

Bourne Alliance Multi Academy Trust
(formerly Timu Academy Trust)
(A company limited by guarantee)

Annual report and financial statements

For the year ended 31 August 2022

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

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Reference and Administrative Details of the Academy trust, its trustees and Advisers
For the Year Ended 31 August 2022

Members	David Walker Graeme Lloyd Ray Kemsley Louise Wade Simon Adcock Neil Peterson
Trustees	Diane Browning, CEO and Accounting Officer Neil Peterson (Chair of Trustees) Mandy Garner John White Richard Longley (appointed 15 October 2021)
Company registered number	09022463
Principal and registered office	Iwade School School Lane Iwade Sittingbourne Kent ME9 8RS
Company secretary	Mr. M.H.C Hydes
Senior management team	D Browning, Chief Executive Officer K Stewart, Head of School – Iwade K Brooks, Head of School - Bobbing T Harwood, Trust Deputy Headteacher T Wood, Trust Strategic Lead D Stacey, Business Manager
Independent auditors	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants and Statutory Auditors Thames House Roman Square Sittingbourne Kent. ME10 4BJ
Bankers	Lloyds Bank plc 125 High Street Sittingbourne Kent. ME10 4BD
Solicitors	Veale Wasborough Vizards Barnards Inn 86 Fetter Lane London. EC4A 1AD

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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 academy trust for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust changed its name from Timu Academy Trust to Bourne Alliance Multi Academy Trust on 8 August 2022 in anticipation of the merger with another local multi-academy trust, Grove Park Academies, which took place on 1 September 2022. At the time of approval of this annual report, the academy trust now operates 4 primary academies in and around Sittingbourne, Kent:

- Bobbing Village School
- Iwade School
- Grove Park Primary School (joined 1 September 2022)
- Aspire School (joined 1 September 2022)

Its academies have a combined pupil capacity of 1,408 with effect from 1 September 2022 and under Timu had a roll of 834 at the end of 2021/22.

The 2021/22 school and financial year been the first year of full opening since the Covid pandemic and lockdowns. For many of our children this has been their first full year of in school attendance since 18/19. This has had significant impact across all areas of the trust's operations.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Bourne Alliance Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Bourne Alliance Multi Academy Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Subject to the provisions of the Companies Act 2006, every Trustee and Officer of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy.

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

No indemnities have been given to any third parties on behalf of the Trustees.

Method of Recruitment and Appointment or Election of Trustees

The number of directors (trustees) shall be not less than three but not subject to any maximum. The term of office for any director shall be four years. Future directors shall be appointed or elected under the articles of association. Subject to remaining eligible to be a particular type of trustee (directors) any trustee may be re-appointed or re-elected.

The trust's members may appoint up to ten directors plus staff directors (staff directors not to exceed one third of total number of directors). The academy's CEO acts as an ex-officio trustee in accordance with the requirements of the ESFA without the need for appointment or election. The trustees (directors) may appoint co-opted directors. Parent directors shall be elected by parents of registered pupils of the academies in accordance with article 53, and a parent director must be a parent of a registered pupil at the academy at the time they are elected. All parents are entitled to stand as candidates for election where a vacancy for a parent director is required to be filled.

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Policies and Procedures Adopted for the Induction and Training of Trustees

Training and induction is tailored to new Trustees as appropriate to their requirements and previous experience. Trustees have access to policies, procedures, minutes, budgets, accounts and other relevant plans and documents that they need to fulfil their role. Additionally, as part of the governance action plan for this academic year, all Trustees are required to complete a minimum of 15 hours of CPD, through face to face sessions or via National College or NGA webinars. This has had a positive impact on the Trustees and their knowledge and confidence in challenging appropriately.

Organisational Structure

From September 2021 to August 2022 Bourne Alliance Multi Academy Trust was governed by a Board of Trustees. A Local Governing Body was in place for the schools. There were 6 members, but 1 has announced his retirement effective when the final accounts are presented and agreed.

Leadership and management across the trust are delegated by trustees to the CEO.

The leadership structure across the trust consists of the Trust Strategic Team, which is led by the CEO and includes individual Heads of School, Trust Strategic Lead, the Trust Deputy Head Teacher and the Trust Business Manager. Additionally there is a Senior Leadership team which consists of the SENCo, Community Assistant Headteachers and the Strategic team.

The Trust Strategic Team is responsible for the strategic development and day to day operation of the academies, in particular organising the teaching staff, facilities and pupils. Some spending control is also devolved to Heads of School. The CEO is the Accounting Officer for the trust although certain functions are delegated to the business manager on a day to day basis.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of the academy trust comprise the trustees and senior leadership team as disclosed on page 1.

The pay policy, setting the terms and conditions for the key management personnel, was developed and approved by the board of trustees, after taking advice from the CEO and following guidance from the relevant professional pay review bodies. Naturally the key management personnel were not involved in setting their own remuneration package.

Only staff trustees, including the CEO, are remunerated, and these individuals only receive remuneration in respect of services they provide under their contracts of employment, and not in respect of their role as trustees. Specific disclosures concerning staff trustees' remuneration is included in note 13.

The day to day running of the pay policy is delegated to the CEO and monitored by the Finance and Audit committee. All details for setting pay and remuneration of key management personnel are set out in the pay policy and appraisal policy which are reviewed annually by the board of trustees.

Remuneration of key management personnel is set at an individual level, and where possible the trustees have taken external professional advice which includes benchmarking, market trends and advice on structuring of incentives. Senior management salaries are linked closely to pay spines, helping trustees conclude that each individual's remuneration is at an appropriate level. As such salaries are linked to factors such as length of service and experience. Total remuneration packages include employer pension contribution rates at specific approved rates.

The board are mindful of the charitable status of the academy trust and in recognise the fact the trust receives funding under a funding agreement with the Secretary of State for Education, and therefore ensure the remuneration paid to senior management personnel never exceeds a reasonable amount that provides value for money to the trust. Due regard is given to the latest executive pay guidance issued by the Department for Education. The performance of senior management personnel is reviewed on a regular basis to ensure continuing value for money.

Total remuneration paid to senior management personnel is set out in note 11 (e).

Trade Union facility time

The trust did not have any employees who action as union officials during the year and so no time was spent on facility time or union matters.

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For the Year Ended 31 August 2022

Related Parties and other Connected Charities and Organisations

The trust is a member of the Gateway Alliance, a collaboration of local schools who work together to raise standards for all young people and to enhance the capacity within each organisation, whilst maintaining individual identity. The Gateway Alliance is a separate financial entity and is chaired by the CEO of Bourne Alliance Multi Academy Trust.

The trust is also a founder member of the Kent MAT Alliance (KMA) a group of Kent Trusts who work together to support and challenge one another and identify opportunities for collaborative working and purchasing.

The trust completed a transaction with Veritas Academy Trust which is a related party as our Trust Strategic Lead is a member of their board of trustees. Veritas administer the KMA as detailed above, and the transaction related to our annual membership of the Alliance. ESFA were notified in advance as required and all processes were correctly followed for a transaction that offered best value to the trust.

The trust has also completed a related party transaction with Pearson which is a related party as our chair of trustees is employed by them. The trust curriculum team reviewed maths support tools and selected Power Maths as the best tool to meet the needs of our children without knowing that it is supplied by Pearson. Our chair had no involvement in the selection or subsequent purchase.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Bourne Alliance Multi Academy Trust is currently a trust with 2 academies. The trust has been awarded sponsor status and is engaged in working in and establishing a range of professional networks include Kent MAT Alliance, Gateway Alliance, Swale Research Hub and Pupil Premium Forum.

Within the trust, our ethos is to recognise everyone as an individual and we nurture, value and develop them.

We aim to achieve the highest standards in all that we do and to have happy children and staff, eager and excited to come to school.

We work in collaboration with other schools and organisations seeking the best innovative practice in teaching, sharing new ideas and learning from others. We use research as a springboard for change.

We strive to make our schools even better, recruiting the very best to meet the needs of a changing world. We foster a positive attitude which allows everyone to develop new skills, build resilience and achieve their dreams.

Our aim is for all Bourne children to become:

- Successful lifelong learners
- Happy, healthy and confident individuals
- Responsible citizens
- Resilient, ready to adapt and contribute in a changing world

At the beginning of this academic year, we began a consultation with all stakeholders including parents, staff and Trustees to set a new vision for the next 3-5 years. This was almost completed when work began with another Trust which subsequently merged into Timu from September 2022. Work is underway to develop a new mission statement and vision for the merged Trust. This will then involve a full consultation with all 4 schools stakeholders.

Objectives, Strategies and Activities

The following key strategic objectives will steer the Trust development and potential to grow over the next 3 years. These are:

1. Strategic leadership: Review and renew the Trust's vision and values to focus the strategic direction in partnership with the Trust Board and all stakeholders for the next 3-5 years
 - a. Vision and ethos consultation
 - b. Digital strategy – working group formed including a Trustee, with collaboration with IT and EdTech support to upskill and strengthen the digital environment to reduce cyber threat
2. Finance, sustainability and compliance: Ensure the most efficient, effective and sustainable use of the Trust estate to support the highest standards of education
 - a. Develop the use of GEMS to obtain the most efficient, effective and sustainable use of the estate
3. Governance and accountability: Ensure that Trust governance is robust and governors are well trained and demonstrate a positive impact and challenge to Trust leadership
 - a. Developed through the Governance action plan to ensure that any vacancies are filled, governors are well trained and able to carry out their role effectively

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4. System leadership: Build and sustain strong, positive and effective relationships with local schools to ensure there are strong collaborations outside the Trust
 - a. Trust growth – this has been achieved through the later part of the year due to supporting a local Trust with a retiring CEO, resulting in a Trust merger due for completion in September 2022. This will bring the Trust to 4 schools – 3 main stream primary schools and 1 specialist school with a specialism in Autism
5. Outcomes from the schools to drive school improvement
 - a. Work on developing reporting to provide sufficient data, used to drive school improvement, close gaps for children in the light of the pandemic and ensure Trustees have knowledge to provide robust challenge.

School level development has a focus on the Quality of Education through ongoing development of the curriculum.

- To ensure our schools provide the very best teaching to promote high quality learning for our children and enable all staff to make a real difference for our pupils
- To ensure that all Trust schools maintain their Ofsted grading – Iwade Good and Bobbing Outstanding
- To ensure that all Trust schools are at national average or above in terms of attainment and progress
- To ensure that the gaps for Pupil Premium children are reduced in all Trust schools, indicating that the PPG spend is effective
- To continue the whole school teaching staff CPD programme, including NPQ and Chartered College of Teaching CPD, to ensure that our staff have the right skills to raise standards further, deliver an excellent quality of education and collaborate to disseminate best practice to ensure sustain improvements
- To continue to strengthen the curriculum across the Trust, to ensure it is truly inclusive, demonstrates high level of pupil engagement and behaviour for learning, and embeds knowledge for all children
- Educational research is embedded as a part of staff practice in all areas of school life, leading to enhanced practice and supporting quality of education for all children.
- To ensure that there is a rigorous and robust programme of support and CPD for all staff to build expertise and capacity and raise standards to positively impact on the quality of education for all children in the Trust

Public Benefit

The academy trust's aims, activities and achievements as set out in this report are and have been undertaken in the furtherance of the charitable objects for public benefit. In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit.

Wherever possible the trust also aims to contribute to the benefit of the wider public. Through the year, as the pandemic restrictions allowed, contributions which benefit the wider community included the following:

- Availability of the school facilities for community use, such as a karate club; dance & gymnastic club;
- Fund raising through the year for a range of local and national charities, including the Poppy Appeal and Children in Need.

STRATEGIC REPORT

Achievements and Performance

This was the first year since the pandemic that statutory assessments were undertaken in phonics, multiplication tables check and KS1 & KS2 SATS.

Phonics had been a focus particularly at Iwade due to poor results in 18/19. The Trust has implemented Little Wandle Essential Letters and Sounds which has had a positive impact at both schools, with rising phonics outcomes. Alongside this, NELI has been used in EYFS to successfully address speech and language in a group of identified children. All but 1 child have now closed the gap in S&L to their peers.

Writing continues to be hardest hit following the pandemic, in all year groups; this will be a Trust wide focus next year.

Schools	Pupils	Boys/Girls	SEND Provision	Pupil Premium
Bobbing Village School	208	53% /47%	5%	12%
Iwade School	626	51% /49%	15%	15%

Attendance Metrics	Bobbing	Iwade
Attendance	97.1%	96.1%

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Both schools continued to have absence due to Covid throughout the year, and a prolonged period of chickenpox which had a significant impact on infant children. Iwade had 2 children who had significant absence, despite a great deal of external and internal support which impacted on the whole school attendance. Both children have now moved into specialist provision.

Key Financial Performance Indicators

- Staff costs as a percentage of income (excluding capital) to be maintained under 80%. Staff costs are 77.43% of income.
- Staff costs as a percentage of total costs to be maintained under 80%. Staff costs are 76.27% of total costs.

The trustees are pleased with how the trust has performed given the extraordinary challenges during the year. Additional indicators are included in the plans for the future for each school.

Note: staff costs and total costs exclude the LGPS service, administration and interest costs arising from the pension fund report provided by the scheme actuary.

Going Concern

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

FINANCIAL REVIEW

Most of the academy trust's recurrent income is obtained from the ESFA in the form of grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities ("SoFA"). Core grant income has been supplemented by capital funding and various other self-generated income streams.

Total income for the year was £4.5m, up from £4.2m in the previous year. The increase in funding is predominantly due to:

- a rise in core funding for educational operations from £3.9m to £4.0m, as detailed in note 6; and
- an increase of £284k in other income from trading and similar sources, as detailed in note 4, which included an insurance claim for £105k. (In line with charitable accounting rules this is shown as income and not set against the related expenditure.)

Total expenditure for the year was £4.94m and the SoFA therefore shows net expenditure over income for the year of £402k (2021: net income of £105k). The overall net movement in funds, after actuarial movements on the Local Government defined benefit pension scheme ("LGPS"), was an increase of £2.16m (2021: £175k decrease). Due to the impact of the pension movement, and also income and expenditure recorded in the restricted fixed asset fund, this overall movement in funds does not reflect the meaningful operational result.

The table below reconciles from the overall movement in funds to the result on revenue income funds, a decrease of £358k:

	2022 (£000s)	2021 (£000s)
Overall net movement in funds for the year per SoFA	2,165	(175)
<u>Add:</u>		
Decrease / (increase) attributable to fixed asset fund	(388)	(29)
LGPS actuarial (gain)/loss	(2,567)	280
LGPS service and interest costs	432	311
Total movement in year on revenue funds	(358)	387
Revenue to capital transfers	544	32
Operational surplus /(deficit) on revenue funds	186	419

During the year a significant amount of revenue funding, £544k, has been used to purchase capital assets treated as fixed assets on the Balance Sheet, and these are reflected on the SoFA as revenue to capital transfers into the fixed asset fund. Therefore, whilst revenue funds have fallen during the year, the 'operational' result prior to these transfers would have been a surplus of £186k.

At 31 August 2022, the net book value of fixed assets was £10m and movements in tangible fixed assets are shown in note 15 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the trust's academies.

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Financial position

The trust held fund balances at 31 August 2022 of £11.1m (2021: £8.98m). These funds comprised restricted fixed asset funds of £10.0m (2021: £9.61m), restricted revenue funds of £228k (2021: £722k) and unrestricted revenue funds of £1.22m (2021: £1.08m). The fixed asset fund includes £98k of, as yet, unspent capital funding.

The pension reserve deficit of £304k (2021: £2.44m) is the only fund in deficit. This deficit does not mean that an immediate liability crystallises; it results in a cash flow effect for the trust in the form of possible future increases in pension contributions, which, if required, will be met from the budgeted annual income. There is therefore no direct impact on the free reserves of the academy trust because of recognising the deficit. Employer contributions are reviewed every three years in consultation with the scheme's administrators, and employer contributions have risen at small annual incremental levels. Rates are to be reviewed from 1 April 2023.

Reserves Policy

The trustees review the reserve levels of the trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees will always try to match income with expenditure in the current year (set and manage a balanced budget), will only carry forward reserves that it considers necessary and will have a clear plan for how it will be used to benefit the pupils.

The trustees have determined that the appropriate minimum level of free reserves should be £350,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long-term sickness where unforeseen costs are incurred.

Additional reserves are being held to fund capital projects due to take place in 2022/23.

The academy's reserves policy:

- Assists in strategic planning by considering how new projects or activities will be funded.
- Informs the budget process by considering whether reserves need to be used during the financial year or built up for future projects.
- Informs the budget and risk management process by identifying any uncertainty in future income streams.

The trustees identify:

- When reserves are drawn on, so that they understand the reasons for this and can consider what corrective action, if any, needs to be taken.
- When reserve levels rise significantly above target so that they understand the reasons and can consider the corrective action, if any that needs to be taken.

When considering an appropriate level of reserves, the governors/trustees consider:

- The risk of unforeseen emergency or other unexpected need for funds.
- Covering unforeseen day-to-day operational costs, for example employing temporary staff to cover a long-term sick absence.
- A fall in a source of income, such as lettings.
- Planned commitments, or designations, that cannot be met by future income alone, for example plans for a major capital project.
- The need to fund potential deficits in a cash budget, for example money may need to be spent before a funding grant is received.

Investment Policy

At Bourne Alliance Multi Academy Trust, we are careful with the public money we are entrusted with. We will carefully invest any money that is not required to cover anticipated expenditure and take steps to manage the risk associated with financial investments.

The purpose of this policy is to ensure that any surplus funds are invested well so that they achieve the best financial returns with the minimum risk. Good financial returns mean that more money can be spent on educating pupils.

Adequate cash balances are maintained to ensure that there are always sufficient funds in the Trust's current account to cover financial commitments such as payroll and day-to-day expenses. If there is a surplus of funds after all financial commitments have been considered, this surplus will be invested. Funds may only be invested with the following banks and building societies: Lloyds Bank PLC or other UK institutions via the Insignis Investment Platform. The business manager will compare alternative investment opportunities every three months to ensure that the school's funds achieve the best interest rates. The CEO is responsible for ensuring that this policy is adhered to.

Investments must be made only in accordance with this policy approved by the Board of Directors.

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All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information required will normally be the date of purchase, the cost and description of the investment. Additional procedures may be required to ensure any income receivable from the investment is received.

Principal Risks and Uncertainties

The main risks that the trust exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

- *Strategic and reputational* – this covers the risks to the management of the academy trust which could affect its viability
- *Operational* - this covers risks to the running of the constituent academies (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.
- *Financial* - covering risks to the academy trust's financial position, including revenue streams, cost control and cash management.
- *Compliance* – covering the risks which can arise from non-compliance with legislation, educational guidance and audit.

The risks to which the trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

The highest level risks that the trust exposed to are summarised below. The Finance and Audit committee have continued to review the risk register across the year and discuss the risk ratings and mitigations. These are all tracked and the process is in line with national guidance.

- Trust growth with merger of additional Trust.
- Risk of Trust or school ransomware cyber-attack.

The risk register has undergone significant work so that Trustees can closely track and discuss highest level risks, as well as monitor lower level risks. The discussions are minuted as well as being recorded on the risk register.

Financial and Risk Management Objectives and Policies

The trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the trust to a number of financial risks which are described in more detail below.

The main risks arising from the trust's financial instruments are liquidity, cash flow and interest rate risks.

- *Liquidity risk* - The trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing. Surplus cash is invested so as to maximise interest income.
- *Interest rate risk* - The trust earns interest on cash deposits. With interest rates currently low, the trustees will consider action to increase the income from these deposits, provided it does not jeopardise the liquidity or security of the trust's assets.
- *Credit risk* - arises from the possibility that amounts owed to the trust will not be repaid. The trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

FUNDRAISING

The trust carries out very limited fundraising activities, which are targeted at parents and carers. Fundraising is usually associated with goods or services related to the child, such as school photographs and PTA events. In addition, the trust supports a number of local and national charities such as Children in Need and the Poppy Appeal.

Each community within the trust raises funds throughout the year to use to support initiatives within their community and to support a charity chosen by the children. Activities which support this are school events (such as discos), fairs and making items to sell to the parents.

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The trust does not currently work with professional fundraisers. The trust is aware of the Code of Fundraising Practice, issued by the Fundraising Regulator and endeavors to conform to those sections applicable to our activities. The trust has a published complaints policy, available on the website, although no complaints have been received in relation to fundraising.

The trustees ensure that the trust refrain from any unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

PLANS FOR FUTURE PERIODS

At this point of Trust growth, the new Trust Plan and school plans are being adjusted to bring a consistent reporting style to support Trustee challenge. The Trust Plan is being informed by the MAT Assurance Framework to ensure that aspects which need development are relevant to each school.

Due diligence has identified key areas for development in the new schools, which will be addressed through the additional capacity being created within Bourne Alliance Multi Academy Trust, with the expansion of the central services team and formation of a new School Improvement Team. The CEO has created a new structure of leadership meetings to ensure clear communication and accountability across all levels of leadership within the new Trust.


A new Roles and Responsibilities handbook has been produced for Trustees and Governors, along with a new Scheme of Delegation, to ensure that governors at all levels are clear about their roles, as well as formation of new subcommittees to give more in depth focus to academic standards, curriculum and non-education across 4 schools.

AUDITOR

In so far as the trustees are aware:

- there is no relevant audit information of which the academy trust's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on and signed on the board's behalf by:

DocuSigned by:

7E365657B1A3427...
Neil Peterson
Chair of Trustees

DocuSigned by:

2B7FFC9321184FD...
Diane Browning
CEO and Accounting Officer

Date: 1 December 2022

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Governance Statement

For the Year Ended 31 August 2022

Scope of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform to 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 Bourne Alliance 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.

Trustees

The Board continues to actively seek trustees with relevant experience and skills to strategically lead the trust.

The trust has carried out in-house training to develop trustees' knowledge and understanding of key processes and outcomes of the schools leading to more effective challenge and evaluation, and raised standards.

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 five times during the year; these have been face to face meetings, with some Trustees attending remotely via Teams when necessary. This has proven to be an effective way of working and has supported Trustee attendance.

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

Trustee	Meetings attended	Out of a possible
Mr. Neil Peterson (Chair of Trustees)	5	5
Mrs. Diane Browning (CEO)	5	5
Mr. Richard Longley	4	4
Mrs. Mandy Garner	3	5
Mr. John White	5	5

The Finance, Audit and Risk Committee is a sub-committee of the main board of trustees. Its purpose is to plan and monitor the financial and other resources of the trust effectively, and to ensure the constituent academies provide a safe educational environment. One of the Committee's responsibilities is routine budget setting and monitoring. The Finance and Audit Committee also fulfills the function of an audit committee, liaising with the external auditors at year end and with the internal auditors throughout the year.

The Business Manager, Dee Stacey, attended Finance, Audit and Risk Committee meetings in an advisory capacity.

Attendance during the year at meetings of Finance, Audit and Risk Committee was as follows:

Trustee	Meetings attended	Out of a possible
Mr. John White (Committee chair)	4	4
Mrs. Diane Browning (CEO)	4	4
Mr. Richard Longley	3	4
Mrs. Mandy Garner	3	4
Mr. Neil Peterson (Chair of Trustees)	4	4
Mrs. Dee Stacey (Trust Business Manager, in attendance only)	4	4
Mrs. Christina Chemsí (Chair LGB, in attendance only)	1	2

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Governance Statement
For the Year Ended 31 August 2022

Governance reviews:

The governance structure includes a single local governing body (LGB) working at school level. The trust board continues to provide strategic oversight.

Currently the Trust Board and Local Governing Body have no vacancies. A new Trustee and 3 new local governors were appointed this year. The governance structures will be adjusted for the new Trust in the next academic year so that both boards have representation for the 4 schools. A new action plan is being developed for governance to ensure that the identified areas for development are actioned by the Trustees and Governors.

The trustees are responsible for setting strategic direction and policy for the trust at a corporate level across the group of academies. The trustees approve a scheme of delegation which covers key functions and levels of responsibility for trustees, the LGB and finance committee members in terms of governance and levels of responsibility for senior staff in terms of leadership and management. The committees are:

- The LGB has a focus on monitoring all educational matters within the academy.
- Finance and Audit Committee

Local Governors and committee members are appointed in accordance with the articles of association to be responsible for the affairs of the company and the management of the academies under the terms of the scheme of delegation along with senior staff.

Conflicts of Interest

Conflicts of Interest are checked regularly by way of an annual statement from each trustee as well as confirmation at each Full Board and Committee meeting. Were there to be any conflict of interest declared the individual would not be able to take part in the agenda item discussion or voting. This would be documented by the Clerk to Trustees.

Review of Value for Money

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

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Bourne Alliance Multi Academy Trust for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

Governance Statement
For the Year Ended 31 August 2022

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Audit Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- identification and management of risks.

The board of trustees appointed McCabe Ford Williams, chartered accountants to deliver an internal audit service to carry out a regular program of internal scrutiny.

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

Visit for period to 31.12.21	Fraud, theft and bribery
Visit for period to 30.4.21	Efficiency, funding and budgets
Visit for period to 31.8.21	Business continuity plans and disaster recovery

On a termly basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

McCabe Ford Williams have completed their schedule of work as planned. All issues raised have been addressed and the latest review raised no material control issues. Trustees are satisfied with the actions taken to address any issues raised.


Review of Effectiveness

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

- the programme of internal scrutiny work
- the work of the external auditor
- the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the board of trustees and signed on its behalf by:

DocuSigned by:

 7E365657B1A3427...
 Neil Peterson
 Chair of Trustees

DocuSigned by:

 2B7FFC9321184FD...
 Diane Browning
 Accounting Officer

Date: 1 December 2022

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

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

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

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

DocuSigned by:

2B7EFC9321184FD...
Diane Browning
Accounting Officer

Date: 1 December 2022

Bourne Alliance 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:

DocuSigned by:

7E365657B1A3427...
Neil Peterson
Chair of Trustees

Date: 1 December 2022

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

Independent auditors' Report on the financial statements to the Members of Bourne Alliance Multi Academy Trust

Opinion

We have audited the financial statements of Bourne Alliance Multi Academy Trust (the 'academy 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 academy 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 academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

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.

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

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:

How the audit was considered capable of detecting irregularities including fraud:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the trust through discussions with management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the trust, including the Companies Act 2006;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

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

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading minutes of meetings of those charged with governance; and
- enquiring of management and representatives of Trustees as to actual and potential litigation and claims.

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

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

Use of our report

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

Allan Hickie BSc FCA (Senior statutory auditor)

for and on behalf of

UHY Kent LLP

Chartered Accountants

Statutory Auditors

Thames House

Roman Square

Sittingbourne

Kent

ME10 4BJ

Date: 15 December 2022

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 5 July 2021 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 Bourne Alliance 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 Bourne Alliance 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 Bourne Alliance 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 Bourne Alliance Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Bourne Alliance Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 May 2014 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 academy trust's income and expenditure.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to arrive at our conclusion. Other than those procedures undertaken for the purposes of our audit of the financial statements of Bourne Alliance Multi Academy Trust for the year ended 31 August 2022 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Bourne Alliance 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.



UHY Kent LLP
Chartered Accountants
Statutory Auditors
Thames House
Roman Square
Sittingbourne
Kent
ME10 4BJ

Date: 15 December 2022

Bourne Alliance 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	-	5,261	97,646	102,907	150,790
Other trading activities	4	333,689	105,087	-	438,776	154,780
Investments	5	856	-	-	856	767
Funding for educational operations	6	15,315	3,982,452	-	3,997,767	3,898,808
Total income		349,860	4,092,800	97,646	4,540,306	4,205,145
Expenditure on:						
Raising funds		834	-	-	834	261
Charitable activities	8	153,974	4,534,533	253,260	4,941,767	4,099,713
Total expenditure		154,808	4,534,533	253,260	4,942,601	4,099,974
Net income/(expenditure)		195,052	(441,733)	(155,614)	(402,295)	105,171
Transfers between funds	19	(59,461)	(484,272)	543,733	-	-
Net movement in funds before other recognised gains/(losses)		135,591	(926,005)	388,119	(402,295)	105,171
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	27	-	2,567,000	-	2,567,000	(280,000)
Net movement in funds		135,591	1,640,995	388,119	2,164,705	(174,829)
Reconciliation of funds:						
Total funds brought forward		1,084,623	(1,717,231)	9,610,466	8,977,858	9,152,687
Net movement in funds		135,591	1,640,995	388,119	2,164,705	(174,829)
Total funds carried forward	19	1,220,214	(76,236)	9,998,585	11,142,563	8,977,858

The Statement of financial activities includes all gains and losses recognised in the year.


The notes on pages 23 to 46 form part of these financial statements.


Bourne Alliance Multi Academy Trust
(A company limited by guarantee)
Registered number: 09022463

Balance sheet
As at 31 August 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	9,926,312	9,539,333
Current assets			
Debtors	16	187,178	222,106
Cash at bank and in hand		1,801,118	2,032,929
		<u>1,988,296</u>	<u>2,255,035</u>
Creditors: amounts falling due within one year	17	(447,195)	(352,027)
Net current assets		<u>1,541,101</u>	<u>1,903,008</u>
Total assets less current liabilities		<u>11,467,413</u>	<u>11,442,341</u>
Creditors: amounts falling due after more than one year	18	(20,850)	(25,483)
Net assets excluding pension liability		<u>11,446,563</u>	<u>11,416,858</u>
Defined benefit pension scheme liability	27	(304,000)	(2,439,000)
Total net assets		<u><u>11,142,563</u></u>	<u><u>8,977,858</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	9,998,585	9,610,466
Restricted income funds	19	227,764	721,769
Pension reserve	19	(304,000)	(2,439,000)
Total restricted funds	19	<u>9,922,349</u>	<u>7,893,235</u>
Unrestricted income funds	19	<u>1,220,214</u>	<u>1,084,623</u>
Total funds	19	<u><u>11,142,563</u></u>	<u><u>8,977,858</u></u>

The financial statements on pages 20 to 46 were approved and authorised for issue by the trustees and are signed on their behalf, by:

DocuSigned by:

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Neil Peterson
 Chair of Trustees

DocuSigned by:

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Diane Browning
 Executive Principal and Accounting Officer

Date: 1 December 2022

The notes on pages 23 to 46 form part of these financial statements.

Bourne Alliance 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	213,076	381,291
Cash flows from investing activities	23	(440,254)	(40,065)
Cash flows from financing activities	22	(4,633)	(4,633)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(231,811)	336,593
Cash and cash equivalents at the beginning of the year		2,032,929	1,696,336
Cash and cash equivalents at the end of the year	24, 25	<hr/> <hr/> 1,801,118	<hr/> <hr/> 2,032,929

The notes on pages 23 to 46 form part of these financial statements

Bourne Alliance 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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy 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.

Bourne Alliance 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 academy 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 academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Bourne Alliance Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the year ended 31 August 2022

1. Accounting policies (continued)

1.4 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.

- **Expenditure on raising funds**

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable activities**

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

Where relevant, expenditure is inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Individual assets and group purchases on one purchase order (or made as part of an individual project) costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

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1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years (the term of the lease)
Leasehold improvements	- 10% straight line
Furniture and equipment	- 25% straight line
Computer equipment	- 33.33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

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

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Notes to the financial statements
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1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The academy 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 27, 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.

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Notes to the financial statements
For the year ended 31 August 2022

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

The ultimate responsibility for setting the assumptions is that of the academy trust, as the employer, however each year the LGPS actuary proposes a standard set of assumptions as part of the valuation exercise, using their expert opinion, and which comply with the accounting requirements. The academy trust has, in practice with most employers, adopted the recommended actuarial assumptions following further consultation with its auditors to ensure these assumptions are reasonable and in line with those adopted by other academy trusts.

The key assumption is the discount rate, which is the estimated rate of long-term investment returns. This year the discount rate used of 4.3% is considerably higher than the rate of 1.7% used in 2021. Since a higher discount rate means assets will grow more rapidly in the future, this results in lower current liabilities. This is the key driver for the reduction in the carried LGPS deficit from £2.439m to £304k during the year.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Donated assets	-	-	-	-	18,777
Donations	-	5,261	-	5,261	1,322
Capital grants	-	-	97,646	97,646	130,691
	-	5,261	97,646	102,907	150,790
<i>Analysis of 2021 total by fund</i>	1,042	280	149,468	150,790	

Capital grants includes a claw back of £97,466 to be repaid to the ESFA. This relates to CIF monies received for the Bobbing drainage project. This project was unable to continue due to the school being unable to accept unlimited liability for the works Highways England would have had to do.

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Notes to the financial statements
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4. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Clubs	242,039	-	242,039	130,154
Lettings	11,442	-	11,442	6,244
Income from goods and services	3,203	-	3,203	7,820
Fundraising	6,558	-	6,558	6,597
Insurance claims	-	105,087	105,087	1,414
Other	70,447	-	70,447	2,551
	<u>333,689</u>	<u>105,087</u>	<u>438,776</u>	<u>154,780</u>
<i>Analysis of 2021 total by fund</i>	<u>154,780</u>	<u>-</u>	<u>154,780</u>	

5. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Bank interest	856	856	767
	<u>856</u>	<u>856</u>	<u>767</u>
<i>Analysis of 2021 total by fund</i>	<u>767</u>	<u>767</u>	

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Notes to the financial statements
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6. Funding for educational operations

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	<i>Total funds 2021 £</i>
Educational operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	3,477,760	3,477,760	3,032,729
Other DfE/ESFA grants				
Pupil premium	-	153,538	153,538	140,909
Universal infant free school meals	-	116,139	116,139	134,490
PE and Sports grant	-	39,090	39,090	38,870
Teachers' pay grant	-	-	-	38,435
Teachers' pension grant	-	-	-	108,602
School supplementary grant	-	39,880	39,880	-
Others	-	20,590	20,590	27,346
	-	3,846,997	3,846,997	3,521,381
Other Government grants				
Local authority grants	-	15,296	15,296	152,191
Local authority - Special educational projects	-	86,646	86,646	151,993
	-	101,942	101,942	304,184
Other income from educational operations	15,315	2,556	17,871	7,872
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	-	-	66,560
Other DfE/ESFA COVID-19 funding	-	30,957	30,957	(1,189)
	-	30,957	30,957	65,371
	15,315	3,982,452	3,997,767	3,898,808
<i>Analysis of 2021 total by fund</i>	5,316	3,893,492	3,898,808	

As disclosed in note 19, all COVID-19 funding has been fully spent during the year. The funding was expended on staffing costs.

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Notes to the financial statements
For the year ended 31 August 2022

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	<i>Total 2021 £</i>
Expenditure on fundraising trading activities:					
Direct costs	-	-	834	834	261
Educational operations:					
Direct costs	2,941,136	120,545	337,947	3,399,628	3,025,966
Allocated support costs	930,903	332,954	278,282	1,542,139	1,073,747
	<u>3,872,039</u>	<u>453,499</u>	<u>617,063</u>	<u>4,942,601</u>	<u>4,099,974</u>
<i>Analysis of 2021 total</i>	<u>3,447,553</u>	<u>263,114</u>	<u>389,307</u>	<u>4,099,974</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	<i>Total 2021 £</i>
Educational operations	<u>153,974</u>	<u>4,787,793</u>	<u>4,941,767</u>	<u>4,099,713</u>
<i>Analysis of 2021 total by fund</i>	<u>112,707</u>	<u>3,987,006</u>	<u>4,099,713</u>	

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9. Analysis of expenditure by activities

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	<i>Total</i> <i>funds</i> <i>2021</i> <i>£</i>
Educational operations	3,399,628	1,542,139	4,941,767	4,099,713
<i>Analysis of 2021 total</i>	<i>3,025,966</i>	<i>1,073,747</i>	<i>4,099,713</i>	

Analysis of support costs

	Total funds 2022 £	<i>Total</i> <i>funds</i> <i>2021</i> <i>£</i>
Staff costs	930,903	699,891
Technology costs	47,874	43,820
Premises costs	332,954	143,500
Legal costs	1,140	1,080
Other support costs	216,343	173,141
Governance costs	12,925	12,315
	1,542,139	1,073,747

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022 £	<i>2021</i> <i>£</i>
Operating lease rentals	11,662	12,214
Depreciation of tangible fixed assets	151,777	152,771
Fees paid to auditors for:		
- audit	7,690	7,450
- other services	2,225	2,010

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11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	<i>2021</i>
	£	£
Wages and salaries	2,634,842	2,426,308
Social security costs	224,174	190,585
Pension costs	1,013,023	830,660
	<u>3,872,039</u>	<u>3,447,553</u>

b. Staff numbers

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

	2022	<i>2021</i>
	No.	No.
Teachers	41	36
Administration and support	80	80
Management	6	6
	<u>127</u>	<u>122</u>

The average headcount expressed as full-time equivalents was:

	2022	<i>2021</i>
	No.	No.
Teachers	37	32
Administration and support	51	50
Management	6	6
	<u>94</u>	<u>88</u>

c. Higher paid staff

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

	2022	<i>2021</i>
	No.	No.
In the band £60,001 - £70,000	1	-
In the band £90,001 - £100,000	1	1

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Notes to the financial statements
For the year ended 31 August 2022

11. Staff (continued)

d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £471,514 (2021 - £412,230).

12. Central services

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

- Finance and audit
- HR and payroll
- Health and safety support and audit
- Legal support
- Clerking

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

5.24% of pupil and other factors.

The actual amounts charged during the year were as follows:

	2022	<i>2021</i>
	£	£
Iwade School	136,457	140,829
Bobbing Village School	45,778	46,420
Total	182,235	187,249

13. Trustees' remuneration and expenses

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust.

The CEO only receives remuneration in respect of services provided under her contract of employment. The remuneration and other benefits paid was as follows:

		2022	<i>2021</i>
		£	£
Diane Browning	Remuneration	90,000 - 95,000	90,000 - 95,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000

During the year ended 31 August 2022, no trustee expenses have been incurred (2021 - £NIL).

14. Trustees' and Officers' insurance

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

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Notes to the financial statements
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15. Tangible fixed assets

	Long-term leasehold land and buildings £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2021	9,871,070	244,506	80,568	144,166	10,340,310
Additions	321,406	269,062	42,662	11,955	645,085
Disposals	-	(106,329)	-	(25,894)	(132,223)
Transfers between classes	24,565	(24,565)	-	-	-
At 31 August 2022	10,217,041	382,674	123,230	130,227	10,853,172
Depreciation					
At 1 September 2021	625,289	-	75,702	99,986	800,977
Charge for the year	120,545	-	6,517	24,715	151,777
On disposals	-	-	-	(25,894)	(25,894)
At 31 August 2022	745,834	-	82,219	98,807	926,860
Net book value					
At 31 August 2022	9,471,207	382,674	41,011	31,420	9,926,312
At 31 August 2021	9,245,781	244,506	4,866	44,180	9,539,333

Included in land and buildings is leasehold land at valuation of £1,695,000 (2021 - £1,695,000) which is not depreciated.

16. Debtors

	2022 £	2021 £
Trade debtors	32,745	190
Other debtors	36,238	10,682
Prepayments and accrued income	118,195	211,234
	187,178	222,106

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17. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£	<i>£</i>
Other loans	4,633	4,633
Trade creditors	107,652	40,432
Other taxation and social security	50,322	47,429
Other creditors	5,611	232
Accruals and deferred income	278,977	259,301
	<u>447,195</u>	<u>352,027</u>
	2022	<i>2021</i>
	£	<i>£</i>
Deferred income at 1 September 2021	80,708	82,818
Resources deferred during the year	68,916	80,708
Amounts released from previous periods	(80,708)	(82,818)
	<u>68,916</u>	<u>80,708</u>

At the balance sheet date the academy trust was holding funds received in advance of the 2022/23 academic year for ESFA UIFSM funding.

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

	2022	<i>2021</i>
	£	<i>£</i>
Other loans	20,850	25,483

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

	2022	<i>2021</i>
	£	<i>£</i>
Payable or repayable by instalments	2,317	6,950

The academy trust took out a Salix loan in 2018 to fund improvement of the boilers at Iwade Primary School. The loan is interest free and due to be fully repaid in 2027.

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Notes to the financial statements
For the year ended 31 August 2022

19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General fund	1,084,623	349,860	(154,808)	(59,461)	-	1,220,214
Restricted general funds						
General Annual Grant (GAG)	597,394	3,477,760	(3,457,364)	(484,272)	-	133,518
Other DfE/ESFA grants	91,680	369,237	(374,298)	-	-	86,619
Other government grants	9,303	101,942	(103,618)	-	-	7,627
Other restricted	-	112,904	(112,904)	-	-	-
Covid catch up	23,392	-	(23,392)	-	-	-
Other DfE/ESFA Covid-19 funding	-	30,957	(30,957)	-	-	-
Pension reserve	(2,439,000)	-	(432,000)	-	2,567,000	(304,000)
	(1,717,231)	4,092,800	(4,534,533)	(484,272)	2,567,000	(76,236)
Restricted fixed asset funds						
Fixed assets	9,539,333	-	(253,260)	640,239	-	9,926,312
DfE/ESFA capital grants	101,249	97,646	-	(178,935)	-	19,960
Designated capital projects	-	-	-	77,796	-	77,796
Salix Loan	(30,116)	-	-	4,633	-	(25,483)
	9,610,466	97,646	(253,260)	543,733	-	9,998,585
Total Restricted funds	7,893,235	4,190,446	(4,787,793)	59,461	2,567,000	9,922,349
Total funds	8,977,858	4,540,306	(4,942,601)	-	2,567,000	11,142,563

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19. Statement of funds (continued)

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

General Annual Grant (GAG) must be used for the normal running costs of the academy. Transfers from GAG include a transfer of £543,733 out to the restricted fixed asset fund (representing net capital expenditure from revenue funding in the year and the Salix loan repayment). The remaining transfer of £59,461 into GAG from unrestricted funds is to cover an overspend of GAG at Iwade Primary School.

The other DfE/ESFA fund is used to track core non-GAG grant money received from the DfE/ESFA and connected bodies, and includes Pupil Premium, PE Sports premium and Universal Infant Free School Meals.

The other government grants fund is used to track grants provided by government departments and includes Individually Assigned Resources (IAR) matrix funding and reorganisation funding.

Covid catch-up premium relates to additional funding provided by the DfE to support children and young people to catch up on missed learning caused by coronavirus (Covid-19). This has been spent in a variety ways, as outlined in note 5.

The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.

The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The total transfer to the fund of £543,733 represents capital expenditure funded from restricted revenue funds and the Salix loan repayment.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 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 fund	1,035,686	161,905	(112,968)	-	-	1,084,623
Restricted general funds						
General Annual Grant (GAG)	321,747	3,032,729	(2,737,773)	(19,309)	-	597,394
Other DfE/ESFA grants	54,523	488,652	(450,306)	(1,189)	-	91,680
Other government grants	4,704	304,184	(299,585)	-	-	9,303
Other restricted	2,252	2,836	(5,088)	-	-	-
Covid catch up	-	66,560	(30,483)	(12,685)	-	23,392
Other DfE/ESFA Covid-19 funding	-	(1,189)	-	1,189	-	-
Pension reserve	(1,848,000)	-	(311,000)	-	(280,000)	(2,439,000)
	<u>(1,464,774)</u>	<u>3,893,772</u>	<u>(3,834,235)</u>	<u>(31,994)</u>	<u>(280,000)</u>	<u>(1,717,231)</u>
Restricted fixed asset funds						
Fixed assets	9,520,581	18,777	(152,771)	152,746	-	9,539,333
DfE/ESFA capital grants	95,943	130,691	-	(125,385)	-	101,249
Salix Loan	(34,749)	-	-	4,633	-	(30,116)
	<u>9,581,775</u>	<u>149,468</u>	<u>(152,771)</u>	<u>31,994</u>	<u>-</u>	<u>9,610,466</u>
Total Restricted funds	<u>8,117,001</u>	<u>4,043,240</u>	<u>(3,987,006)</u>	<u>-</u>	<u>(280,000)</u>	<u>7,893,235</u>
Total funds	<u>9,152,687</u>	<u>4,205,145</u>	<u>(4,099,974)</u>	<u>-</u>	<u>(280,000)</u>	<u>8,977,858</u>

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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £	<i>2021</i> £
Iwade Primary School	841,422	1,082,694
Bobbing Village School	462,933	559,922
Central	143,623	163,776
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	1,447,978	1,806,392
Restricted fixed asset fund	9,998,585	9,610,466
Pension reserve	(304,000)	(2,439,000)
	<hr/>	<hr/>
Total	11,142,563	8,977,858
	<hr/> <hr/>	<hr/> <hr/>

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 £	<i>Total 2021</i> £
Iwade Primary School	2,157,826	273,811	62,443	393,011	2,887,091	2,527,773
Bobbing Village School	783,310	91,601	22,711	243,430	1,141,052	927,688
LGPS	-	432,000	-	-	432,000	311,000
Central services	-	133,491	-	197,190	330,681	180,742
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Academy trust	2,941,136	930,903	85,154	833,631	4,790,824	3,947,203
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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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	-	-	9,926,312	9,926,312
Current assets	1,220,214	670,326	97,756	1,988,296
Creditors due within one year	-	(442,562)	(4,633)	(447,195)
Creditors due in more than one year	-	-	(20,850)	(20,850)
Provisions for liabilities and charges	-	(304,000)	-	(304,000)
Total	1,220,214	(76,236)	9,998,585	11,142,563

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Restricted fixed asset funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	-	-	9,539,333	9,539,333
Current assets	1,084,623	1,069,163	101,249	2,255,035
Creditors due within one year	-	(347,394)	(4,633)	(352,027)
Creditors due in more than one year	-	-	(25,483)	(25,483)
Provisions for liabilities and charges	-	(2,439,000)	-	(2,439,000)
Total	1,084,623	(1,717,231)	9,610,466	8,977,858

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

	2022 £	<i>2021</i> <i>£</i>
Net (expenditure)/income for the year (as per Statement of financial activities)	(402,295)	105,171
Adjustments for:		
Depreciation	151,777	152,771
Capital grants from DfE and other capital income	(97,646)	(130,691)
Interest receivable	(856)	(767)
Defined benefit pension scheme cost less contributions payable	393,000	282,000
Defined benefit pension scheme finance cost	39,000	29,000
Decrease/(increase) in debtors	34,928	(145,813)
Increase in creditors	95,168	89,620
Net cash provided by operating activities	213,076	381,291

22. Cash flows from financing activities

	2022 £	<i>2021</i> <i>£</i>
Repayments of borrowing	(4,633)	(4,633)

23. Cash flows from investing activities

	2022 £	<i>2021</i> <i>£</i>
Dividends, interest and rents from investments	856	767
Purchase of tangible fixed assets	(645,085)	(171,523)
Proceeds from the sale of tangible fixed assets	106,329	-
Capital grants from DfE Group	97,646	130,691
Net cash used in investing activities	(440,254)	(40,065)

24. Analysis of cash and cash equivalents

	2022 £	<i>2021</i> <i>£</i>
Cash in hand and at bank	663,509	695,554
Notice deposits (less than 3 months)	1,137,609	1,337,375
Total cash and cash equivalents	1,801,118	2,032,929

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25. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	Other non- cash changes £	At 31 August 2022 £
Cash at bank and in hand	2,032,929	(231,811)	-	1,801,118
Debt due within 1 year	(4,633)	4,633	(4,633)	(4,633)
Debt due after 1 year	(25,483)	-	4,633	(20,850)
	<u>2,002,813</u>	<u>(227,178)</u>	<u>-</u>	<u>1,775,635</u>

26. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>102,137</u>	<u>625,463</u>

£11,055 of expenditure will be funded from future grants receivable from Condition Improvement Funding.

27. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

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

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27. Pension commitments (continued)

- effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to TPS in the year amounted to £360,000 (2021 - £317,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £291,000 (2021 - £247,000), of which employer's contributions totalled £231,000 (2021 - £193,000) and employees' contributions totalled £60,000 (2021 - £54,000). The agreed contribution rates for future years are 22.5 per cent for employers and 5.5 to 12.5 per cent for employees.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.90	3.85
Rate of increase for pensions in payment/inflation	2.90	2.85
Discount rate for scheme liabilities	4.25	1.70
Inflation assumption (CPI)	2.90	2.85

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	21.0	21.6
Females	23.5	23.6
<i>Retiring in 20 years</i>		
Males	22.3	22.9
Females	24.9	25.1

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27. Pension commitments (continued)

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(75)	(130)
Discount rate -0.1%	77	134
Mortality assumption - 1 year increase	77	180
Mortality assumption - 1 year decrease	(75)	(173)
CPI rate +0.1%	74	124
CPI rate -0.1%	(72)	(121)

Share of scheme assets

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

	At 31 August	At 31 August
	2022	2021
	£	£
Equities	1,607,000	1,450,000
Gilts	14,000	12,000
Corporate bonds	324,000	307,000
Property	288,000	227,000
Cash and other liquid assets	42,000	63,000
Investment funds	176,000	154,000
Total market value of assets	2,451,000	2,213,000

The actual return on scheme assets was £(30,000) (2021 - £262,000).

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

	2022	2021
	£	£
Current service cost	(623,000)	(474,000)
Interest income	40,000	30,000
Interest cost	(79,000)	(59,000)
Administrative expenses	(1,000)	(1,000)
Total amount recognised in the Statement of financial activities	(663,000)	(504,000)

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27. Pension commitments (continued)

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

	2022 £	<i>2021</i> £
At 1 September	4,652,000	3,563,000
Current service cost	623,000	474,000
Interest cost	79,000	59,000
Employee contributions	60,000	54,000
Actuarial (gains)/losses	(2,637,000)	512,000
Benefits paid	(22,000)	(10,000)
At 31 August	<u>2,755,000</u>	<u>4,652,000</u>

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

	2022 £	<i>2021</i> £
At 1 September	2,213,000	1,715,000
Interest income	40,000	30,000
Actuarial (losses)/gains	(70,000)	232,000
Employer contributions	231,000	193,000
Employee contributions	60,000	54,000
Benefits paid	(22,000)	(10,000)
Administration expenses	(1,000)	(1,000)
At 31 August	<u>2,451,000</u>	<u>2,213,000</u>

28. Operating lease commitments

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

	2022 £	<i>2021</i> £
Not later than 1 year	13,550	9,880
Later than 1 year and not later than 5 years	29,040	5,931
Later than 5 years	1,210	-
	<u>43,800</u>	<u>15,811</u>

29. Members' liability

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

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30. Controlling party

The academy trust is run by the management team on a day to day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party.

31. Related party transactions

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

The following related party transactions took place during the year:

Expenditure Related Party Transactions:

West Faversham Community Association

The CEO's son is the Chief Executive Officer of this entity:

- During the year the trust paid £nil (2021: £900) to West Faversham Community Association for organising an off-site activity day for year 6 pupils, held at their community centre. There were no amounts outstanding at 31 August 2022 (2021: £nil).
- The academy trust made the purchase at arms' length after obtaining various other quotations, which the CEO neither participated in, nor influenced.
- In entering into the transaction, the academy trust has complied with the requirements of the Academy Trust Handbook. The ESFA were notified in advance of the transaction taking place.

Veritas Academy Trust (Veritas)

T. Wood, a member of the SLT, is a trustee at Veritas. Veritas manage the membership of the Kent MAT Alliance and collect the annual membership fee from the member academy trusts. No service was directly provided by Veritas. The ESFA were notified in advance of the transaction taking place. The annual membership fee was £500 (2021: £500) and there were no amounts outstanding at 31 August 2022 (2021: £nil).

Employment disclosures:

During the year, the following close family members of key management personnel were employed by the trust and paid a salary under an employment contract for their individual roles:

Mrs. S. Adcock - SEN Teaching Assistant - Wife of Simon Adcock a member of the Trust. Sarah Adcock was an employed member of staff before Simon Adcock became a member of the Trust.

Mr. I. Stewart - Cleaner - Husband of Katrine Stewart, the headteacher at Bobbing. Mr. Stewart's appointment was made in open competition and Mrs. Stewart was not involved in the decision-making process regarding appointment. Mr. Stewart is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship with Mrs. Stewart.

T. Wood - Trust Development Lead - personal friend of D. Browning, the CEO. As such, her work is externally validated and her performance management is undertaken solely by the Trust Board.

32. Post balance sheet events

On 1 September 2022, Grove Park Academies, comprising Grove Park Primary School and Aspire Free school, joined the Bourne Alliance Multi Academy Trust.