

Company Registration No. 08248830 (England and Wales)

ARDEN FOREST C OF E MULTI ACADEMY TRUST

(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023



ARDEN FOREST C OF E MULTI ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Directors' report	3 - 11
Governance statement	12 - 16
Statement on regularity, propriety and compliance	17
Statement of Directors' responsibilities	18
Independent auditor's report on the accounts	19 - 21
Independent reporting accountant's report on regularity	22 - 23
Statement of financial activities including income and expenditure account	24 - 25
Balance sheet	26
Statement of cash flows	27
Notes to the accounts including accounting policies	28 - 54

ARDEN FOREST C OF E MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Directors	Susan Heap Adam Walsh Andrew Deeks Vincent Foy Nicholas Moon Stuart Tilsley Catherine Barron Marian Webb Marion Jones Revd Daniel Corlett	Chief Executive Officer (Resigned 6 January 2023) Chair of the Board of Directors (Appointed 5 December 2023)	
Members	Christopher Cocksworth April Gold Katie Cross Susan Heap Virginia Von Malachowski Ruth Worsley	Bishop of Coventry Diocesan Director of Education Rector of the Parish of Alcester Member of the local community Acting Bishop of Coventry	(Resigned 5 November 2023) (Appointed 6 November 2023)
Leadership Team	Adam Walsh Sophie Carthy Amanda Dale	Chief Executive Officer Chief Financial Officer Operations Manager	
Company secretary	Amanda Dale		
Company no.	08248830 (England and Wales)		
Registered office	St Nicholas Church of England Primary School St. Faiths Road Alcester Warwickshire B49 6AG		
Academies in MAT	St Nicholas C of E Primary School Coughton C of E Primary School Temple Grafton C of E Primary School Henley in Arden C of E Primary School The Ferncumbe C of E Primary School Wootton Waven C of E Primary School Studley Infants' School Tanworth-in-Arden C of E Primary & Nursery School Harbury C of E Primary School		(Joined 1 September 2022) (Joined 1 September 2022)
Auditor	Ormerod Rutter Limited The Oakley Kidderminster Road Droitwich Worcestershire WR9 9AY		

ARDEN FOREST C OF E MULTI ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Actuary	Hymans Robertson LLP One London Wall London EC2Y 5EA
Bankers	Lloyds Bank Plc 22 Bridge Street Stratford Upon Avon Warwickshire CV37 6AG
Solicitors	Anthony Collins Solicitors 134 Edmund Street Birmingham B3 2ES

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Directors present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Multi-Academy Trust now operates 9 academies in Central and South Warwickshire. 8 academies are Primary Schools, 1 is an Infant school. Three academies operate nurseries and two operate Special Resource Provisions with a total of 22 high needs places. The academies have a combined pupil capacity of 1,883 and had a roll of 1,673 pupils in July 2022.

Structure, governance and management

Constitution

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

The charitable company operates as Arden Forest C of E Multi Academy Trust.

The Directors are the trustees of Arden Forest C of E Multi Academy Trust and are also the directors of the charitable company for the purposes of company law. Details of the Directors who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Directors' indemnities

The Multi-Academy Trust's Memorandum and Articles of Association includes a provision for qualifying third party indemnity for the benefit of its Directors and officers. These provisions remain in force at the reporting date.

In accordance with normal commercial practice, the Multi-Academy Trust has purchased insurance to protect Directors and officers for claims arising from negligent acts, errors or omissions occurring whilst on school business.

Method of recruitment and appointment or election of Directors

From 1 March 2018, the Memorandum & Articles requires that at least 5 Directors must be appointed by the members. The Directors can also appoint up to 2 Co-opted Directors, provided that they are not employees of the Multi-Academy Trust and that the number of Co-opted Directors does not exceed one third of the total number of Directors.

The Members have decided to appoint Directors as follows:

- The Chair of the Board of Directors;
- The Chief Executive Officer;
- Governors from the Local Board of Governors within the Multi-Academy Trust with appropriate skills; and
- Directors who are not from the Local Governing boards, but with a specific skill set and experience which will enhance the expertise of the MAT Board.

Policies and procedures adopted for the induction and training of Directors

Training and induction for Directors will depend on their prior experience and/or knowledge. Most induction is carried out "in house", but external trainers may be brought in, or Directors may attend external training provision as appropriate. Directors are provided with access to copies of all the documents and policies that they will need to undertake their role.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Organisational structure

The Board of Directors meets formally at least six times per year. Discussions are held and decisions are made or ratified as appropriate. The day to day running of the Multi-Academy Trust is delegated to the Chief Executive Officer and the Senior Leadership Team who report back to the Directors as appropriate.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel, as with all other employees of the Academy, have their salary set by reference to either the NASUWT teacher pay scales or NJC non-teacher pay scales and their job grading. The Directors use Pay in Education to benchmark salaries of key management personnel to ensure these are in line with trusts of a similar size and demographic.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period -

Full-time equivalent employee number -

Percentage of time spent on facility time

Percentage of time	Number of employees
--------------------	---------------------

0%	-
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1%-50%	-
--------	---

51%-99%	-
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100%	-
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Percentage of pay bill spent on facility time

Total cost of facility time	-
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Total pay bill	8,235,473
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Percentage of the total pay bill spent on facility time	-
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Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Engagement with employees

The MAT engage with staff through Leadership Capacity meetings. These meetings cover 19 different areas including curriculum areas, administration, governance and safeguarding. Messaging to and from the MAT Board is communicated through these regular meetings identifying training needs, support and good practice.

Consistent exit interviews were rolled out during 22-23 with guidance provided to leaders. This information is gathered and reported to the trust board in order to identify strengths and areas for development and to monitor trends.

Responses from exit interviews July 2023:

Quality of Management and Supervision - 4.7 out of 5.0

Quality of Training - 4.5 out of 5

Working conditions - 4 out of 5

100% of leavers would recommend their school as a place to work

The best things about working for their school were the supportive staff and the children they worked with.

The best things about working for the MAT was the joint training/moderation and sharing best practice with colleagues at different schools.

Over half of leavers were going to another school in the MAT, retiring or taking a career break/study leave.

Each individual school surveys staff, the MAT Board have developed a MAT wide staff survey called Your View which will be rolled out across the Trust in 23-24.

All staff across the MAT have access to wellbeing services available to support the individual and provide information services to whole school staff groups. This service was accessed more in 22-23 than in previous years.

Related parties and other connected charities and organisations

During the year the Multi-Academy Trust did not have any connected organisations. There was one related party with the Diocese of Coventry who provide support and guidance from both an educational and pastoral perspective. The CEO is a member of the Coventry DBE.

Co-operation with other organisations in pursuit of charitable objectives

The parent associations of each school undertake fundraising activities as separate organisations, with the proceeds used for the betterment of the pupils who attend the school for whom they represent.

The Multi-Academy Trust also lets out part of its premises to local organisations.

Objectives and activities

Objects and aims

The objectives of the charitable company are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- Church of England schools designated as such which shall be conducted in accordance with the principles;
- practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and
- Other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Objectives, strategies and activities

The MAT was formed in April 2018 with three schools who were committed to the achievement and wellbeing of every individual in their schools and who also wanted to commit to a close collaboration to further benefit the children. In September 2022, 2 more schools joined the MAT taking the total to 9 schools. The aims and objectives over the year 22-23 outlined in the Operating Plan were agreed by the MAT Board and reflect the need to ensure robust, scalable processes and structures were in place to support each individual academy within the MAT. These objectives also reflected the MAT's successful application for TCaF in 22-23.

- Establish formal reviews of all schools in the MAT to hold leaders to account with support and challenge;
- Further develop our strong safeguarding culture to ensure there is consistency of monitoring & reporting to LGBs;
- To ensure schools give children experience of the diverse multi-cultural nature of our global community;
- To grow the MAT by increasing the number of schools whilst ensuring financial stability & improving standards in existing schools;
- Embed an effective Governance structure, which results in School leaders being effectively challenged and supported;
- Ensure the MAT's visions and values are evident in all schools and Christian distinctiveness of C of E schools.

Volunteers

A wide range of visitors are invited into the schools to contribute in a variety of ways, these include health professionals, artists, poets in residence, theatre in education groups, craftspeople, the rector, local historians, careers advisers, police officers, local secondary school students, parents and grandparents and other people with particular expertise, experience or knowledge. These visitors contribute to learning in a variety of settings, such as curriculum extension or enrichment activities, assemblies, extracurricular events and clubs, community projects, theatre in education, insight into industry days, in lessons, at school based conferences, as expert witnesses and accompanying pupils on school trips.

Care is needed when handling sensitive and/or controversial issues that may arise. Staff and pupils will be involved in the establishment of classroom rules which set the climate for the lesson and make clear how all involved in the lesson are expected to behave towards each other during the session, this will then enable everyone involved to feel safe. Part of that discussion will include consideration of what kind of information is for sharing beyond the classroom and how pupils would feel if something they have contributed to the lesson were talked about on the playground or in the staffroom. These rules apply equally to pupils, staff and visitors. Where visitors support the curriculum, they are made aware of and abide by the school's policy regarding disclosures and confidentiality. The boundary between providing individual advice and providing learning opportunities for groups of pupils is made clear to everyone.

A member of staff is present during any session with an outside visitor.

Public benefit

The Directors have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report

Achievements and performance

During 22-23, the introduction of formal 'School Effectiveness Reviews' and 'Teaching and Learning Reviews' has allowed the MAT leadership team to challenge schools on the effectiveness of their curriculum and identify local need as well as training opportunities for all schools. The MAT has established a collaborative school improvement approach focused on staff development resulting in greater outcomes for children. Central to this approach is the system of regular leadership meetings which offer networks of support for leaders. Experts within the MAT are utilised to support leaders and teachers.

Consistent monitoring and reporting of safeguarding ensured Local Governing Bodies received the information they needed to ensure their schools were meeting the requirements set out in Keeping Children Safe in Education. The MAT and individual schools were able to create action plans to address training needs to support the MATs culture of vigilance.

Skills audits inform training needs and the skills required when governance vacancies arise. The MAT and the schools operate 'the circle model' of governance. Everyone has clear responsibilities and are expected to liaise with key personnel to allow them to effectively support, challenge and report to their boards.

Tanworth-in-Arden C of E Primary School received a section 5 Ofsted inspection in September 2022 and the school moved from Requires Improvement to Good.

"Governors and senior members of Arden Forest Multi-Academy Trust have an accurate understanding of the school's strengths and priorities for improvement. They have structures in place to support continuous school improvement."

The MAT Board regularly review the performance of the Trust's academies to ensure each of the Trust's academies are effective and that there is continuous improvement at all levels. Work with external education consultants and other Multi Academy Trusts ratify and support internal judgements of the Leadership Team.

Results 2023

Good Level of Development (EYFS)		Phonics (Year 1)		
AFMAT	National	AFMAT	National	
73%	67%	80%	79%	
Key Stage 1		Key Stage 2		
	AFMAT	National	AFMAT	National
Reading	76%	68%	76%	73%
Writing	62%	60%	76%	72%
Maths	76%	70%	71%	73%

The Arden Forest MAT was above average in all areas except Maths in KS2 where the gap was closed from 21-22.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Key performance indicators

The MAT uses financial key performance indicators to monitor and benchmark the financial health of the MAT and the academies within it. These include Total Staff Costs to Total Income (excluding Capital), pupil teacher ratio, staff costs (excluding resource and nursery provisions) per pupil. So what do the ratios tell us.

Total Staff costs to Total Income (excluding Capital)	75.6%
Pupil Teacher Ratio	20.2
Staff Costs Per Pupil	£4,753

Going concern

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

Financial review

The majority of the Multi-Academy Trust's income was obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ending 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Total net surplus (before actuarial gains on defined benefit pension scheme and excluding any transfers into the MAT) for the year was £1,269,995 (2022 - £358,926 deficit). The year on year variance is largely due to the full recognition of capital grants, for which the associated expenditure will fall into the following academic year.

Unrestricted revenue reserves increased by £266,675 from £760,227 (2022) to £1,026,902 (2023). £169,478 was due to transfers into the MAT and the remainder due to a concerted effort to prepare for potential funding pressures resulting from high inflation, in particular with regards to energy prices and unfunded support staff pay rises.

At 31 August 2023 the net book value of fixed assets was £21,578,946 (2022 - £15,418,632). The movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Multi-Academy Trust.

At the year end the Multi-Academy Trust had total net assets of £23,986,434 (2022 - £15,623,184), split into the following reserves:

- Unrestricted funds of £1,026,902 (2022 - £760,277)
- Restricted general funds (excluding pension reserve) of £43,540 (2022 - £8,444)
- Restricted general funds - pension reserve of £276,000 in surplus (2022 - £640,000 in deficit)
- Restricted fixed asset funds of £22,639,992 (2022 - £15,494,513)

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The level of unrestricted funds and GAG restricted funds are being built up out of operating surpluses as to create a reserve to cover the risks and uncertainties of operating the schools and thereby ensuring the financial security of the Multi-Academy Trust.

The Directors have evaluated what should be a suitable reserves policy and have concluded that a value of, at least, 5% of total revenue income is an appropriate amount. This is needed to support subsequent years where pupil numbers may fluctuate. The Multi-Academy Trust also, from time to time, accumulates funding in order to finance specific projects that requires higher than normal expenditure and could not otherwise be funded out of day to day operating income.

The fixed assets of the Multi-Academy Trust held in restricted fixed asset funds are considered necessary for the continued running of the school and such funds are therefore excluded from review. Restricted fixed asset funds held as cash are being accumulated until sufficient funds are available to finance the planned purchase of specific capital items.

The Directors regularly monitor the level of reserves and report to the ESFA any unspent funds expected to be carried forward. The Directors consider the level of reserves at the period end to be sufficient but not excessive, in particular regard to potentially unfunded increases in staff and energy costs for 2022-23 onwards. The Multi-Academy Trust's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £1,026,902 (2022 - £760,227).

The Pension Reserve relates to the provision for the Academy's share of the actuarial deficit on the Warwickshire County Council Local Government Pension Scheme and is accounted for in a separate restricted general fund in accordance with Academies Accounts Direction issued by the ESFA.

Investment policy

The Academy does not hold either any short term or long term investments.

Principal risks and uncertainties

The Directors confirming that the major risks to which the Multi-Academy Trust is exposed, as identified by themselves, have been reviewed, and that systems or procedures have been established to manage those risks.

The principal financial risks facing the Multi-Academy Trust is that funding is dependent upon pupil numbers and upon the Government's policies for education. Pupil numbers have continued to increase in the current financial year. However Directors are aware that pupil numbers would be affected by changes to the reputation of the school or by significant developments within the local area, although the Directors do not consider the risk of such changes occurring to be high. The Directors review for any significant changes in Government funding policies that may affect the funding received by the school.

The Multi-Academy Trust is a participating employer of the Warwickshire County Council Local Government Pension scheme, a multi-employer defined benefit pension scheme. The ongoing contributions payable to this scheme is considered manageable within the Academy's ongoing budgets.

The principal non-financial risks facing the Multi-Academy Trust are the protection of pupils, staff and assets, as well ensuring that the school continues to obtain positive Ofsted inspection results. The Multi-Academy Trust has policies in place to manage all these risks.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Fundraising

Separately from the matter of charging, the Multi-Academy Trust on occasion seeks voluntary contributions in order to offer a wide variety of experiences to pupils. All requests for voluntary contributions will emphasise their voluntary nature and the fact that pupils of parents who do not make such contributions will be treated no differently to those who have. If we do not receive sufficient voluntary contributions, we may cancel the event. This will be made clear to parents in the letter advising details of the activity.

If a parent wishes their child to take part in a curriculum based event, but is unwilling or unable to make a voluntary contribution, we do allow the child to participate fully in the trip or activity. Sometimes the Multi-Academy Trust pays additional costs in order to support the visit. Parents have a right to know how each trip is funded. The Multi-Academy Trust provides this information on request.

The Multi-Academy Trust does not engage in any other fundraising activities for its own benefit.

Plans for future periods

Following the publication of the DfE's Commissioning High-Quality Trusts published 6th July 2023, the Strategic Plan has been created to reflect the 5 pillars. Each pillar has an objective and KPIs.

Pillars and Objectives:

- High Quality and Inclusive Education - Objective: The provision of all schools in the MAT is of a high quality and accessible to all.
- School Improvement - Objective: The MAT's collaborative school improvement approach effectively supports each individual school.
- Workforce - Objective: To create a high-performing working culture for all staff, which promotes collaboration, aspiration and support.
- Finance and Operations - Objective: Effective financial and operational support for schools ensures best value to the children of each school.
- Governance and Leadership - Objective: The MAT and its individual schools are well led through effective governance.

The Arden Forest C of E Multi Academy Trust is committed to the achievement and wellbeing of every individual – child and adult alike. The Strategic Plan 2023-25, through the five pillars focuses on building the collaborative school improvement approach through effective and supportive processes, procedures and policies.

The main areas of improvement/area of focus or KPIs to be addressed for the trust in 23-24 are:

- Each individual school has 90% phonics in the Year 1 phonic screening;
- Close the gap between reading and writing;
- Statutory assessment in Maths (KS2) is above national as a MAT;
- Each school's curriculum gives children an understanding of diverse cultural, religious, ethnic and socio economic communities beyond their own;
- A MAT Parent survey to be developed and sent out to allow direct comparison across the MAT Trust wide staffing costs evaluation; and
- Increase revenue income through grant applications.

Funds held as custodian trustee on behalf of others

The Multi-Academy Trust does not hold any funds as custodian trustee on behalf of others.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Auditor

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

A 5 yearly tendering process was concluded in March 2023 as stipulated in the Academy Trust Handbook. A resolution proposing that Ormerod Rutter Limited be reappointed as auditor of the charitable company will be put to the members.

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 20 December 2023 and signed on its behalf by:



Nicholas Moon

Chair of the Board of Directors

ARDEN FOREST C OF E MULTI ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that Arden Forest C Of E 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 Directors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Arden Forest C Of E Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here, supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities.

From the 1st September 2022 all LGB's chose to adopt the circle model. In a circle model governors have specific responsibilities outlined in terms of reference.

An internal audit review of governance and risk management procedures and structures took place in Spring 23 to ensure they met the needs and requirements of both the Academy and the Academy Trust Handbook ("ATH") and Governance Handbook.

The following were outcomes of that review:

- Clarification of terminology on our website around Director roles as well as the Governor/Director structure.
- There is now a clear recruitment process for the selection and onboarding of Governors and Directors.
- The Scheme of Delegation is being updated to ensure clarity over delegated responsibilities and to ensure it reflects current practice.

The Board of Directors of the Multi Academy Trust formally met 6 times during the year.

Directors	Meetings attended	Out of possible
A Deeks (Resigned 6 January 2023)	1	2
Vincent Foy (Chair of Finance)	6	6
Susan Heap	4	6
Adam Walsh (Chief Executive Officer)	6	6
Nicholas Moon (Chair of the Board of Directors)	5	6
Stuart Tilsley	6	6
Reverend D J Corlett (Appointed 5 December 2023)	0	0
Catherine Barron	4	6
Marion Jones	5	6
Marian Webb	5	6

On the 20th October 2022 Nick Moon was nominated as Chair of the MAT Board of Directors - this was unanimously agreed by the Board. His appointment as Chair is effective from 20th October 2022. Sue Heap will remain on the Board of Directors.

The members of the Board each have specific responsibilities within the Board aligned to their individual skill sets.

Andrew Deeks resigned as a MAT Board Director on the 6 January 2023. Revd Daniel Corlett was appointed to the MAT Board on 5 December 2023.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conflicts of interest

The Trust holds a Declaration of Interest register which is updated at the start of each academic year and when subsequent changes occur. At the start of each Director's meeting there is a declaration of interests agenda item.

Any Director who has or can have any direct or indirect duty or personal interest which conflicts or may conflict with their duties as a Director shall disclose that fact to the Directors as soon as they become aware of it. A Director must absent themselves from any discussions of the Directors in which it is possible that a conflict will arise between his duty to act solely in the interest of the MAT and any duty or personal interest. Declaration of Interest forms are also completed by the Leadership Team and Local Governing Bodies in schools and at MAT level, to ensure the identification of any conflicts of interest with individuals in a position of control and influence. Should any conflicts of interest be identified, decision making will be referred to an alternative member of the Leadership Team or Board of Directors to ensure transparency. In line with the ESFA's Accounts Direction all related party transactions, should they arise, would be reported to the ESFA in advance of the contract or agreement commencing.

Finance and Audit Committee

The Finance and Audit Committee is a sub-committee of the main board of trustees and meets 6 times a year. All MAT Board Directors are members of the Finance and Audit Committee except the CEO. The purpose of the committee is to:

Finance

- ensure good financial management within the Trust and compliance with the Trust's Funding Agreement, the Academy Trust Handbook and Charity Commission guidance;
- determine key performance indicators and management information required to review management accounts across the academy trust;
- support and evaluate actions arising from review of financial reporting and budgetary control;
- agree priorities for capital investment and systems change/development, including organisation structure;
- ensure the trust's estate is safe and well maintained, monitor the CIF Bids proposed and ensure consultants are delivering value for money;
- oversee the academy trust's cash flow management and lease arrangements;
- receive reports from the external auditor and other bodies (for example SRMA) and consider issues raised, the associated management response and action plans.

Audit

- review the adequacy and effectiveness of the trust's internal control, risk management and values for money systems and frameworks;
- determine the need for and aid the appointment, re-appointment, dismissal and remuneration of an internal auditor or other assurance provider to enable the board to sign the corporate governance statement in the annual accounts;
- agree an appropriate programme of work to be delivered by the independent assurance providers. This programme of work is to be derived from the committee's regard of the key risks faced by the academy trust;
- monitor outstanding audit recommendations and ensure any delays to implementation dates are reasonable;
- review the effectiveness of the internal control system established to ensure that the aims, objectives and key performance targets of the Trust are achieved in the most economic and effective manner, and that sufficient assurance is provided to allow the Board to sign off on the accounts disclosures on financial governance;
- review the ratings and responses on the risk register to inform the programme of internal scrutiny work, ensuring checks are modified as appropriate each year;
- review procedures for detecting fraud and whistle blowing and ensure that arrangements are in place by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control or any other matters.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Attendance at the Finance and Audit meetings was as follows:

Directors	Meetings attended	Out of possible
A Deeks (Resigned 6 January 2023)	1	2
Vincent Foy (Chair of Finance)	6	6
Susan Heap	4	6
Nicholas Moon (Chair of the Board of Directors)	5	6
Stuart Tilsley	6	6
Catherine Barron	4	6
Marion Jones	5	6
Marian Webb	5	6

Review of value for money

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

The Accounting Officer considers how the 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 or by using a framework where appropriate. The Chief Executive Officer for the academy trust has delivered improved value for money during the year by:

- ensuring the collaborative school improvement approach includes regular meetings for leaders and staff. These meetings build the leadership capacity and facilitate the sharing of best practice and resources;
- ensuring the MAT central team supports schools by facilitating MAT wide training events, either for all schools or combinations, allowing individual schools to achieve savings. Examples of in house training offered included Assessment and Finance training sessions for Governors. Safer Recruitment and Single Central Record training delivered by an external consultant was also offered to all Governors, Heads and Office staff at a highly reduced rate;
- making sure talent management and succession planning is considered and reviewed allowing the Trust to invest and retain staff;
- ensuring the trust's estate is well-maintained through successfully applying for CIF Bids. This year there were five successful bids, St Nicholas C of E Primary School Roof and Asbestos Removal works, Studley Infants' Schools Roof, The Fercumbe C of E Primary School's Roof and Henley in Arden C of E Primary School had improvements made to fire safety;
- ensuring the trust's estate is safe through MAT wide Health Safety training, including Safer Management of Contractors, Asbestos Management and Caretaker training;
- ensuring the trust's estate complies with regulations through regular audits and support provided by an external Health and Safety consultancy;
- reviewing contracts and services as they come to an end, for example a new catering contract was procured for Henley C of E Primary School and Tanworth in Arden C of E Primary School which has led to an increase in quality and meal take up;
- obtaining TCaF funding leading to increased capacity in the central finance and facilities teams.

This increased capacity has meant:

- the completion of a thorough financial benchmarking exercise and the creation of robust KPIs. Schools have greater clarity over how education support staff can be properly utilised;
- a greater understanding of premises costs and the assurance that services were delivered by good quality providers;
- the development of a more sustainable energy policy which has led to the entire MAT estate now being ran off LED lights, four schools on track to replace some of their energy input with solar and all MAT schools using the DfE funded Energy Sparks to be aware of their energy use;
- the introduction of a robust structure of School Improvement that includes a combination of School Effectiveness Reviews and Teaching and Learning Reviews.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Multi-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 Arden Forest C of E Multi Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

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

The risk and control framework

The Multi-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 from the Access Finance system, which are reviewed and agreed by the Board of Directors;
- regular reviews by each of the Resources Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks are reviewed on a regular basis at Board of Directors level.

The Board of Directors has decided to employ Academy Advisory as internal auditor. The Board and Chief Executive Officer had identified a need for external benchmarking of the MAT policies and practice. Academy Advisory run their audits using specialists in their field. This gives assurance over current practice whilst providing clear areas for development.

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

- testing of HR procedures, the Single Central Record and Payroll; and
- testing of Governance of the MAT Board and Local Governing Bodies.

On a twice a year basis, the auditor reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the auditor prepares a 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.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Review of effectiveness

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

- the work of the internal auditor;
- the school resource management self-assessment tool;
- the work of the executive officers within the multi academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor; and
- School Resource Management Agent visit in October 2023.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Directors and a plan to ensure continuous improvement of the system is in place.

Approved by order of the Board of Directors on 20 December 2023 and signed on its behalf by:



Adam Walsh
Chief Executive Officer



Nicholas Moon
Chair of the Board of Directors

ARDEN FOREST C OF E MULTI ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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



Adam Walsh
Accounting Officer

20 December 2023

ARDEN FOREST C OF E MULTI ACADEMY TRUST

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The directors (who also act as trustees for Arden Forest C of E Multi Academy Trust) are responsible for preparing the Directors' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 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 Directors to prepare accounts for each financial year. Under company law, the Directors must not approve the accounts 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 accounts, the Directors are required to:

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

The Directors 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 accounts 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 Directors 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 that grants received from ESFA/DfE have been applied for the purposes intended.

The Directors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Directors on 20 December 2023 and signed on its behalf by:



Nicholas Moon

Chair of the Board of Directors

ARDEN FOREST C OF E MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDEN FOREST C OF E MULTI ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Arden Forest C of E Multi Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

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

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 'Auditor's responsibilities for the audit of the accounts' section of our report. We are independent of the Multi-Academy Trust in accordance with the ethical requirements that are relevant to our audit of the accounts in the UK, including the FRC'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 Directors' 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 Multi-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 Directors 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 accounts and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the accounts 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 accounts 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 accounts 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.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDEN FOREST C OF E MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions 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 Directors' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Directors' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Multi-Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report, including the incorporated 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the Directors are responsible for assessing the Multi-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 Directors either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ARDEN FOREST C OF E MULTI ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Based on our understanding of the academy and the education sector, we identified that the principal risks of non-compliance with laws and regulations including those that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities SORP and the Academies Accounts Direction 2022 to 2023, and the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to income and management bias in accounting estimates and judgemental areas of the financial statements the pension scheme deficit. The audit procedures that we performed in response to this risk included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims.
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the rationale of any significant transactions outside the normal course of business.
- Reviewing the assumptions made by management and actuaries in relation to the pension scheme deficit and challenging the appropriateness thereof.
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Colm McGrory FCA (Senior Statutory Auditor)
for and on behalf of Ormerod Rutter Limited

21/12/2023

Chartered Accountants
Statutory Auditor

The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

ARDEN FOREST C OF E MULTI ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ARDEN FOREST C OF E MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Arden Forest C of E Multi Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Arden Forest C of E Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Arden Forest C of E 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 Arden Forest C of E Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Arden Forest C of E Multi Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Arden Forest C of E Multi Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

ARDEN FOREST C OF E MULTI ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ARDEN FOREST C OF E MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ormerod Rutter

Reporting Accountant

Ormerod Rutter Limited
The Oakley
Kidderminster Road
Droitwich
Worcestershire
WR9 9AY

Dated: *21/12/2023*

ARDEN FOREST C OF E MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General £	Fixed asset £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	3	7,029	78,631	1,693,679	1,779,339	478,593
Donations - Transfer of schools into MAT from Local Authority	26	127,973	(160,000)	2,703,412	2,671,385	-
Donations - transfer of existing academy into the trust	26	41,505	3,391	3,105,974	3,150,870	-
Charitable activities:						
- Funding for educational operations	5	-	10,019,166	-	10,019,166	6,920,847
Other trading activities	4	961,910	-	-	961,910	556,102
Investments	7	289	-	-	289	250
Total		<u>1,138,706</u>	<u>9,941,188</u>	<u>7,503,065</u>	<u>18,582,959</u>	<u>7,955,792</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	802,811	10,261,092	480,116	11,544,019	8,314,718
Total	6	<u>802,811</u>	<u>10,261,092</u>	<u>480,116</u>	<u>11,544,019</u>	<u>8,314,718</u>
Net income/(expenditure)		335,895	(319,904)	7,022,949	7,038,940	(358,926)
Transfers between funds	17	(69,220)	-	69,220	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	1,271,000	-	1,271,000	2,887,000
Net movement in funds		266,675	951,096	7,092,169	8,309,940	2,528,074
Reconciliation of funds						
Total funds brought forward		760,227	(631,556)	15,494,513	15,623,184	13,095,110
Total funds carried forward		<u>1,026,902</u>	<u>319,540</u>	<u>22,586,682</u>	<u>23,933,124</u>	<u>15,623,184</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted	Restricted funds:		Total
		funds	General	Fixed asset	2022
		£	£	£	£
Income and endowments from:					
Donations and capital grants	3	43,217	-	435,376	478,593
Charitable activities:					
- Funding for educational operations	5	-	6,920,847	-	6,920,847
Other trading activities	4	556,102	-	-	556,102
Investments	7	250	-	-	250
Total		599,569	6,920,847	435,376	7,955,792
Expenditure on:					
Charitable activities:					
- Educational operations	9	362,334	7,571,509	380,875	8,314,718
Total	6	362,334	7,571,509	380,875	8,314,718
Net income/(expenditure)		237,235	(650,662)	54,501	(358,926)
Transfers between funds	17	(252,859)	-	252,859	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	2,887,000	-	2,887,000
Net movement in funds		(15,624)	2,236,338	307,360	2,528,074
Reconciliation of funds					
Total funds brought forward		775,851	(2,867,894)	15,187,153	13,095,110
Total funds carried forward		760,227	(631,556)	15,494,513	15,623,184

ARDEN FOREST C OF E MULTI ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		21,525,636		15,418,632
Current assets					
Debtors	14	1,255,610		253,886	
Cash at bank and in hand		2,309,713		1,195,511	
		<u>3,565,323</u>		<u>1,449,397</u>	
Current liabilities					
Creditors: amounts falling due within one year	16	(1,433,835)		(604,845)	
Net current assets			<u>2,131,488</u>		<u>844,552</u>
Net assets excluding pension asset/(liability)			23,657,124		16,263,184
Defined benefit pension scheme asset/(liability)	20		276,000		(640,000)
Total net assets			<u>23,933,124</u>		<u>15,623,184</u>
Funds of the Multi-Academy Trust:					
Restricted funds	17				
- Fixed asset funds			22,586,682		15,494,513
- Restricted income funds			43,540		8,444
- Pension reserve			276,000		(640,000)
Total restricted funds			<u>22,906,222</u>		<u>14,862,957</u>
Unrestricted income funds	17		1,026,902		760,227
Total funds			<u>23,933,124</u>		<u>15,623,184</u>

The accounts on pages 24 to 54 were approved by the Directors and authorised for issue on 20 December 2023 and are signed on their behalf by:



Nicholas Moon
Chair of the Board of Directors

Company registration number 08248830 (England and Wales)

ARDEN FOREST C OF E MULTI ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	19		(100,565)		63,407
Cash funds transferred			314,742		-
			<u>214,177</u>		<u>63,407</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		289		250	
Capital grants from DfE Group		1,514,612		301,888	
Capital funding received from sponsors and others		179,067		133,488	
Purchase of tangible fixed assets		(793,943)		(699,430)	
Net cash provided by/(used in) investing activities			<u>900,025</u>		<u>(263,804)</u>
Net increase/(decrease) in cash and cash equivalents in the reporting period			1,114,202		(200,397)
Cash and cash equivalents at beginning of the year			1,195,511		1,395,908
Cash and cash equivalents at end of the year			<u><u>2,309,713</u></u>		<u><u>1,195,511</u></u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

The Multi-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 20, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The carrying value of tangible fixed assets is dependent on the annual depreciation charge. The annual depreciation charge for tangible fixed assets is sensitive to changes in useful economic lives. The accounting policies for depreciation of tangible fixed assets can be found in note 2 and the carrying value of tangible fixed assets can be found in note 13.

2 Accounting policies

Arden Forest C of E Multi Academy Trust is a charitable company limited by guarantee incorporated in England and Wales.

The address of the registered office and its principal place of business is St Nicholas' Church of England Primary School, St. Faiths Road, Alcester, Warwickshire, B49 6AG.

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

2.1 Basis of preparation

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

2.2 Going concern

The Directors 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 charitable company to continue as a going concern. The Directors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts and have concluded that the Multi-Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi-Academy Trust's ability to continue as a going concern. Thus they continue to adopt the going concern basis of accounting in preparing the accounts.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

2.3 Income

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

Grants receivable

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 period for which it is receivable, and any abatement in respect of the period 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 period it is receivable and to the extent the Multi-Academy Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Multi-Academy Trust's accounting policies.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

2.4 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the Multi-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 Multi-Academy Trust's educational operations, including support costs and costs relating to the governance of the Multi-Academy Trust apportioned to charitable activities.

2.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold land	- not depreciated
Leasehold buildings	- 2% on cost & 15 years straight line
Leasehold improvements	- 10% on cost
Computer equipment	- 25% on cost
Fixtures, fittings & equipment	- 20% on cost

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

Leasehold property includes property held under 125 year lease agreements issued by both Warwickshire County Council and Coventry Diocesan Board of Education.

The academy trust company occupies land (including buildings) for Henley in Arden. The land is owned by Warwickshire County Council and the buildings are owned by Coventry Diocesan Board of Education. The landlords are the provider of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a lease. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Church's contribution to provide State funded education in partnership with the State. The lease delegates aspects of the management of the land (and buildings) to the academy trust company for the time being but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings).

In accordance with Charities SORP (FRS 102) 2015 this property is recognised in the financial statements, representing the 'right to use' the property. The property is recognised as a leasehold tangible fixed asset at fair value of the asset (being the right to use the property rather than the freehold) at the date of conversion less accumulated depreciation.

Leasehold property also includes property held under the terms of the Church Supplemental Agreement to the Funding Agreement whereby the trustees of the Church of England Parish of Alcester have made leasehold property available indefinitely to the Multi-Academy Trust, subject to either the termination of the Funding Agreement or on receipt of no less than two years written notice from the following 31st August from the trustees of the Church of England Parish of Alcester.

In accordance with FRS 102, this property was recognised in the financial statements, on the basis that the Academy has effective control over the future economic benefits relating to the property, is able to restrict the access of others to those benefits and is responsible for the maintenance of the property for the foreseeable future, on the assumption that it is improbable that notice to vacate the property will be issued within the foreseeable future. The property is recognised as a leasehold tangible fixed asset at fair value of the asset (being the right to use the property rather than the freehold) at the date of conversion less accumulated depreciation.

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.

2.6 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 Multi-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.

2.7 Leasing and hire purchase commitments

Rentals under operating leases are charged on a straight-line basis over the lease term.

2.8 Financial instruments

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

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. 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. 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.

2.9 Taxation

The Multi-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 Multi-Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 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.

2.10 Pensions benefits

Retirement benefits to employees of the Multi-Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the Multi-Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Multi-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 projected unit method. The 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 are 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 Multi-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 net income or expenditure 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.

2.11 Fund accounting

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

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

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Accounting policies

(Continued)

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Capital grants	-	1,693,679	1,693,679	435,376
Other donations	7,029	78,631	85,660	43,217
	<u>7,029</u>	<u>1,772,310</u>	<u>1,779,339</u>	<u>478,593</u>

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of premises	15,349	-	15,349	12,827
Catering income	150,937	-	150,937	89,450
Contributions towards music lessons	4,650	-	4,650	-
Contributions towards school trips and extra-curricular activities	669,725	-	669,725	357,808
Other income	121,249	-	121,249	96,017
	<u>961,910</u>	<u>-</u>	<u>961,910</u>	<u>556,102</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Funding for the Multi-Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
DfE / ESFA grants				
General Annual Grant (GAG)	-	7,543,325	7,543,325	5,443,569
Rates Relief	-	28,597	28,597	28,731
Pupil Premium	-	384,456	384,456	293,482
PE & Sports Premium	-	158,030	158,030	122,440
Universal Infant Free School Meals	-	270,147	270,147	170,835
Other DfE / ESFA grants	-	381,447	381,447	169,446
	-	8,766,002	8,766,002	6,228,503
Other government grants				
Special Educational Needs	-	500,046	500,046	228,379
Other Dfe/EFA grants	-	712,307	712,307	433,005
Coronavirus exceptional support	-	40,811	40,811	30,960
	-	1,253,164	1,253,164	692,344
Total funding	-	10,019,166	10,019,166	6,920,847

6 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Academy's educational operations					
- Direct costs	6,775,705	384,093	965,921	8,125,719	5,472,287
- Allocated support costs	1,820,213	788,312	809,775	3,418,300	2,842,431
	8,595,918	1,172,405	1,775,696	11,544,019	8,314,718

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	480,116	343,279
Fees payable to auditor for:		
- Audit	10,310	7,295
- Other services	5,050	4,985
- ESFA annual return audit	3,250	1,965
- TPS annual return audit	1,300	1,050
Net interest on defined benefit pension liability	37,000	53,000

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Bank interest	289	-	289	250

8 Central services

The Multi-Academy Trust has provided the following central services to its academies during the year time of Chief Executive Officer and Chief Financial Officer, centralised legal and professional costs, Directors' training and maintaining the website of the Multi-Academy Trust.

The Multi-Academy Trust charges for these services on the basis of 5% of General Annual Grant income.

The amounts charged during the year were as follows:

	2023 £	2022 £
St Nicholas C of E Primary School	91,674	77,455
Coughton C of E Primary School	40,219	34,055
Temple Grafton C of E Primary School	29,916	25,798
Henley in Arden C of E Primary School	41,013	33,624
The Ferncumbe C of E Primary School	45,526	38,160
Wootton Wawen C of E Primary School	27,284	25,105
Studley Infants' School	43,757	40,336
Harbury C of E Primary School	52,065	-
Tanworth in Arden C of E Primary School	48,815	-
	420,269	274,533

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Direct costs - educational operations	802,811	7,322,908	8,125,719	5,472,287
Support costs - educational operations	-	3,418,300	3,418,300	2,842,431
	802,811	10,741,208	11,544,019	8,314,718

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Charitable activities	(Continued)	
Analysis of costs	2023	2022
	£	£
Direct costs		
Teaching and educational support staff costs	6,775,705	4,447,279
Staff development	58,839	43,890
Depreciation	384,093	274,623
Computer costs	146,686	116,909
Educational supplies	482,009	457,535
Educational professional services	136,524	61,899
School trip expenses	141,863	70,152
	<u>8,125,719</u>	<u>5,472,287</u>
Support costs		
Support staff costs	1,820,213	1,752,052
Depreciation	96,023	68,656
Computer costs	-	8,127
Legal, professional and staff recruitment	69,054	86,511
Maintenance of premises and equipment	292,536	195,009
Cleaning	34,859	28,878
Energy costs	254,732	105,608
Rent and rates	28,418	20,829
Insurance	81,744	70,495
Catering costs	469,062	332,098
LGPS deficit provision net interest charge	37,000	53,000
Office licences, telephone and stationery	203,224	100,655
Auditor's remuneration	31,435	20,513
	<u>3,418,300</u>	<u>2,842,431</u>

10 Directors' remuneration and expenses

One or more of the Directors has been paid remuneration or has received other benefits from an employment with the Multi-Academy Trust. The Chief Executive Officer and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Chief Executive Officer and staff members under their contracts of employment, and not in respect of their services as Directors.

The value of Directors' remuneration and other benefits was as follows:

Adam Walsh (Chief Executive Officer)

- Remuneration £90,000 - £100,000 (2022: £85,000 - £90,000)
- Employer's pension contributions £20,000 - £25,000 (2022: £20,000 - £25,000)

During the year there were no reimbursed expenses to Directors.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Directors' and officers' insurance

In accordance with normal commercial practice the Multi-Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. This insurance is included in a schools combined insurance policy which includes cover for multiple other types of insurance and the cost of insurance to protect Directors and officers cannot be easily determined as an individual element of the total cost of this combined insurance policy.

With effect from 1 September 2019 the Multi-Academy Trust has opted into the Department for Education's risk protection arrangement ("RPA"), an alternative to insurance where the UK Government funds cover losses that arise.

12 Staff costs

	2023	2022
	£	£
Wages and salaries	6,348,762	4,334,608
Social security costs	519,290	324,821
Operating costs of defined benefit pension schemes	1,573,430	1,464,951
	<hr/>	<hr/>
Staff costs	8,441,482	6,124,380
Supply staff costs	118,577	74,951
Redundancy costs	35,859	-
	<hr/>	<hr/>
Total staff expenditure	8,595,918	6,199,331
	<hr/> <hr/>	<hr/> <hr/>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Staff costs

(Continued)

Staff numbers

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

	2023 Number	2022 Number
Teachers	108	81
Teaching assistants	98	53
Midday supervisors	23	38
Caretakers and cleaners	22	15
Administration staff	26	22
Extended services	17	11
	<u>294</u>	<u>220</u>
Arden Forest MAT	14	3
St Nicholas C of E Primary School	61	65
Coughton C of E Primary School	22	25
Temple Grafton C of E Primary School	19	19
Henley in Arden C of E Primary School	21	23
The Ferncumbe C of E Primary School	35	37
Wootton Wawen C of E Primary School	17	17
Studley Infants' School	30	31
Harbury C of E Primary School	38	-
Tanworth C of E Primary School	37	-
	<u>294</u>	<u>220</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

12 Staff costs

(Continued)

Staff numbers (continued)

The annual average number of persons employed, expressed as a full time equivalent ("FTE"), was as follows:

	2023	2022
Teachers	81.9	63.9
Teaching assistants	59.2	38.8
Midday supervisors	8.7	7.1
Caretakers and cleaners	11.0	7.7
Administration staff	18.0	12.9
Extended services	8.2	5.8
	<u>187.0</u>	<u>136.2</u>
Arden Forest MAT	6.2	3.6
St Nicholas C of E Primary School	38.8	37.8
Coughton C of E Primary School	16.2	16.5
Temple Grafton C of E Primary School	10.9	11.6
Henley In Arden C of E Primary School	17.9	17.3
The Ferncumbe C of E Primary School	20.9	21.7
Wootton Waven C of E Primary School	9.7	9.7
Studley Infants' School	19.4	18.0
Harbury C of E Primary School	22.8	-
Tanworth C of E Primary School	24.2	-
	<u>187.0</u>	<u>136.2</u>

Higher paid staff

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

	2023 Number	2022 Number
£60,000 - £70,000	1	2
£70,000 - £80,000	2	-
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-
	<u>4</u>	<u>3</u>

Total employer pension contributions for these employees were £71,893 (2022 - £52,851).

Key management personnel

The key management personnel of the Multi-Academy Trust comprise of the leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Multi-Academy Trust was £263,315 (2022 - £208,044).

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

	Leasehold land & buildings	Leasehold improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2022	14,642,496	1,834,867	322,726	209,226	17,009,315
Transfer on conversion	2,651,000	16,432	16,147	3,624	2,687,203
Transfer of school joining	3,000,000	78,663	1,671	25,640	3,105,974
Additions	-	762,929	8,339	22,675	793,943
Disposals	-	-	(60,695)	(9,024)	(69,719)
At 31 August 2023	20,293,496	2,692,891	288,188	252,141	23,526,716
Depreciation					
At 1 September 2022	761,604	347,716	301,827	179,536	1,590,683
On disposals	-	-	(60,695)	(9,024)	(69,719)
Charge for the year	208,843	208,980	29,865	32,428	480,116
At 31 August 2023	970,447	556,696	270,997	202,940	2,001,080
Net book value					
At 31 August 2023	19,323,049	2,136,195	17,191	49,201	21,525,636
At 31 August 2022	13,880,892	1,487,151	20,899	29,690	15,418,632

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Tangible fixed assets

(Continued)

Included in cost or valuation of land and buildings is leasehold land of £9,851,354 (2022 - £8,609,854).

Where the academy occupies the land and buildings under a licence from the Church of England no interest in the sites pass to the academy. However, in accordance with FRS102 and the Academy Accounts Direction the commercial substance of the transaction takes precedence over the legal form. As a result any land and buildings occupied under licence by the Trust and owned by the Church of England are recognised on the academy balance sheet for the future economic benefits that are expected to flow from the use of such properties.

The land and buildings utilised by Tanworth-in-Arden C of E Primary were not previously recognised in that academy's financial statements. The directors are of the opinion that as a result of the Church Supplemental Agreement in relation to this site the asset should be recognised on the balance sheet as noted above. An existing use valuation and useful asset life assessment was prepared in accordance with the requirements of the financial reporting framework FRS 102 for these assets upon transfer into the Trust. The leasehold land and buildings treated as donations upon the school's transfer into the Trust had a depreciated replacement cost value of £3,000,000. As this valuation was for the purposes of attempting to establish the value at the point of transfer, it is deemed appropriate to treat this under the historical cost model.

The academy trust company occupies land (including buildings) for Henley in Arden C of E Primary School. This land is owned by Warwickshire County Council and the buildings are owned by Coventry Diocesan Board of Education. The landlords are the provider of the academy on the same basis as when the academy was a maintained school. The academy trust company occupies the land (and buildings) under a lease. This continuing permission of their Trustees is pursuant to, and subject to, the Trustees' charitable objects, and is part of the Church's contribution to provide State funded education in partnership with the State. The lease delegates aspects of the management of the land (and buildings) to the academy trust company for the time being, but does not vest any rights over the land in the academy trust company. The Trustees have given an undertaking to the Secretary of State that they will not give the academy trust company less than two years notice to terminate the occupation of the land (including buildings). Having considered the factual matrix under which the academy trust company is occupying the land (and buildings) the directors have concluded that the value of the land and buildings occupied by the Henley in Arden C of E Primary School will not be recognised on the balance sheet of the company.

14 Debtors

	2023	2022
	£	£
Trade debtors	73,469	9,687
VAT recoverable	57,763	26,524
Prepayments and accrued income	1,124,378	217,675
	<u>1,255,610</u>	<u>253,886</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Deferred income

	2023	2022
	£	£
Deferred income is included within:		
Creditors due within one year	209,427	119,538
	<u>209,427</u>	<u>119,538</u>
Deferred income at 1 September 2022	119,538	142,046
Released from previous years	(119,538)	(142,046)
Resources deferred in the year	209,427	119,538
	<u>209,427</u>	<u>119,538</u>
Deferred income at 31 August 2023	<u>209,427</u>	<u>119,538</u>

The deferred income relates primarily to UIFSM received early relating to the next financial year and also contributions from parents towards future school trips and extracurricular activities.

16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	371,460	142,669
Other taxation and social security	123,278	83,412
Other creditors	6,348	64,205
Accruals	723,322	195,021
Deferred income (see note 15)	209,427	119,538
	<u>1,433,835</u>	<u>604,845</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted general funds					
General Annual Grant (GAG)	-	7,571,922	(7,571,922)	-	-
Pupil premium	8,444	384,456	(388,950)	-	3,950
Other DfE/ESFA grants	-	651,594	(651,594)	-	-
Other government grants	-	1,253,164	(1,236,879)	-	16,285
PE & Sport Premium	-	158,030	(145,454)	-	12,576
Transfer into MAT	-	3,391	(3,391)	-	-
Restricted donations	-	78,631	(67,902)	-	10,729
	<u>8,444</u>	<u>10,101,188</u>	<u>(10,066,092)</u>	<u>-</u>	<u>43,540</u>
Funds excluding pensions	(640,000)	(160,000)	(195,000)	1,271,000	276,000
	<u>(631,556)</u>	<u>9,941,188</u>	<u>(10,261,092)</u>	<u>1,271,000</u>	<u>319,540</u>
Restricted fixed asset funds					
Inherited on conversion	-	2,703,412	-	(2,703,412)	-
DfE group capital grants	15,414,980	-	(480,116)	6,587,119	21,521,983
Devolved Formula Capital	37,778	179,066	-	(88,142)	128,702
Condition Improvement Fund	41,755	1,514,613	-	(620,371)	935,997
Academy transfer in	-	3,105,974	-	(3,105,974)	-
	<u>15,494,513</u>	<u>7,503,065</u>	<u>(480,116)</u>	<u>69,220</u>	<u>22,586,682</u>
Total restricted funds	<u>14,862,957</u>	<u>17,444,253</u>	<u>(10,741,208)</u>	<u>1,340,220</u>	<u>22,906,222</u>
Unrestricted funds					
General funds	<u>760,227</u>	<u>1,138,706</u>	<u>(802,811)</u>	<u>(69,220)</u>	<u>1,026,902</u>
Total funds	<u>15,623,184</u>	<u>18,582,959</u>	<u>(11,544,019)</u>	<u>1,271,000</u>	<u>23,933,124</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

(Continued)

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

Unrestricted funds

General unrestricted funds relate to funds that are expendable at the discretion of the Directors in furtherance of the charity's aims and objectives.

Restricted Revenue Funds

The General Annual Grant (GAG) fund relates to income received from the ESFA in order to cover the normal running costs of the Academy. It also includes the surplus of funds received on conversion from Local Authority control not relating to capital fixed assets. Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

The Pupil Premium fund relates to additional funding from the ESFA to support the disadvantaged pupils of the school and close the attainment gap between them and their peers.

The Special Educational Needs fund relates to income received from Warwickshire County Council to assist pupils with special educational needs.

The PE & Sports Premium fund relates to additional funding from the ESFA to help primary schools improve the quality of the PE and sport activities they offer their pupils.

The MAT Development and Improvement Fund relates to ESFA funding which can be used to cover legal and professional costs associated with improving or expanding the Multi-Academy Trust, wages and training of the leadership team and costs of establishing methods of monitoring pupil performance.

The Pension Reserve relates to the provision for the Academy's share of the actuarial deficit on the Warwickshire County Council Local Government Pension Scheme and is accounted for in a separate restricted general fund in accordance with Academies Accounts Direction issued by the ESFA.

Restricted Fixed Asset Funds

Restricted fixed asset funds relate to the tangible fixed assets owned by the Academy.

Devolved Formula Capital fund relate to funding received for the purposes of purchasing fixed assets.

Conditional Improvement Fund relates to a specific grants received to replace school roofs and remove asbestos/ cladding across the schools.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted general funds					
General Annual Grant (GAG)	-	5,472,300	(5,472,300)	-	-
Pupil premium	400	293,482	(285,438)	-	8,444
Other DfE/ESFA grants	-	340,281	(340,281)	-	-
Other government grants	18,558	692,344	(710,902)	-	-
PE & Sport Premium	95,148	122,440	(217,588)	-	-
	<u>114,106</u>	<u>6,920,847</u>	<u>(7,026,509)</u>	<u>-</u>	<u>8,444</u>
Funds excluding pensions	114,106	6,920,847	(7,026,509)	-	8,444
Pension reserve	(2,982,000)	-	(545,000)	2,887,000	(640,000)
	<u>(2,867,894)</u>	<u>6,920,847</u>	<u>(7,571,509)</u>	<u>2,887,000</u>	<u>(631,556)</u>
Restricted fixed asset funds					
DfE group capital grants	14,902,778	-	(343,279)	855,481	15,414,980
Devolved Formula Capital	26,886	48,488	(37,596)	-	37,778
Condition Improvement Fund	257,489	301,888	-	(517,622)	41,755
LA Contribution Fund	-	85,000	-	(85,000)	-
	<u>15,187,153</u>	<u>435,376</u>	<u>(380,875)</u>	<u>252,859</u>	<u>15,494,513</u>
Total restricted funds	<u>12,319,259</u>	<u>7,356,223</u>	<u>(7,952,384)</u>	<u>3,139,859</u>	<u>14,862,957</u>
Unrestricted funds					
General funds	<u>775,851</u>	<u>599,569</u>	<u>(362,334)</u>	<u>(252,859)</u>	<u>760,227</u>
Total funds	<u>13,095,110</u>	<u>7,955,792</u>	<u>(8,314,718)</u>	<u>2,887,000</u>	<u>15,623,184</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds	(Continued)	
Total funds analysis by academy	2023	2022
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
St Nicholas C of E Primary School	94,231	207,354
Coughton C of E Primary School	43,505	29,112
Temple Grafton C of E Primary School	115,602	96,817
Henley in Arden C of E Primary School	148,644	117,400
The Ferncumbe C of E Primary School	189,233	97,774
Wootton Wawen C of E Primary School	116,120	82,119
Studley Infants' School	179,144	176,414
Harbury C of E Primary School	126,538	-
Tanworth in Arden C of E Primary School	62,137	-
Central services	(4,712)	(38,319)
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	1,070,442	768,671
Restricted fixed asset fund	22,586,682	15,494,513
Pension reserve	276,000	(640,000)
	<hr/>	<hr/>
Total funds	<u>23,933,124</u>	<u>15,623,184</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022
	£	£	£	£	£	£
St Nicholas C of E Primary School	1,552,077	254,105	110,685	416,251	2,333,118	2,098,651
Coughton C of E Primary School	613,819	120,767	29,864	174,718	939,168	892,491
Temple Grafton C of E Primary School	389,298	111,162	32,654	119,937	653,051	617,554
Henley in Arden C of E Primary School	705,760	106,067	59,814	197,735	1,069,376	881,288
The Ferncumbe C of E Primary School	671,183	202,229	38,082	193,772	1,105,266	1,032,201
Wootton Wawen C of E Primary School	364,861	89,613	28,048	116,901	599,423	592,228
Studley Infants' School	718,256	177,582	30,614	184,403	1,110,855	939,353
Harbury C of E Primary School	802,046	189,496	47,122	217,247	1,255,911	-
Tanworth in Arden C of E Primary School	860,356	137,802	51,009	237,815	1,286,982	-
Central services	98,047	273,391	6,000	138,315	515,753	372,673
	<u>6,775,703</u>	<u>1,662,214</u>	<u>433,892</u>	<u>1,997,094</u>	<u>10,868,903</u>	<u>7,426,439</u>
Depreciation					480,116	343,279
Pension reserve movements					195,000	545,000
					<u>11,544,019</u>	<u>8,314,718</u>

18 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds:		Endowment Funds	Total Funds
	£	General	Fixed asset	£	£
		£	£		
Fund balances at 31 August 2023 are represented by:					
Tangible fixed assets	-	-	21,525,636	-	21,525,636
Current assets	1,026,902	1,477,375	1,061,046	-	3,565,323
Current liabilities	-	(1,433,835)	-	-	(1,433,835)
Pension scheme asset	-	276,000	-	-	276,000
Total net assets	<u>1,026,902</u>	<u>319,540</u>	<u>22,586,682</u>	<u>-</u>	<u>23,933,124</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Analysis of net assets between funds (Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Endowment Funds £	Total Funds £
Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	-	-	15,418,632	-	15,418,632
Current assets	760,227	613,289	75,881	-	1,449,397
Current liabilities	-	(604,845)	-	-	(604,845)
Pension scheme liability	-	(640,000)	-	-	(640,000)
Total net assets	<u>760,227</u>	<u>(631,556)</u>	<u>15,494,513</u>	<u>-</u>	<u>15,623,184</u>

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

	Notes	2023 £	2022 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		7,038,940	(358,926)
Adjusted for:			
Net surplus on conversion to academy	26	(2,671,385)	-
Net surplus on transfer of academy in the trust	27	(3,150,870)	-
Capital grants from DfE and other capital income		(1,693,679)	(435,376)
Investment income receivable	7	(289)	(250)
Defined benefit pension costs less contributions payable	20	158,000	492,000
Defined benefit pension scheme finance cost	20	37,000	53,000
Depreciation of tangible fixed assets		480,116	343,279
(Increase) in debtors		(1,001,724)	(24,069)
Increase/(decrease) in creditors		828,991	(6,251)
Stocks, debtors and creditors transferred on conversion	26	(125,665)	-
Net cash (used in)/provided by operating activities		<u>(100,565)</u>	<u>63,407</u>

20 Pension and similar obligations

The Multi-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 Warwickshire Pension Fund. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31st March 2016, and that of the LGPS related to the period ended 31st March 2022.

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

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The 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 the TPS in the period amounted to £820,316 (2022: £584,972).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below.

The agreed contribution rates for future years are 22.5% for employers and between 5.5% and 12.5% depending on the level of salary earned for employees.

As described in note 26 the LGPS obligation relates to the employees of the Multi-Academy Trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Multi-Academy Trust at the balance sheet date.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

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 18th July 2013.

Total contributions made	2023 £	2022 £
Employer's contributions	518,000	376,000
Employees' contributions	117,000	87,000
Total contributions	<u>635,000</u>	<u>463,000</u>

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.95	4.00
Rate of increase for pensions in payment/inflation	2.95	3.20
Discount rate for scheme liabilities	<u>5.20</u>	<u>4.25</u>

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

	2023 Years	2022 Years
Retiring today		
- Males	20.4	21.6
- Females	24.5	24.1
Retiring in 20 years		
- Males	21.6	22.7
- Females	<u>25.7</u>	<u>25.9</u>

Scheme liabilities would have been affected by changes in assumptions as follows:

- a change of +0.1% to the discount rate would reduce the present value of total obligations by £148,000, alternatively a change of -0.1% to the discount rate would increase the present value of total obligations by £148,000.
- a change of +0.1% to the salary would increase the present value of total obligations by £12,000, alternatively a change of -0.1% to the salary would decrease the present value by £12,000. Projected service costs for the year would not change.
- a change of +0.1% to the pension increase and deferred valuation would increase the present value of total obligations by £139,000, alternatively a change of -0.1% would decrease the present value of total obligations by £139,000.
- a change of +1 year to the life expectancy assumptions would increase the present value of total obligation by £254,000, alternatively a change of -1 year to the life expectancy assumption decreases the present value of total obligation by £254,000.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations (Continued)

The Multi-Academy Trust's share of the assets in the scheme	2023 Fair value £	2022 Fair value £
Equities	3,846,560	2,256,000
Bonds	1,658,000	1,015,200
Cash	66,320	413,600
Property	1,061,120	75,200
Total market value of assets	<u>6,632,000</u>	<u>3,760,000</u>

The actual return on scheme assets was £341,000 (2022: £(155,000)).

Amount recognised in the statement of financial activities	2023 £	2022 £
Current service cost	676,000	868,000
Interest income	(255,000)	(61,000)
Interest cost	292,000	114,000
Total operating charge	<u>713,000</u>	<u>921,000</u>

Changes in the present value of defined benefit obligations	2023 £
At 1 September 2022	4,400,000
Obligations acquired on conversion	2,118,000
Current service cost	676,000
Interest cost	292,000
Employee contributions	117,000
Actuarial gain	(1,185,000)
Benefits paid	(62,000)
At 31 August 2023	<u>6,356,000</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations (Continued)

Changes in the fair value of the Multi-Academy Trust's share of scheme assets

	2023 £
At 1 September 2022	3,760,000
Assets acquired on conversion	1,958,000
Interest income	255,000
Actuarial (gain)/loss	86,000
Employer contributions	518,000
Employee contributions	117,000
Benefits paid	(62,000)
	6,632,000
At 31 August 2023	6,632,000

21 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	1,195,511	1,114,202	2,309,713

22 Long-term commitments

Operating leases

At 31 August 2023 the total of the Multi-Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2023 £	2022 £
Amounts due within one year	32,154	20,673
Amounts due in two and five years	31,821	10,973
	63,975	31,646

23 Capital commitments

	2023 £	2022 £
Expenditure contracted for but not provided in the accounts	927,967	51,211

Capital commitments at 31 August 2023 relate to ongoing CIF projects, which were not fully complete at the end of the financial year. The associated income granted through the CIF bid process, has been recognised in full during this financial year.

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

24 Related party transactions

Coventry Diocesan Board of Education

Adam Walsh, CEO, sits on the board of Coventry Diocesan Board of Education ("the Board").

During the year, the MAT made purchases of £2,862 (2022: £2,188) and the Board made donations of £2,690 to contribute towards travel costs for a trip attended by a number of schools in the MAT (2022: £nil). At 31 August 2023, there were no outstanding balances.

There were no other related party transactions during the period of account, other than certain Directors' remuneration and expenses already disclosed in note 10.

25 Members' liability

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

26 Conversion to an academy

On 1 September 2022, the Harbury C of E Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Arden Forest C of E Multi Academy Trust from the Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion	
Harbury C of E Primary School	Warwickshire	1 September 2022	

	Unrestricted funds	Restricted funds:		Total 2023
	£	General	Fixed asset	£
Net assets transferred:		£	£	
Leasehold land and buildings	-	-	2,651,000	2,651,000
Other tangible fixed assets	-	-	36,204	36,204
Cash	127,973	-	-	127,973
Pension scheme deficit	-	(160,000)	-	(160,000)
Restricted fixed asset funds	-	-	16,208	16,208
	<u>127,973</u>	<u>(160,000)</u>	<u>2,703,412</u>	<u>2,671,385</u>

ARDEN FOREST C OF E MULTI ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

26 Conversion to an academy (Continued)

Funds surplus/(deficit) transferred:	Unrestricted	Restricted funds:		Total
	funds	General	Fixed asset	2023
	£	£	£	£
Fixed assets funds	-	-	2,703,412	2,703,412
LA budget funds	127,973	-	-	127,973
LGPS pension funds	-	(160,000)	-	(160,000)
	<u>127,973</u>	<u>(160,000)</u>	<u>2,703,412</u>	<u>2,671,385</u>

27 Transfer of existing academies into the Multi-Academy Trust

On 1 September 2022, Tanworth in Arden Academy Trust transferred into Arden Forest C of E Multi Academy Trust alongside all the operations, assets and liabilities £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer of existing academy into the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Net assets acquired	Transfer in recognised £
Leasehold land and buildings	3,078,663
Other tangible fixed assets	27,311
Current assets	66,012
Current liabilities	(207,885)
Cash and cash equivalents	186,769
Total net assets	<u>3,150,870</u>

There were no fair value adjustments required to the values reported by the transferring trust.