the new academic year with LED lighting helping to tackle rising energy costs and better broadband enabling better communications and improved facilities for IT delivery in class.

b. Going concern

The Board has a reasonable expectation that the Trust has adequate resources to continue its operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies notes to the financial statements.

Financial review

The accounting period runs from 1 September 2021 to 31 August 2022. The majority of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period and the associated expenditure are shown as restricted funds in the statement of financial activities. All expenditure supports the activities of both academies within the Trust and is monitored carefully by both the local governing bodies and the Board, specifically through its Business Committee.

The Board will continue to monitor the financial performance of the academies within the Trust. In the medium to long term, further economies can be found through collaborative planning and purchasing arrangements, particularly for the provision of core services such as HR, payroll and other financial services. The Board considers opportunities for making use of central government's National Deals for Schools.

- In the year there was a deficit of £310,346 (2021: deficit £184,415) and after movements in the pension fund the net movement in funds totalled a surplus of £1,594,654 (2021: deficit £344,415).
- Closing reserves at 31 August 2022 totalled £7,948,662 (2021: £6,354,008). the closing LGPS pension deficit was £1,878,000 (2021: £3,547,000) and the Restricted fixed asset reserve was £9,190,967 (2021:£9,362,933).

a. Reserves policy

The Trust's policy is to maintain an adequate level of reserves to provide a stable basis for the continued operation of the Trust and the academies within it, whilst ensuring that excessive funds are not accumulated. Notionally this equates to reserves of at least one month's average salary costs.

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

b. Investment policy

It is anticipated that the Trust will have surplus cash available, both as a result of cash flow planning and the implementation of the reserves policy. Such surplus cash should be invested to ensure that the Trust receives an acceptable income stream without putting the funds at risk.

The Board judges that risk-free bank deposit accounts are the most appropriate place to invest surplus cash at the current time. Advice should be taken from the Trust's bankers and funds invested as follows:

- Working capital to be held in a Lloyds bank current account or equivalent. A balance of at least 1 month's salary costs should be maintained. It is recognised that a small amount of interest is payable on this balance but that Lloyds also offer academies free banking which results in this lower interest rate.
- Surplus cash should be invested in a mixture of 30-day, 90-day and 12 months' notice accounts with Lloyds bank or a similar provider. The goal being to earn higher interest rates than on the current account but to stagger easy access to funds over the year to meet cash flow requirements. Investment in any single institution will be limited to the value of the indemnity provided by the Financial Authority overseeing that institution.
- Any interest earned should be paid into the Trust's central budget to benefit all schools proportionally to their contribution.

Balances invested should be reported to the Board on a termly basis.

The Board has agreed not to invest reserves in stocks and shares or other volatile investments as these are deemed to represent an unacceptable level of risk to the Trust. Should the Board consider investing funds in anything other than risk-free bank deposit accounts, then it must seek appropriate professional financial advice..

c. Principal risks and uncertainties

The Board maintains an effective, graded and up-to-date risk register which is reviewed by the Business, Risk and Audit Committee as a standing item on every agenda. The principal risks are related to accurate financial management and reporting, as well as future funding developments, not least because of a shifting political and economic landscape, particularly as a result of the legacy of financial costs of the pandemic nationally. The small decline in pupil numbers on roll due to a lower birth rate within their own and surrounding catchment areas, has already had an impact within Nunnery Wood. Small declines in pupil numbers together with growing uncertainty about the security of full and fair funding for schools is routinely modelled as budgets are forecast for the years ahead. The Board maintains a watchful eye on individual academy performance in terms of pupil outcomes together with future funding indicators, forecast pupil numbers and the costs of building maintenance and improvement.

The Board is acutely aware that poor outcomes for pupils could lead to a decline in pupil numbers and this would have an adverse impact on future funding. The Trust's School Improvement committee, local governing bodies and senior leaders are focused clearly on securing good outcomes for all pupils.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Fundraising

Both schools participate in low-level fundraising activities, largely attracting funds from its parent body through traditional means, ranging from fireworks events to summer fayres and bingo nights. Occasional sponsorship for sports kit has been secured but beyond this there are no formal commercial fundraising relationships. Much of this activity was curtailed by the pandemic. With the exception of an annual fireworks spectacular at Lyppard Grange, all additional events have been re-established across the Trust.

Neither school has received any complaints in relation to fundraising activity. None of the fundraising ventures of either school could be seen to intrude or place undue pressure on vulnerable people.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Fundraising (continued)

Streamlined Energy and Carbon Reporting

	Lyppard	Nunnery
Pupil Numbers	421	405
Energy consumption used to calculate emissions (kwh)	233,655	192,382
Energy consumption break down (kwh) (optional)		
• gas	151,592	136,444
• electricity	82,063	55,938
• transport fuel	-	-
	Lyppard	Nunnery
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	31	28
Owned transport – mini-buses		
<u>Total scope 1</u>	31	28
<u>Scope 2 emissions in metric tonnes CO₂e</u>		
Purchased electricity	19	13
<u>Scope 3 emissions in metric tonnes CO₂e</u>		
Business travel in employee owned vehicles	0.0	
Total gross emissions in metric tonnes CO ₂ e	50	41
<u>Intensity ratio</u>		
Tonnes CO ₂ e per pupil	0.12	0.10

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Plans for future periods

There are several strands to the Board's future plans:

- Build on the good outcomes achieved by both schools in their respective Ofsted inspections by addressing the recommendations for improvement around curriculum monitoring and the effective deployment of teaching assistants.
- Continue to address all legacy issues arising from the Covid pandemic – pupils' attendance, pupils' readiness to learn, pupils' social, emotional and mental health, and further narrowing the gaps in attainment and achievement between disadvantaged pupils and their peers.
- Extending and further strengthening collaborations in teaching and learning between the two existing academies within the Trust, because we know that school-to-school support leads to improved outcomes for pupils.
- Rigorously pursue opportunities to grow the number of academies within the Trust to bolster expertise and enhance capacity to improve. The Trustees continue to work with the local governing bodies to ensure governance of the Trust and each school is fit for purpose and effective in supporting senior leaders to ensure children have the very best possible start in life.

Funds held as custodian on behalf of others

No funds are held by the Trust as custodian trustees on behalf of others.

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.

Auditors

Randall and Payne LLP, Cheltenham have acted as auditors for the reporting period. The current contract for audit services ends upon completion of the AAR submission to the ESFA at the end of January 2023, when the Trust will invite tenders for auditing services for the next period.

Insofar as the Board is aware, there is no relevant audit information of which the Company's auditor is unaware. The Board has taken all steps that it ought to have taken to make itself aware of any relevant audit information and to establish that the auditor is aware of that information.

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



.....
M Rea, Chairman
Chair of Trustees
Date: 13 December 2022

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees (the Board) has delegated the day-to-day responsibility to the 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 Villages' Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 7 times during the year.

The composition of the board of trustees was broadly stable during the year with just one resignation. The Board continues to have appropriate experience and expertise, notably within finance, HR, education and property management, as well as business growth and development, and education risk management and quality assurance. The Board continues to seek additional trustees to support its activities.

A trustee with legal expertise would be welcome. In the absence of successfully appointing a trustee with such expertise, the chief executive has identified a suitable source for sector specific legal advice to support the Board and wider company as necessary. Additionally, further non-executive primary sector education experience would be welcomed too.

During the period the Board has revised its committee structure to ensure it can be agile and responsive: the Business Committee and the Risk and Audit Committee have been amalgamated as has the Performance, Pay and Personnel Committee and School Improvement Committee.

To aid their work, Directors have received regular internal management reports on the Trust's finances both at individual academy level and in consolidated format. The Trust has completed the School Resource Management Self-Assessment Tool and is compliant in all areas. The Board has received detailed information on pupil outcomes for both academies via internal monitoring by senior leaders, governors and directors. Where available, this information is supplemented by external data sets provided by DfE/Ofsted and through a service level agreement with the Data Analysis team at Worcestershire County Council. Both academies and the Board also make use of an external education consultant. The Board is confident that the quality of information is accurate and reliable and has aided effective decision making.

The full Board and individual committees have reviewed their overall effectiveness at the end of the academic year; this process was overseen by the Audit and Risk Committee. Trustees consider that the Board and its committees have been effective in discharging their responsibilities and point to the following evidence in support of this assertion:

- All meetings were above the agreed threshold for quoracy (stated as a majority of members)
- Full Board as well as committee meeting attendance is good.
- Actions are, in the majority of cases, completed. No committee stands out as performing less well than others.
- All meetings show evidence of discussion, challenge, and support.

During a period of continued challenge and disruption, the governance arrangements continue to be agile and responsive; Directors have convened extraordinary meetings where needed. Briefing notes and preparatory documents have been issued to aid preparation and ensure that the Directors make informed decisions.

The Business, Audit and Risk Committee is a sub-committee of the main Board; it is chaired by a senior qualified accountant. Its purpose is to provide scrutiny and oversight of the Trust's financial position and activity, with lead responsibility for considering funding, budgeting, and expenditure. The committee also sets the Trust's financial procedures as well as having responsibility for the Trust's estate and asset management.

Following the amalgamation of the Business and Audit and Risk Committees, this committee is also required to set and review the internal audit programme and ensure that the internal audit function is adequately resourced and has appropriate standing within the Trust. It reviews reports and recommendations of the internal audit, together with the appropriateness of management's response and monitors the implementation of action agreed by management in response to reports from the auditor including the annual management letter.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Committee also keeps under review the adequacy and effectiveness of the Trust's governance, risk management and internal control arrangements, as well as its arrangements for securing value for money, through reports and assurances received from management, internal audit, the external auditor and any other relevant independent assurances or reports.

In addition, the Business, Audit and Risk Committee also keeps under review, the Trust's financial management and reporting arrangements, providing constructive challenge (where necessary) to the actions and judgements of management in relation to the interim management and financial accounts and statements.

Attendance during the period at meetings of the full Board was as follows:

M Rea, Chairman, Chair	7	7
K Bailey	5	7
P Jackson, Chief Executive	3	7
M Hayward	6	7
S Salisbury	5	7
V Lee	6	7
J Tilley	3	3
S Turner	6	7
G Scott	4	7
K Kavanagh	0	0

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As Accounting Officer, the Executive Officer has responsibility for ensuring that the Trust delivers good value in the use of public resources. For six months of the reporting period, the role of the Accounting Officer was undertaken by Mrs R Higgins (Headteacher at Nunnery Wood Primary School) in the absence of the CEO who ordinarily acts as the Accounting Officer. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- keeping the staffing structure in both academies under review and deploying staff efficiently to support the curriculum and reflecting the intake of both schools within the Trust
- continuing to ensure expenditure is closely aligned to securing good outcomes for pupils
- ensuring that specified funding, such as Pupil Premium, Catch-Up and PE Sports grants, is spent as intended achieving desired impact
- continuing to engage with other academies and maintained schools to share good practice
- having strong Local Governing Bodies with relevant skill sets able to both support and challenge
- ensuring services and contracts are appraised and renegotiated to ensure they are fit for purpose
- benchmarking costs against similar organisations to identify areas for making savings
- ensuring the Trust has robust internal controls to monitor all financial processes
- having suitably qualified and experienced staff working within the financial departments of the schools
- seeking advice and support from other professionals to ensure regulations within the Academy Trust Handbook are adhered to and outcomes for children maximised

Three specific examples will help to show how Trust activity is maximising value for pupils, parents, and the wider community:

- Wraparound care is firmly established in both schools, and continues to be offered at a reasonable rate, supporting children who attend to have settled starts and ends to each day
- Trust-wide contracts for supplies and services are becoming increasingly commonplace and these allow for saving through economies of scale.
- Extensive effort is made when procuring high value technology equipment to ensure best value in terms of price, functionality and durability.

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; therefore, it can only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the period 1st September 2021 to 31st August 2022 and up to the date of approval of the annual report and financial statements.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and regular and consistent financial reports which are reviewed and agreed by the Board.
- regular reviews by the Business, 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 aspects of performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties.
- identification and management of risks.

The Board has considered the need for a specific internal audit function and appointed Thorne Widgery LLP as internal auditors. Their audit function includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular, the checks carried out in the current period included:

- process for setting and approving the annual budget
- testing of personnel and payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- website compliance

On an annual basis, the auditor reports directly to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the auditors prepare a summary report to the Board outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The internal audit report shows that policies, systems and procedures are broadly sound; minor recommendations have been suggested and are being acted upon.

Additionally, directors completed internal audit work, looking specifically at safeguarding arrangements, and health and safety policy, procedures and practise. These audits confirmed that safeguarding arrangements were effective – a view endorsed by Ofsted - and small amendments to Health and Safety practise would ensure best practise is in place in this area too.

On an annual basis, the external auditors report to the Board on the operation of the systems of control and on the discharge of the Board's financial responsibilities.

The reviewers have delivered their schedule of work as planned, provided details of any material control issues arising and, if relevant, described what remedial action is being taken to rectify the issues.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

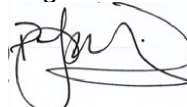
- the work of the external auditors - Randall & Payne LLP;
- the financial management and governance self-assessment process;
- the work of internal auditors - Thorne Widgery LLP;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

The Accounting Officer has acted on the above advice, implementing a plan to address weaknesses identified, and continued monitoring helps to ensure continuous improvement of the system.

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



.....
Marcus Rea
Chair of Trustees
Date: 13 December 2022



.....
Philip Jackson
Accounting Officer
Date: 13 December 2022

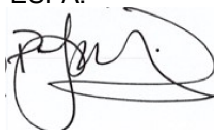
THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Villages' Multi-Academy Trust, I have considered my responsibility to notify the academy trust Board and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that the Board and I 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 Trust's funding agreement and the Academies Financial Handbook 2021.

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



Philip Jackson
Accounting Officer
Date: 13 December 2022

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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:



.....
M Rea, Chairman
Chair of Trustees
Date: 13 December 2022

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Opinion

We have audited the financial statements of The Villages' Multi-Academy Trust (the 'trust') for the year ended 31 August 2022 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 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2022 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 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the 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.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the 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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

we obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy. These include but are not limited to compliance with the Companies Act 2006, Financial Reporting Standard applicable in the UK, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;

- we agreed the financial statement disclosures to supporting documentation;
- we made enquiries of management; and
- we reviewed board minutes throughout the year.

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

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Use of our report

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



Ryan Moore CA (Senior Statutory Auditor)

for and on behalf of

Randall & Payne LLP

Chartered Accountants & Statutory Auditors

Chargrove House

Shurdington Road

Shurdington

Cheltenham

Gloucestershire

GL51 4GA

Date: 21 December 2022

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 22 May 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Villages' Multi-Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Villages' Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Villages' Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2017 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

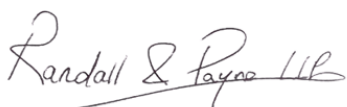
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Trust's income and expenditure.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Conclusion

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



Randall & Payne LLP

Chartered Accountants & Statutory Auditors

Chargrove House
Shurdington Road
Shurdington
Cheltenham
Gloucestershire
GL51 4GA

Date: 6 February 2023

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	2,746	-	19,309	22,055	37,028
Investments	5	170	-	-	170	129
Charitable activities		-	4,338,413	-	4,338,413	3,972,502
Total income		2,916	4,338,413	19,309	4,360,638	4,009,659
Expenditure on:						
Charitable activities	7	-	4,442,290	228,694	4,670,985	4,194,074
Total expenditure		-	4,442,290	228,694	4,670,984	4,194,074
Net income/(expenditure)		2,916	(103,877)	(209,385)	(310,346)	(184,415)
Transfers between funds	19	-	(37,419)	37,419	-	-
Net movement in funds before other recognised gains/(losses)		2,916	(141,296)	(171,966)	(310,346)	(184,415)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	1,905,000	-	1,905,000	(160,000)
Net movement in funds		2,916	1,763,704	(171,966)	1,594,654	(344,415)
Reconciliation of funds:						
Total funds brought forward		217,799	(3,226,724)	9,362,933	6,354,008	6,698,423
Net movement in funds		2,916	1,763,704	(171,966)	1,594,654	(344,415)
Total funds carried forward		220,715	(1,463,020)	9,190,967	7,948,662	6,354,008

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

The notes on pages 36 to 65 form part of these financial statements.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10765135

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	9,190,968	9,362,934
		<u>9,190,968</u>	<u>9,362,934</u>
Current assets			
Debtors	15	172,615	211,797
Cash at bank and in hand		767,876	603,142
		<u>940,491</u>	<u>814,939</u>
Creditors: amounts falling due within one year	16	(304,797)	(272,706)
Net current assets		635,694	542,233
Total assets less current liabilities		<u>9,826,662</u>	<u>9,905,167</u>
Creditors: amounts falling due after more than one year	17	-	(4,159)
Net assets excluding pension liability		9,826,662	9,901,008
Defined benefit pension scheme liability	25	(1,878,000)	(3,547,000)
Total net assets		<u><u>7,948,662</u></u>	<u><u>6,354,008</u></u>

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10765135

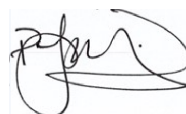
BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	9,190,967	9,362,933
Restricted income funds	19	414,980	320,276
		<hr/>	<hr/>
Restricted funds excluding pension asset	19	9,605,947	9,683,209
Pension reserve	19	(1,878,000)	(3,547,000)
		<hr/>	<hr/>
Total restricted funds	19	7,727,947	6,136,209
Unrestricted income funds	19	220,715	217,799
		<hr/>	<hr/>
Total funds		7,948,662	6,354,008
		<hr/> <hr/>	<hr/> <hr/>

The financial statements on pages 31 to 65 were approved by the Trustees, and authorised for issue on 13 December 2022 and are signed on their behalf, by:



M Rea, Chairman
Chair of Trustees



P Jackson
Accounting Officer

The notes on pages 36 to 65 form part of these financial statements.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	201,984	131,160
Cash flows from investing activities	22	(37,250)	(48,355)
Change in cash and cash equivalents in the year		164,734	82,805
Cash and cash equivalents at the beginning of the year		603,142	520,337
Cash and cash equivalents at the end of the year	23, 24	<u>767,876</u>	<u>603,142</u>

The notes on pages 36 to 65 form part of these financial statements

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The Villages' Multi-Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

Expenditure on charitable activities are costs incurred on the Trust's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All resources expended are inclusive of VAT and reclaimed from HMRC where appropriate..

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Interest receivable

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

1.7 Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than land and assets under construction, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Depreciation is provided on the following bases:

Long-term leasehold property	- 50 Years
Furniture and equipment	- 20% Straight line
Plant and machinery	- 20% Straight line
Computer equipment	- 33% Straight line

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

1.8 Debtors

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

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Financial instruments

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

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

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

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

1.12 Operating leases

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

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.13 Pensions

Retirement benefits to employees of the 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 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. As stated in note 20, the TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. The TPS is therefore 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 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 incorporating income and expenditure account 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.

1.14 Fund accounting

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

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

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	2,746	-	2,746
Capital Grants	-	19,309	19,309
	<u>2,746</u>	<u>19,309</u>	<u>22,055</u>
	<u>2,746</u>	<u>19,309</u>	<u>22,055</u>

	<i>Unrestricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	2,677	13,946	16,623
Capital Grants	-	20,405	20,405
	<u>2,677</u>	<u>34,351</u>	<u>37,028</u>
	<u>2,677</u>	<u>34,351</u>	<u>37,028</u>

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy's educational operations

	Restricted funds 2022 £	Total funds 2022 £
Direct costs - Activities (Activity 1)		
DfE/ESFA grants		
General Annual Grant	3,452,680	3,452,680
Other DfE/ESFA grants		
Rates Reclaim	13,722	13,722
Pupil Premium	176,385	176,385
Universal Infant Free School Meals	132,471	132,471
Other DfE and ESFA	84,195	84,195
	<hr/> 3,859,453	<hr/> 3,859,453
Other Government grants		
Local Authority - SEN	151,020	151,020
Local Authority - Other	8,820	8,820
	<hr/> 159,840	<hr/> 159,840
Other income from the Trust's direct costs - activities (activity 1)	286,021	286,021
COVID-19 additional funding (DfE/ESFA)		
Other DfE/ESFA COVID-19 funding	33,099	33,099
	<hr/> 33,099	<hr/> 33,099
	<hr/> 4,338,413	<hr/> 4,338,413
	<hr/> <hr/> 4,338,413	<hr/> <hr/> 4,338,413

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs - Activities (Activity 1)		
DfE/ESFA grants		
General Annual Grant	3,124,811	3,124,811
Other DfE/ESFA grants		
Rates Reclaim	13,722	13,722
Pupil Premium	163,067	163,067
Universal Infant Free School Meals	145,649	145,649
Other DfE and ESFA	190,079	190,079
Other Government Revenue*	3,428	3,428
	<u>3,640,756</u>	<u>3,640,756</u>
Other Government grants		
Local Authority - SEN	84,734	84,734
Local Authority - Other	6,076	6,076
	<u>90,810</u>	<u>90,810</u>
Other income from the Trust's direct costs - activities (activity 1)	158,736	158,736
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	82,200	82,200
	<u>82,200</u>	<u>82,200</u>
	<u>3,972,502</u>	<u>3,972,502</u>
	<u>3,972,502</u>	<u>3,972,502</u>

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Investment income - interest	170	170

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Investment income - interest	129	129

6. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £
Charitable activities				
Direct costs	2,892,489	-	285,962	3,178,451
Allocated support costs	788,763	18,147	685,624	1,492,534
	<u>3,681,252</u>	<u>18,147</u>	<u>971,586</u>	<u>4,670,985</u>

	<i>Staff Costs 2021 £</i>	<i>Premises 2021 £</i>	<i>Other 2021 £</i>	<i>Total 2021 £</i>
Charitable activities				
Direct costs	2,718,597	-	173,997	2,892,594
Allocated support costs	640,228	29,915	631,337	1,301,480
	<u>3,358,825</u>	<u>29,915</u>	<u>805,334</u>	<u>4,194,074</u>

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Total 2022 £
Direct costs - Activities	4,670,985	4,670,985

	<i>Restricted funds 2021 £</i>	<i>Total 2021 £</i>
Direct costs - Activities	4,194,074	4,194,074

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Direct costs - Activities	3,178,451	1,492,534	4,670,985

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs - Activities	2,892,594	1,301,480	4,194,074

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2022 £	Total funds 2022 £
Staff costs	2,899,483	2,899,483
Depreciation	35,364	35,364
Educational Supplies	72,036	72,036
Operating Lease Rentals	6,034	6,034
Technology Costs	10,562	10,562
Trip Costs	81,107	81,107
Office Costs	151	151
Educational Consultancy	9,905	9,905
SEN Educational Consultancy	44,991	44,991
NTP fulfillment Consultancy	18,818	18,818
	<u>3,178,451</u>	<u>3,178,451</u>

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	2,718,597	2,718,597
Depreciation	42,762	42,762
Educational Supplies	66,558	66,558
Operating Lease Rentals	7,065	7,065
Technology Costs	9,822	9,822
Trip Costs	4,094	4,094
Office Costs	411	411
Educational Consultancy	13,486	13,486
SEN Educational Consultancy	29,799	29,799
	<u>2,892,594</u>	<u>2,892,594</u>

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2022 £	Total funds 2022 £
Pension finance costs	58,000	58,000
Staff costs	781,769	781,769
Depreciation	193,330	193,330
Subscriptions and Licences	6,876	6,876
Other Staff Costs	13,841	13,841
Insurance	25,952	25,952
Technology Costs	58,903	58,903
Maintenance of Premises	19,333	19,333
Office Costs	11,715	11,715
Cleaning and Caretaking	33,966	33,966
Rates	22,629	22,629
Energy	32,931	32,931
Security	9,874	9,874
Catering	132,594	132,594
Legal & Professional	90,821	90,821
	<u>1,492,534</u>	<u>1,492,534</u>

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Pension finance costs	56,000	56,000
Staff costs	640,228	640,228
Depreciation	187,291	187,291
Subscriptions and Licences	14,403	14,403
Other Staff Costs	16,378	16,378
Insurance	14,994	14,994
Technology Costs	49,186	49,186
Maintenance of Premises	29,915	29,915
Office Costs	9,967	9,967
Cleaning and Caretaking	39,176	39,176
Rates	18,347	18,347
Energy	30,385	30,385
Security	2,816	2,816
Catering	109,093	109,093
Legal & Professional	83,301	83,301
	<u>1,301,480</u>	<u>1,301,480</u>

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	7,795	7,065
Depreciation of tangible fixed assets	228,694	230,052
Fees paid to auditors for:		
- audit	8,760	8,500
- other services	4,270	3,500
	<u>240,719</u>	<u>249,057</u>

THE VILLAGES' MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	2,562,209	2,429,238
Social security costs	217,042	199,404
Pension costs	845,111	702,551
	<u>3,624,362</u>	<u>3,331,193</u>
Agency staff costs	56,890	27,632
	<u>3,681,252</u>	<u>3,358,825</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teachers	37	40
Education Support (TAs, LTS)	85	84
Administration (Admin, Premi)	8	8
Management	5	4
	<u>135</u>	<u>136</u>

The average headcount expressed as full-time equivalents was:

	2022 No.	2021 No.
Teachers	33	35
Education Support (TAs, LTS)	43	44
Administration (Admin, Premi)	5	5
Management	5	4
	<u>86</u>	<u>88</u>

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10. Staff (continued)

c. Higher paid staff

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

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

Pension contributions for the above staff totalled £52,159 (2021: £37,166).

d. Key management personnel

Total remuneration earned by key management personnel in the year (including employer's pension contributions and national insurance contributions) was £439,085 (2021: £362,312). Key management personnel was made up of the CEO, Head and Deputy Head Teachers.

11. Central services

No central services were provided by the Trust to its academies during the year and no central charges arose.

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the 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:

		2022 £	2021 £
P Jackson, Executive Officer	Remuneration	80,000 - 85,000	80,000 - 85,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to Trustee (2021 - £35 to 1 Trustee). The expenses reimbursed were in relation to expenditure for the Year 6 Leavers party (2021 - fireworks night held at the School and the charcoal for the BBQ).

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13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £Nil (2021 - £500). The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Plant and machinery £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	9,847,055	69,972	6,027	128,287	10,051,341
Additions	-	30,198	-	26,530	56,728
At 31 August 2022	9,847,055	100,170	6,027	154,817	10,108,069
Depreciation					
At 1 September 2021	576,418	24,057	2,410	85,522	688,407
Charge for the year	172,091	20,034	1,205	35,364	228,694
At 31 August 2022	748,509	44,091	3,615	120,886	917,101
Net book value					
At 31 August 2022	9,098,546	56,079	2,412	33,931	9,190,968
At 31 August 2021	9,270,637	45,915	3,617	42,765	9,362,934

Included in land and buildings is leasehold land at valuation of £1,242,498 (2021: £1,242,498) which is not depreciated.

The leasehold property is granted on a 125 year lease for nil rental with the Local Authority. In accordance with the SORP, the assets have been recognised in the Academy Trust's accounts, representing the 'right to use' the property.

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15. Debtors

	2022 £	2021 £
Due within one year		
Other debtors	135,179	174,807
Prepayments and accrued income	37,436	36,990
	<u>172,615</u>	<u>211,797</u>

16. Creditors: Amounts falling due within one year

	2022 £	2021 £
Other loans	4,158	756
Trade creditors	33,086	6,798
Other taxation and social security	48,063	48,360
Pension payable	62,775	62,937
Other creditors	90,523	67,603
Accruals and deferred income	66,192	86,252
	<u>304,797</u>	<u>272,706</u>

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

	2022 £	2021 £
Other loans	<u>-</u>	<u>4,159</u>

In the prior period, the other loans comprised an interest-free Salix loan which was repayable over 7 years.

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18. Accruals and deferred income

	2022 £	2021 £
Deferred income at 1 September 2021	86,250	102,934
Resources deferred during the year	78,731	86,250
Amounts released from previous periods	(86,250)	(102,934)
Deferred income at 31 August 2022	78,731	86,250

Deferred income includes UIFSM, rates relief, wraparound care and trip income in 2022/23 where funds have been received in 2021/22.

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	217,799	2,916	-	-	-	220,715
	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted general funds						
General Annual Grant (GAG)	314,695	3,453,013	(3,315,309)	(37,419)	-	414,980
Rates Reclaim	-	13,722	(13,722)	-	-	-
Pupil Premium	-	176,385	(176,385)	-	-	-
Universal Infant Free School Meals	-	132,471	(132,471)	-	-	-
Other DfE and ESFA Grants	5,581	117,294	(122,875)	-	-	-
Other Local Authority Grants	-	159,840	(159,840)	-	-	-
Other income	-	285,688	(285,688)	-	-	-
Pension reserve	(3,547,000)	-	(236,000)	-	1,905,000	(1,878,000)
	(3,226,724)	4,338,413	(4,442,290)	(37,419)	1,905,000	(1,463,020)
Restricted fixed asset funds						
Fixed Assets	9,362,933	-	(228,694)	56,728	-	9,190,967
Capital grants	-	19,309	-	(19,309)	-	-
	9,362,933	19,309	(228,694)	37,419	-	9,190,967

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Total Restricted funds	6,136,209	4,357,722	(4,670,984)	-	1,905,000	7,727,947
Total funds	6,354,008	4,360,638	(4,670,984)	-	1,905,000	7,948,662

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

The restricted general fund includes grants receivable from the ESFA, LA and other government grants towards operating activities of the Academy administered by the charitable company.

The restricted fixed asset fund includes amounts receivable from the ESFA and other contributors in respect of tangible fixed assets held for Academy use.

Pension reserve - This fund relates solely to the Local Government Pension Scheme pension reserve.

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

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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
Unrestricted funds						
General Funds - all funds	214,992	2,807	-	-	-	217,799
Restricted general funds						
General Annual Grant (GAG)	219,734	3,124,811	(2,995,312)	(34,538)	-	314,695
Rates Reclaim	-	13,722	(13,722)	-	-	-
Pupil Premium	-	163,067	(163,067)	-	-	-
Universal Infant Free School Meals	-	145,649	(145,649)	-	-	-
Other DfE and ESFA Grants	600	272,279	(267,298)	-	-	5,581
Other Local Authority Grants	-	90,810	(90,810)	-	-	-
Other income	-	3,428	(3,428)	-	-	-
Other Income	-	158,736	(158,736)	-	-	-
Pension reserve	(3,261,000)	-	(126,000)	-	(160,000)	(3,547,000)
	<u>(3,040,666)</u>	<u>3,972,502</u>	<u>(3,964,022)</u>	<u>(34,538)</u>	<u>(160,000)</u>	<u>(3,226,724)</u>
Restricted fixed asset funds						
Fixed Assets	9,524,096	-	(230,052)	68,889	-	9,362,933
Capital grants	-	20,405	-	(20,405)	-	-
Donated assets from DfE	-	13,946	-	(13,946)	-	-

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

	<i>Balance at 1 September 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2021 £</i>
	9,524,096	34,351	(230,052)	34,538	-	9,362,933
Total Restricted funds	6,483,430	4,006,853	(4,194,074)	-	(160,000)	6,136,209
Total funds	6,698,422	4,009,660	(4,194,074)	-	(160,000)	6,354,008

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	2021 £
Lyppard Grange Primary School	245,493	208,481
Nunnery Wood Primary School	390,202	329,594
Total before fixed asset funds and pension reserve	635,695	538,075
Restricted fixed asset fund	9,190,967	9,362,933
Pension reserve	(1,878,000)	(3,547,000)
Total	7,948,662	6,354,008

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19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £
Lyppard Grange Primary School	1,394,961	380,809	52,632	359,016	2,187,418
Nunnery Wood Primary School	1,504,552	220,890	19,457	273,973	2,018,872
LGPS pension adjustment	-	236,000	-	-	236,000
Trust	2,899,513	837,699	72,089	632,989	4,442,290

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Lyppard Grange Primary School	1,274,578	476,445	35,134	242,294	2,028,451
Nunnery Wood Primary School	1,444,019	219,783	31,424	240,345	1,935,571
Trust	2,718,597	696,228	66,558	482,639	3,964,022

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	9,190,967	9,190,967
Current assets	525,512	414,980	-	940,492
Creditors due within one year	(304,797)	-	-	(304,797)
Provisions for liabilities and charges	-	(1,878,000)	-	(1,878,000)
Total	<u>220,715</u>	<u>(1,463,020)</u>	<u>9,190,967</u>	<u>7,948,662</u>

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(310,346)	(184,415)
Adjustments for:		
Depreciation	228,694	230,052
Dividends, interest, and rents from investments	(170)	(129)
Decrease in debtors	39,182	37,816
Increase/(decrease) in creditors	27,933	(57,759)
Capital grants from DfE and other capital income	(19,309)	(20,405)
Defined benefit pension scheme finance cost	236,000	126,000
Net cash provided by operating activities	<u>201,984</u>	<u>131,160</u>

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22. Cash flows from investing activities

	2022 £	2021 £
Dividends, interest and rents from investments	170	129
Purchase of tangible fixed assets	(56,728)	(68,889)
Capital grants from DfE Group	19,308	20,405
Net cash used in investing activities	(37,250)	(48,355)

23. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	767,876	603,142
Total cash and cash equivalents	767,876	603,142

24. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	603,142	164,734	767,876
Debt due within 1 year	(63,693)	(3,240)	(66,933)
Debt due after 1 year	(4,159)	4,159	-
	535,290	165,653	700,943

25. Pension commitments

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Worcestershire 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 £62,293 were payable to the schemes at 31 August 2022 (2021 - £62,950) and are included within creditors.

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25. Pension commitments (continued)

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 latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £356,753 (2021 - £346,745).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
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25. 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 2022 was £364,000 (2021 - £380,000), of which employer's contributions totalled £306,000 (2021 - £328,000) and employees' contributions totalled £ 58,000 (2021 - £52,000). The agreed contribution rates for future years are 25 per cent for employers and 5.5 - 8.5 per cent for employees.

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

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.4	4.2
Rate of increase for pensions in payment/inflation	3.0	2.8
Discount rate for scheme liabilities	4.3	1.7
Inflation assumption (CPI)	2.9	2.7

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

	2022	2021
	Years	Years
<i>Retiring today</i>		
Males	22.6	22.7
Females	25.0	25.1
<i>Retiring in 20 years</i>		
Males	24.1	24.4
Females	27.0	27.1

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25. Pension commitments (continued)

Sensitivity analysis

	2022	<i>2021</i>
	£000	<i>£000</i>
Discount rate +0.1%	(71)	<i>(100)</i>
Mortality assumption - 1 year increase	69	<i>152</i>
CPI rate +0.1%	72	<i>102</i>
	=====	<i>=====</i>

Share of scheme assets

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

	At 31 August 2022	<i>At 31 August 2021</i>
	£	<i>£</i>
Equities	1,126,000	<i>1,050,000</i>
Corporate bonds	41,000	<i>1,000</i>
Property	127,000	<i>56,000</i>
Cash and other liquid assets	28,000	<i>32,000</i>
Other	212,000	<i>124,000</i>
Total market value of assets	1,534,000	<i>1,263,000</i>
	=====	<i>=====</i>

The actual return on scheme assets was £-32,000 (2021 - £169,000).

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

	2022	<i>2021</i>
	£	<i>£</i>
Current service cost	(480,000)	<i>(394,000)</i>
Interest income	24,000	<i>17,000</i>
Interest cost	(82,000)	<i>(73,000)</i>
Administrative expenses	(4,000)	<i>(4,000)</i>
Total amount recognised in the Statement of Financial Activities	(542,000)	<i>(454,000)</i>
	=====	<i>=====</i>

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25. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	4,810,000	4,000,000
Interest cost	82,000	73,000
Employee contributions	58,000	52,000
Actuarial (gains)/losses	(1,962,000)	313,000
Benefits paid	(56,000)	(22,000)
Current service cost	480,000	394,000
At 31 August	3,412,000	4,810,000

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

	2022 £	2021 £
At 1 September	1,263,000	739,000
Interest income	24,000	17,000
Actuarial (losses)/gains	(57,000)	153,000
Employer contributions	306,000	328,000
Employee contributions	58,000	52,000
Benefits paid	(56,000)	(22,000)
Administration expenses	(4,000)	(4,000)
At 31 August	1,534,000	1,263,000

26. Operating lease commitments

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

	2022 £	2021 £
Amounts payable:		
Within 1 year	4,733	9,498
Between 1 and 5 years	8,730	15,225
	13,463	24,723

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27. 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.

28. Related party transactions

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

The spouse of P Jackson, Accounting Officer & Trustee, and the spouse of M Rea, Trustee, are employed by the Trust as teachers. The appointments were made prior to conversion from LA to an academy in open competition and the related Trustee was not involved in the decision making process regarding appointment. Remuneration is paid within the normal pay scale for their roles.

J Tilley provided education consultancy to cover the absence of the CEO. The amount incurred for this was £3,500 (2021: £nil). This was reported to the ESFA and deemed insignificant.