

REGISTERED COMPANY NUMBER: 07702211 (England and Wales)

**Report of the Trustees and
Financial Statements for the Year Ended 31st August 2022
for
The Key Educational Trust**

Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

The Key Educational Trust

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The Key Educational Trust

Reference and Administrative Details for the Year Ended 31st August 2022

Members	Revd P Kingman - Chair Incumbent of Christ Church, Stone, Oulton and Moddershall Mr C Randles - CECET Representative Mr A Stone - Lichfield Diocese (PCC Representative) Mrs G Latos - Chair of Directors															
Directors	Mrs G Latos (Chair) Mrs J Hope (Vice Chair) Revd P Kingman Mr C Wright Mr S Hodgkinson Mr A James Mrs A Graham Mrs T Thorn (co-opted, non-director) Miss K Courtney (co-opted, non-director) Mr M Osborne-Town															
Senior management team	Mr C Wright (CCA and KET) Principal/Trust CEO Mrs T Thorn (CCA and KET) Vice Principal Mrs H Dawson (CCA) Assistant Principall Mrs L Nicholson-Ward (CCA) Assistant Principal Mrs W Holdcroft (CCA) SENDCO Mrs C Thomas (CCA) Associate Assistant Principal Mrs A Graham (CCFS, OFS and KET) Executive Headteacher Ms S Barr (CCFS) Senior Teacher Mrs M Melling (OFS and KET) Head of School Miss K Courtney (CCA and KET) Business Manager (Trust)															
Company registration no	07702211 (England and Wales)															
Academies operated	<table><thead><tr><th></th><th>Location</th><th>Principal</th></tr></thead><tbody><tr><td>Christ Church Academy</td><td>Old Road, Stone, Staffordshire, ST15 8JD</td><td>Mr C Wright</td></tr><tr><td>Christ Church First School</td><td>Northesk Street, Stone, Staffordshire, ST15 8EP</td><td>Mrs A Graham</td></tr><tr><td>Oulton First School</td><td>Rock Crescent, Stone, Staffordshire, ST15 8UH</td><td>Mrs A Graham</td></tr><tr><td>The Key Educational Trust</td><td></td><td></td></tr></tbody></table>		Location	Principal	Christ Church Academy	Old Road, Stone, Staffordshire, ST15 8JD	Mr C Wright	Christ Church First School	Northesk Street, Stone, Staffordshire, ST15 8EP	Mrs A Graham	Oulton First School	Rock Crescent, Stone, Staffordshire, ST15 8UH	Mrs A Graham	The Key Educational Trust		
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Oulton First School	Rock Crescent, Stone, Staffordshire, ST15 8UH	Mrs A Graham														
The Key Educational Trust																
Independent auditor	Hardings Chartered Accountants & Statutory Auditor 6 Marsh Parade Newcastle under Lyme Staffordshire ST5 1DU															
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ															

The Key Educational Trust

Report of the Trustees for the Year Ended 31st August 2022

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31st August 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019) and the Academies Accounts Direction issued by the Education and Skills Funding Agency.

Objectives and activities

Objectives and aims

The Trust holds a firm belief that in order to achieve our goals we will work in true partnership. The key stakeholders are the Directors, staff, pupils, parents, the community and other external influences.

Through working together to an agreed set of guiding principles that will govern this partnership, we will create the foundation on which the partnership will flourish.

The principal activity of the Company is the operation of Key Educational Trust to provide education for pupils of differing abilities between the age of 4 and 13 with the emphasis being placed on raising levels of achievement. The key areas are:

Teaching and Learning;	The curriculum, new technologies, inclusion and equality, intervention
Leadership and Management;	Trust organisation and design, Workforce reform and setting
Resources;	Financial management, deployment, school environment
Community;	Pupil support, mentoring, partnership of schools

The four areas listed above are essential and integral to the raising of achievement and it is the inter-relationship between these four areas which brings about pupil progress.

Within the key areas the main priorities across the Trust are listed below:

The Key Educational Trust

Report of the Trustees for the Year Ended 31st August 2022

Objectives and activities

Teaching and Learning

- To work with Leadership and Management to ensure that the curriculum is ambitious, coherently planned and sequenced towards cumulatively sufficient knowledge and skills for future learning and employment.
- To work with Leadership and Management to ensure that assessment is effectively embedded in schemes of work;
- To review the use of data to focus on pupil progression;
- To ensure that work is matched to the needs and abilities of pupils
- To provide training opportunities in monitoring progression, learning walks, observation and work scrutiny;
- To ensure that effective intervention strategies are in place to drive for improvement alongside the SENCO and Senior Leaders;
- To work with Leadership and Management to maintain tracking and monitoring systems to deliver planned progression targets.

Leadership and Management

- To manage each Academy's ongoing development;
- To support the Christian foundation of schools within the Trust;
- To analyse education policy changes and develop appropriate strategic planning;
- To develop effective leadership in the Academies with an emphasis on senior and middle leadership;
- To further develop leadership capacity across the Trust as well as within individual Academies;
- To review self-review and evaluation processes/systems in order that priorities be met;
- To ensure the necessary meeting infrastructures are in place linked to effective CPD

Resources:

- To work with Leadership and Management to ensure that all the necessary infrastructures are in place in order to enable progression to take place
- To work strategically with Leadership and Management to ensure that succession planning allows for continued high quality provision
- To work with Teaching and Learning to ensure priorities for effective training opportunities are resourced

Within the key areas the main priorities across the Trust are listed below:

Community:

- To develop collaborative working arrangements with stakeholders, this includes parents, local businesses and feeder first schools
- To develop systems to share the best practice within the Trust and across the local partnership of schools
- To evidence the Christian ethos of the Trust within the community
- To develop opportunity for other partnership schools to join the Trust

Other Strategies and Policies:

Equal Opportunities

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

Disabled Persons

Due to the age and nature of its premises Christ Church Academy (CCA) cannot offer complete access to all curriculum

**Report of the Trustees
for the Year Ended 31st August 2022**

Objectives and activities

areas and facilities at present. However, within these constraints, CCA has made a number of reasonable adjustments to cater for staff and students with a range of disabilities and is committed to making further improvements to provide increased access.

The Trust has implemented a number of detailed policies and guidelines in relation to all aspects of personnel matters including:

- Equal Opportunities Policy
- Health & Safety Policy including individualised risk assessments
- ICT Security Policy
- Pay Policy
- Performance Management Policy
- Safeguarding Policy
- Whistleblowing Policy

Public benefit

In setting our objectives and planning our activities the Board of Directors have given careful consideration to the Charity Commission general guidance on public benefit.

The Board of Directors have considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by KET is the maintenance and development of the high quality education provided by the school to the young people within the local community. In doing this KET not only offers a broadly-based academic education but aims to educate the whole individual. A very wide-range of extra-curricular activities, educational trips, visits and foreign exchange programmes are offered and undertaken.

The Key Educational Trust

Report of the Trustees for the Year Ended 31st August 2022

Strategic report

Achievement and performance

The Trust has enjoyed another successful year with children achieving considering the impact of lockdown in the preceding two years.

Five form entry at Year 5 at Christ Church Academy was maintained for September 2021 and admissions were strong for Reception in Christ Church First School and Oulton First School.

Christ Church Academy retained a PAN of 150 to meet parental demand for places.

Development of Trust processes and systems have been developed over the year and the Board of Directors decided to create additional leadership capacity to support future Trust growth. Accordingly, the CEO is to be funded centrally by the Trust for three days a week with the other two days exercising the position of Executive Principal. These decisions were made in preparation for 2022/23.

The Trust has continued to develop its core offer around support for Finance, policy development and curriculum coherence. Central policies include Safeguarding and KCSIE 2022, Human Resources, Pupil Attendance, Compliments and Complaints, Performance Management and Open Morning. Both first schools now have the same approach to the teaching maths through 'White Rose' and Phonics 'Little Wandle'.

Performance for Christ Church First School and Oulton First School are detailed below together with Christ Church Academy.

Extra-curricular and enrichment achievements

• Christ Church Academy

Throughout the recovery period following the pandemic the Academy has maintained a broad and balanced curriculum across all year groups. Families who continued to require IT support were lent appropriate technology. The Academy restarted the customary rich and varied programme of enrichment and extra-curricular activities which had previously been severely impacted by Covid.

The regular extra-curricular programme covers a wide range of musical, artistic, sporting, and academic opportunities and is very well attended by both girls and boys.

The October Open Morning 2021 was managed in a Covid-sensitive manner with guided tours being available to book. Partnership First schools were visited by the Head of Year 5 and the Vice Principal.

The children at the Academy habitually enjoy significant success in local, district and county sports competitions as well as art competitions such as the Rare Breeds event and the County Council Christmas Card competition. Though the sports competitions were slow to regain their previous regularity.

The Y6 Residential visit to Stanley Head was well attended and the Y8 Paris trip went ahead as planned. Future Y7 Science and Geography trips are being planned for 2022/23.

The children continue to be keen participants in community activities such as supporting first school sports and arts events and great importance is placed on the standing the Academy has within the community. Children enjoy the opportunity to showcase their talents to the wider school community through music concerts, Stone Rocks, art and DT exhibitions, dancing and drama. They have also been involved in Stone Town Council's and the County Council Christmas card competition, Macmillan Coffee Morning and the annual Remembrance Day parade.

The annual summer concert, 'Stone Rocks', was a tremendous opportunity for children in all years to perform in a more public manner and the 2022 event was the best attended to date.

Children excelled at the annual Stafford and Stone Sports Partnership Dance Festival, performed at the Stafford Gatehouse Theatre. The choir and artists took part in the Stone Lights ceremony and Advent Window events. Children actively seek to advocate and support a wide range of local and national charities such as: Cancer Research UK, Macmillan Cancer Support, Donna Louise Trust, Stone Foodbank and Christmas Box.

Key Educational Trust

Report of the Trustees for the Year Ended 31st August 2022

The core curriculum is normally enhanced through seeking inspiring and relevant enrichment activities. Activities have included amongst others: Year 5 team building day at Birches Valley, UK Maths Challenge and Year 8 10X Challenge, Slaters Chemistry Festival at Keele University, whole school Sports Day at a local athletics stadium, Y6 Victorian visit to Quarry Bank Mill, Y8 residential week just outside Paris.

Oulton First School

Oulton First School offers a broad and balanced curriculum for all year groups. There is a strong focus on core subjects alongside a varied curriculum that ensures children have access to creative subjects as well. The whole school benefits from Forest School sessions and a strong PE offer. Entrust music services deliver our music curriculum and pupils enjoy learning to sing and play musical instruments as a class. This year, the school has bought into Charanga to ensure we are meeting all the requirements of the National Curriculum.

A full curriculum runs on a 2-year rolling programme as the classes are all mixed-age. This ensures that there is little duplication and that all subject areas have adequate coverage. There is a strong focus on continuity and progression across all year groups.

There is a rich programme of extra-curricular and enrichment opportunities at Oulton. Children are given the opportunity to experience trips based on the theme for the half term.

Clubs run during and after the school day are well attended and include activities such as dance, football, choir, eco club, gardening, art and crafts and cooking to name a few. Professional sports coaches run after-school clubs and they are well-attended. There is a charge for all after-school clubs to try and offset costs incurred.

The Open Morning in November was popular and the children did a wonderful job showcasing their school and governors supported to show parents around the school site, both inside and out!

The Oulton First School choir continues to be involved in many community events over the year. They represent the school at major local events such as the Advent Window opening, the Oulton PTFA Fairs, as well helping raise funds for charities including St John's and Children in Need.

The school provides a wide range of enrichment trips and opportunities to support the broad and balanced curriculum. Examples of such trips include trips to Chester, Gatehouse Theatre, Ford Green Hall, as well as our wonderful Forest School work that happens weekly at Kibblestone International Scout Camp. The Year 4 trip to Stanley Head had to be cancelled this year due to COVID restrictions.

The school is very well supported by the local church, St John's. Members of the church lead the school in worship (via video) once a week. St John's Church also provides a lovely venue for Harvest, Christmas and Easter Services. (Easter and Harvest services did not take place due to COVID.) We are hoping to invite parents in for Christmas productions.

Christ Church First School

Christ Church First School offers a broad and balanced curriculum for all year groups. There is a strong focus on core subjects whilst ensuring that all children have access to a rich variety of creative subjects to ensure we teach the whole child. We employ a music teacher for one day per week who delivers music to the whole school. Key Stage 2 pupils learn to read and write music and they will also have the opportunity to learn how to play the guitar, thanks to a successful grant application to purchase instruments.

A full curriculum review has taken place mapping each topic area across the whole school year to avoid any duplication, ensure all subject areas had adequate coverage and to plot progression in all year groups.

Pupils at Christ Church C.E. First School benefit from a rich variety of extra-curricular opportunities. These take place during and after the school day and involve sporting, musical, artistic and academic activities. These clubs are extremely popular. Our choir and artists contribute to the advent window event as well as singing at St Mary's nursing home.

Our children enjoy a thematic curriculum and this is supported through trips and activity days such as: dragon day, adventurer's day, whole school projects, such as Clay School activities and science week activities to name a few.

Open morning - This year our open morning was a really positive experience - pupils supported in class to showcase the school and pupils in Year 4 provided guided tours to the families who attended. The feedback was overwhelmingly positive and the children were amazing. The event was supported by the Chair and Vice Chair of governors.

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Pupils have strong community links with the local church, local businesses and council. Pupils take part in competitions and events that enhance the school and local area. For example, BBC Radio Stoke's litter pick, Stone Town Council's Christmas card competition, Guide Dogs for the Blind blindfolded walk, Remembrance Day parade. The school supports a number of charities each year such as The Stone Food Bank (who receive our harvest gifts), Christian Aid and Younger Minds to name a few.

Our Eco-Heroes are our ambassadors for saving the planet and for saving our schools resources!

Christ Church C.E. First School have arranged enrichment trips to support learning across the curriculum. Examples include: Amerton Farm Railway, Cannock Chase Museum, Cadbury World, Apedale Mining Museum and the Science Museum in Birmingham. Due to COVID, our Year 4 residential to Stanley Head was cancelled but we did manage an activity day at the centre where the children took part in team building activities as well as climbing and archery sessions. We try to make as much use of the local area to enrich the school curriculum. (E.g. Downs Banks, Crown Meadow and the canal.)

We have invested heavily in wellbeing and have a trained ELSA (Emotional Literacy Support Assistant), we offer the Listening Ear through the Hope Project and we have a summerhouse on the playground where these wellbeing sessions can take place. This was funded through a generous parent donation and a sponsored walk.

Our school community continued to benefit from excellent links with the parish team who lead a weekly 'Open Book' worship although this has been done via video this year. We have really missed whole school worship, family worship and out trips to church this year as these are integral to our community and the sharing of our vision and values. Class teachers have done a wonderful job with class worship and we hope to invite parents in for Christmas productions. The statutory attainment tests were cancelled in 2020 and 2021 due to Covid-19.

Below is the data for 2022 and the two preceding years when assessments took place:

2021/22 CCFS	Sch 2018	Sch 2019	Sch 2022	LA	National	2021/22 OFS	Sch 2018	Sch 2019	Sch 2022	LA	National
EYFS GLD	84	82.8	65.5	67.5	71.8	EYFS GLD	92.9	81.3	80	67.5	71.8
Y1 Phonics	87	77.8	76	77.6	75.7	Y1 Phonics	86.7	100	71	77.6	75.7
Y2 Phonics	100	66.7	100	44.2		Y2 Phonics	100	100	100	44.2	
KS1 Reading	82.1	92.3	81.5	69.9	67.1	KS1 Read	78.6	93.3	92.9	69.9	67.1
Greater depth	50	46.2	22.2	18.5	18.1	Greater depth	36	20	14.3	18.5	18.1
KS1 Writing	82.1	84.6	77.8	61	57.8	KS1 Writing	79	80	100	61	57.8
Greater depth	32.1	26.9	11.1	7.8	8.1	Greater depth	29	13.3	14.3	7.8	8.1
KS1 Maths	89.3	88.5	85.2	70.6	67.8	KS1 Maths	79	80	92.9	70.6	67.8
Greater depth	35.7	38.5	18.8	14.5	15.2	Greater depth	21	20	14.3	14.5	15.2
KS1 Science	89.3	92.3	92.5	78.8	82.3	KS1 Science	93	100	100	78.8	82.3
KS1 GPS	92	81	77			KS1 GPS	92	75	N/A		
Greater depth	32	27				Greater depth	32		N/A		
KS1 RWM	75	84.6	70.4	56.8	64.9	KS1 RWM	64.3	80	87.8	56.8	64.9
Greater depth	10.7	15.4	7.4	5.8	11.2	Greater depth	21.4	13.3	0	5.8	11.2

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OFS Maths Attainment – PUMA

Cohort	Current Year group	Attainment (Average Scaled Scores)	
		Baseline	End of year 2021/22
2021	1	96	101.9
2020	2	108.3	106.8
2019	3	107.7	114.6
2018	4	104.9	115.2

OFS English Attainment – PIRA

Cohort	Current Year group	Attainment (Average Scaled Scores)	
		Baseline	End of year 2021/22
2021	1	100.75	113.2
2020	2	111.4	115.8
2019	3	112.5	111.3
2018	4	110	120.1

CCFS Maths Attainment – PUMA

Cohort	Current Year group	Attainment (Average Scaled Scores)	
		Baseline	End of year 2021/22
2021	1	No data	109.5
2020	2	103.2	111.25
2019	3	99.1	106.4
2018	4	90.7	101.6

**we use end of unit assessments in maths to track progress as it is more accurate than PUMA*

CCFS English Attainment – PIRA

Cohort	Current Year group	Attainment (Average Scaled Scores)	
		Baseline	End of year 2020/21
2021	1	111.5	111.8
2020	2	102.6	110.3
2019	3	99.3	108.3
2018	4	103.1	107.7

CCA KS2 SATs	Sch 2018	Sch 2019	Sch 2022	National 2022
Reading	78	74	69	74
Greater depth	30	23	18	
Writing TA	89	80	69	69
Greater depth	5	26	1	
SPAG	70	76	64	72
Greater depth	16	21	13	
Maths	76	81	70	71
Greater depth	24	25	18	
RWM	66	65	52	59
Greater depth	3	14	1	11
Science	xx	xx	88	79

In order to have benchmark data which can be compared to other schools nationally, CCA uses GL Assessments in both English and Maths.

A baseline assessment is taken at the start of Year 5 and then at the end of each Academic Year.
The standardised national score is 100.

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Report of the Trustees for the Year Ended 31st August 2022

CCA English Attainment – GL Assessment

Cohort	Current Year group	Attainment (Average Scaled Scores)				
		Baseline	End of year 5	End of Year 6	End of Year 7	End of Year 8
2022	5	100.2				
2021	6	97.9	99.9			
2020	7	98.4	101.4	101.6		
2019	8	99.1	99.0	97.3	105	
2018	9	107.4	105.1	103.6	106.2	106.2
2017	10	102.6	102.0	103.8	103.4	105.0

CCA Maths Attainment – GL Assessment

Cohort	Current Year group	Attainment (Average Scaled Scores)				
		Baseline	End of year 5	End of Year 6	End of Year 7	End of Year 8
2022	5	96.8				
2021	6	91.1	98.3			
2020	7	90.6	95.6	95.4		
2019	8	94.1	94.8	90.6	101.5	
2018	9	98.1	104.2	98.4	104.2	110.2
2017	10	95.3	100.8	101.7	105.4	108.9

Figures in **bold** are those currently at CCA

To ensure that standards are maintained, the Trust Academies operate a policy of lesson observations, intervention groups, moderation of assessments, book and planning trawls, pupil voice interviews and learning walks. Data tracking is carried out regularly to facilitate early intervention.

Key performance indicators

The following key performance indicators are considered when reviewing performance:

EYFS

Percentage of EYFS pupils achieving a Good Level of Development (GLD)

Key Stage 1

Percentage of Y1 pupils achieving expected standard in Phonics

Percentage of Y2 pupils achieving expected standard in Phonics in retest

Percentage of Y2 pupils achieving expected standard in Reading, Writing, Maths and Science

Key Stage 2

Percentage of pupils achieving scaled score of 100+

Percentage of pupils achieving scaled score of 100+ in Reading, Writing and Maths

Percentage of pupils making expected+ progress from KS1 to KS2 - IDSR

Financial review

Financial review

The majority of the Trust's income in the year was its General Annual Grant (GAG), the use of which is restricted to use in the furtherance of the objects of the Trust. The GAG received during the period covered by this report and the associated expenditure is shown as restricted funds in the Statement of Financial Activities.

Before accounting for the actuarial gains on the LGPS, total income for the Trust during the year was £4,353,230 (2021 - £4,399,256) and total expenditure was £4,473,990 (2021 - £4,347,706), giving rise to a deficit of £120,760 (2021 - £2,742,950) This includes LGPS costs of £211,000, capital grants of £28,108 and depreciation of £106,922,

The Key Educational Trust

Report of the Trustees for the Year Ended 31st August 2022

therefore once these are discounted, the Trust has made an operating surplus of £169,054.

At the year end the Trust had cash reserves of £1,495,832 (2021 - £1,247,991).

The Trust's restricted funds at the year end were £3,209,727 (2021 - £1,743,169) and its unrestricted funds were £479,536 (2021 - £429,854).

The Directors remain concerned with the deficit that the Local Government Pension Fund is reporting. (See Note 19 to the Financial Statements).

Strategic report

Financial review

Investment policy and objectives

The Trust holds no realisable investments. It does not hold cash at bank and the Board of Directors has adopted a low risk strategy in respect of these funds, their primary concern being to maintain adequate funds in the current account, to cover all anticipated requirements.

Reserves policy

The level of resources held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects and the need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements.

The Directors have identified a number of priorities for capital projects to improve the Trust's facilities, including the ongoing need to replace a substantial proportion of the Trust's ICT infrastructure each year. The level of reserves will be kept under review by the Board of Directors.

Going concern

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

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Principal risks and uncertainties

The Directors confirm that the major risks to which the Trust is exposed have been reviewed and systems have been established to mitigate those risks. The principal risks and uncertainties facing the Trust are as follows:

Risk Description Action

- School self-evaluation updated, new Improvement Plan developed in conjunction with staff and Directors, review of procedures
- Disruption of pupils' education as a result of the Covid-19 pandemic Take reasonable steps to keep the Trust open as far as possible following all DfE guidelines

Financial uncertainties due to:

- Lack of information more than a year in advance
- Changes in funding formula
- Unfunded staff pay rises
- Cost pressures (e.g. fuel, LGPS and NI contributions, incremental drift)

Contribute to LA consultation process about funding proposals, raise concerns with ESFA, plan according to current information, (4 or 5 form entry, demographics, salary modellers), recruitment to specified pay scales.

Where significant financial risk still remains the Directors have ensured that they have in place adequate insurance cover. The Trust has an effective system of internal controls as detailed below.

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Future plans

In accordance with the aims of the Key Educational Trust, it will continue to drive improvements in the levels of performance of its pupils at all levels. It will continue its efforts to ensure that all pupils are well prepared for the next stage of their education. The Trust will continue to develop its facilities for its pupils and staff and is currently considering a number of potential projects to improve the premises.

Structure, governance and management

Constitution

The KET 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 Trust.

The Directors form the Trust Board of the KET and the Chair and Vice Chair are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Key Educational Trust (company number 07702211).

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

Members' liability

Each member of the academy trust undertakes to contribute to the assets of the 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 cease to be a member.

Trustees' Indemnities

Through the year, the Directors have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. As explained in Note 12 to the Financial Statements, the limit of this indemnity is £2,000,000.

Recruitment and appointment of new trustees

The processes for appointing or electing the various types of Governor at the KET are as follows:

- 1) Foundation Governors - The Trustees of The Key Educational Trust have fully adopted the Lichfield Diocesan Board of Educational Policy on Foundation Governors. This sets out the qualifications required and pre-appointment checks. It also details the appointment procedure together with suspension and/or removal procedures. This document is available upon request from the Academy.
- 2) Parent Governors - Parents, including carers, of registered pupils at the Academy are eligible to stand as individuals for election as a Parent Governor. They are elected by other parents at the Academy as individuals who are representative of the parental body. Suitable procedures have been put in place for the conduct of Parent Governor elections.
- 3) Staff Governors - Both teaching and support staff paid to work at the Trust are eligible for staff governorship. Suitable procedures have been put in place for the conduct of Staff Governor elections.
- 4) Local Authority Governors - The Local Authority Governor was appointed by the Local Authority when the school was a maintained school and the Governing Body elected to keep the position upon conversion.

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Report of the Trustees for the Year Ended 31st August 2022

Structure, governance and management

Organisational structure

The KET is supported of the Board of Directors and the seven members (as detailed on page 1), including the Chair of the Board of Directors.

In accordance with the Articles of Association, the KET has adopted revised Terms of Reference. There have been six full Board of Directors meetings in this period, and three committee meetings. There was also an AGM in December 2021.

During the first Board of Directors meeting and the first KET Board Meeting of the period (October 2021), the Chair and Vice-Chair were elected, together with Directors holding specific responsibilities. The full Board of Directors has eight members. Further to this there are three committees, each with its individual focus on specific areas of the Trust. Members of the senior leadership teams regularly attend meetings in order to provide key updates to Directors. There are a minimum of three Directors on each of these committees.

The KET had the following Board members (September 2021):

- a. 10 Board members appointed by the Trust Members which includes:
- b. 6 skill-based Directors;
- c. 2 co-opted;
- d. The Principal/CEO

The Directors who were in office at the date of the annual report, and those who served through the period are shown on page 1.

The day to day management of the charity is delegated to the Senior Leadership Teams, as shown on page 1.

Induction and training of new trustees

Following their appointment/election all new Governors receive an introduction to their role from the Chair of Governors and Principal, this introduction includes tours of the school's sites and the opportunity to meet other members of the Senior Management Team.

The Board of Directors at the KET are committed to providing adequate opportunities for Governors to undertake and receive suitable training so as to enable them to undertake their role more effectively.

To this end the Board of Directors maintains a Service Level Agreement with the Staffordshire County Council's Governor Services Department, This Agreement allows for any or all of the members of the Governing bodies to attend any of the training courses provided by Staffordshire County Council.

All new Governors/Directors are actively encouraged to take advantage of this agreement so as to gain a better understanding of the role and responsibilities of being a school Governor. Additionally, Governors with specific roles within the Board of Directors/local Governing Bodies are strongly encouraged to undertake specific training.

The training and induction provided for new Governors and Trustees will depend upon their existing experience. Specific training sessions are arranged for Governors/Directors as and when required.

Key management remuneration

For teaching staff, the Academy adopts the Department for Education's published 'School Teacher's Pay and Conditions Document 2021' which offers guidance on school teacher's pay and conditions.

For support staff the Academy adopts the National Joint Council's Pay Scales.

The Key Educational Trust

Report of the Trustees for the Year Ended 31st August 2022

Structure, governance and management

Related parties

The School Fund of all three schools within the Trust has been aggregated into these accounts as the funds are under the control of the Trust. The income and expenditure of the School Fund are shown in the Trust's restricted and unrestricted general funds, as appropriate.

Christ Church Academy is party to a 125-year lease for the property and all related surroundings, the landlord being Lichfield Diocesan Board of Education and Staffordshire County Council. Oulton First School is party to a 125-year license. Christ Church First School is party to a 125-year license.

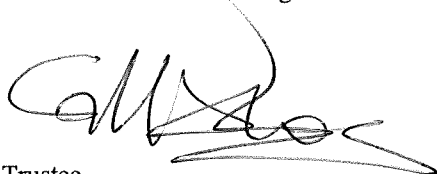
Funds held as custodian for others

During the year ended 31 August 2022, the Trust did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

Auditors

The auditors, Hardings, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28th November 2022 and signed on the board's behalf by:



Mrs G Latos - Trustee

The Key Educational Trust

Governance Statement for the Year Ended 31st August 2022

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Key Educational 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 of loss.

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

The board of the trustees has delegated the day-to-day responsibility to the Accounting Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Key Educational Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

The Key Educational Trust

Governance Statement for the Year Ended 31st August 2022

Governance

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Director	Meetings attended	Out of a possible
Mrs G Latos (Chair of Directors)	6	6
Mrs J Hope (Vice Chair of Directors)	5	6
Revd P Kingman	5	6
Mr C Wright (CEO)	6	6
Mr S Hodgkinson	6	6
Mr A James	5	6
Mrs A Graham	5	6
Mrs T Thorn (co-opted, non-director)	5	6
Miss K Courtney	6	6
Mr M Osborne-Town	5	6

KET Committee Meetings

The KET Committee is a sub-committee of the Trust Board where finance is reviewed. The committee is responsible for reviewing pay and the annual budgets before proposing approval by the Trust Board. Attendance at the KET Committee meetings throughout the year was as follows:

Director	Meetings attended	Out of a possible
Mr A James (Chair)	1	2
Mrs G Latos (Deputy Chair)	1	2
Mrs J Hope	2	2
Mr S Hodgkinson	1	2
Mr C Wright	2	2
Mrs A Graham	1	2
Miss K Courtney	2	1

KET Risk & Audit Committee

The KET Risk & Audit Committee is a sub-committee of the Trust Board covering MAT strategy and Audit & Risk. Attendance at the KET Strategy meetings throughout the year was as follows:

Director	Meetings attended	Out of a possible
Mr S Hodgkinson (Chair)	3	3
Mr A James	3	3
Mrs J Hope	2	3
Mr C Wright	3	3
Miss K Courtney	3	3

The Key Educational Trust

Governance Statement for the Year Ended 31st August 2022

KET Strategy Group

The KET Strategy Group is a sub-committee of the Trust Board covering MAT strategy:

Director	Meetings attended	Out of a possible
Mr C Wright (Chair)	2	2
Mrs G Latos	2	2
Mrs J Hope	1	2
Revd P Kingman	2	2
Mr A James	1	2
Mr m Osborne-Town	2	2
Mrs A Graham	1	2
Miss K Courtney	2	2

Review of Value for Money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by improving educational outcomes; financial governance and oversight; procurement; income generation; reviewing controls; managing risk; future plans and lessons learned.

The Purpose of the System of Internal Control

As Directors, we acknowledge we have overall responsibility for ensuring that the Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable assurance against material misstatement or loss.

The Board of Directors has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Key Educational Trust and the Secretary of State for Education. They are responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

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

Capacity to Handle Risk

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

The Key Educational Trust

Governance Statement for the Year Ended 31st August 2022

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- regular reviews by the Strategy 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 performances;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks

The Board of Directors have considered the need for a specific internal audit function and has retained a service level agreement with Staffordshire County Council. The Key Educational Trust implemented a separate Audit & Risk Committee during the year ending 31 August 2022.

Review of Effectiveness

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

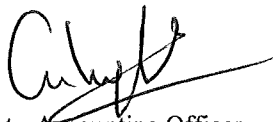
- the work of the Responsible Officer;
- the work of the Premises Committee, undertaking the functions of an audit committee;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Responsible Officer.

Approved by order of the members of the board of trustees on 28th November 2022 and signed on its behalf by:



Mrs G Latos - Trustee



Mr C M Wright - Accounting Officer

The Key Educational Trust

Statement on Regularity, Propriety and Compliance for the Year Ended 31st August 2022

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

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

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

Mr C M Wright - Accounting Officer

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

28th November 2022

The Key Educational Trust

Statement of Trustees' Responsibilities for the Year Ended 31st August 2022

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees 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 2021 to 2022;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

In so far as the trustees are aware:

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

Approved by order of the board of trustees on 28th November 2022 and signed on its behalf by:

Mrs G Latos - Trustee

Report of the Independent Auditors to the Members of The Key Educational Trust

Opinion

We have audited the financial statements of The Key Educational Trust (the 'academy trust') for the year ended 31st August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31st August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Academies Accounts Direction 2021 to 2022.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of The Key Educational Trust

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

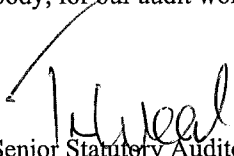
- enquiring of management including obtaining and reviewing policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether there were any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have any knowledge of any actual, suspected or alleged fraud;
 - reviewing the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- discussions among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- obtaining an understanding of the legal and regulatory framework in which the Trust operates, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Trust.

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

**Report of the Independent Auditors to the Members of
The Key Educational Trust**

Use of our report

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



T R McNeal (Senior Statutory Auditor)
for and on behalf of Hardings
Chartered Accountants & Statutory Auditor
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

28th November 2022

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

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

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

Respective responsibilities of The Key Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Key Educational Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1st September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2021 to 2022 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

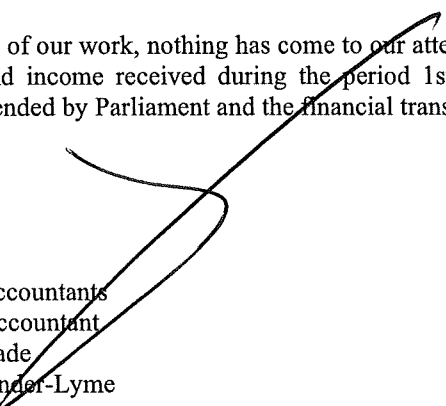
The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

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

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

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 1st September 2021 to 31st August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hardings
Chartered Accountants
Reporting Accountant
6 Marsh Parade
Newcastle-under-Lyme
Staffordshire
ST5 1DU

28th November 2022

The Key Educational Trust

**Statement of Financial Activities
for the Year Ended 31st August 2022**

			Restricted Fixed Asset fund		31/8/22	31/8/21
	Notes	Unrestricted fund £	£	Restricted funds £	Total funds £	Total funds (restated) £
Income and endowments from						
Donations and capital grants	2	2,999	28,108	72,065	103,172	89,664
Transfer from Local Authority on conversion		-	-	-	-	(2,794,500)
Charitable activities						
Funding for the academy's educational operations	3	23,042	-	4,192,130	4,215,172	4,117,190
Other trading activities	4	23,490	-	11,245	34,735	32,263
Investment income	5	151	-	-	151	139
Total		49,682	28,108	4,275,440	4,353,230	1,444,756
Expenditure on						
Raising funds	7	-	-	115,604	115,604	39,380
Charitable activities						
Academy's educational operations		-	106,922	4,251,464	4,358,386	4,148,326
Total	6	-	106,922	4,367,068	4,473,990	4,187,706
NET INCOME/(EXPENDITURE)		49,682	(78,814)	(91,628)	(120,760)	(2,742,950)
Transfers between funds	18	-	11,644	(11,644)	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit schemes		-	-	1,637,000	1,637,000	(173,000)
Net movement in funds		49,682	(67,170)	1,533,728	1,516,240	(2,915,950)
Reconciliation of funds						
Total funds brought forward		429,854	3,060,195	(1,317,026)	2,173,023	5,088,973
Total funds carried forward		<u>479,536</u>	<u>2,993,025</u>	<u>216,702</u>	<u>3,689,263</u>	<u>2,173,023</u>

The notes form part of these financial statements

The Key Educational Trust

Balance Sheet
31st August 2022

				31/8/22	31/8/21	
	Notes	Unrestricted fund £	Restricted Fixed Asset fund £	Restricted funds £	Total funds £	Total funds £
Fixed assets						
Tangible assets	14	-	2,993,025	-	2,993,025	3,059,691
Current assets						
Debtors	15	-	-	132,887	132,887	196,099
Cash at bank		<u>479,536</u>	<u>-</u>	<u>1,016,296</u>	<u>1,495,832</u>	<u>1,247,991</u>
		479,536	-	1,149,183	1,628,719	1,444,090
Creditors						
Amounts falling due within one year	16	-	-	(466,481)	(466,481)	(438,758)
		<u>479,536</u>	<u>-</u>	<u>682,702</u>	<u>1,162,238</u>	<u>1,005,332</u>
Net current assets		<u>479,536</u>	<u>-</u>	<u>682,702</u>	<u>1,162,238</u>	<u>1,005,332</u>
Total assets less current liabilities		479,536	2,993,025	682,702	4,155,263	4,065,023
Pension liability	19	-	-	(466,000)	(466,000)	(1,892,000)
NET ASSETS		<u>479,536</u>	<u>2,993,025</u>	<u>216,702</u>	<u>3,689,263</u>	<u>2,173,023</u>
Funds						
Restricted funds:	18					
Fixed asset fund				2,993,025	3,060,195	
Restricted income funds				<u>216,702</u>	<u>(1,317,026)</u>	
Unrestricted income fund				3,209,727	1,743,169	
				<u>479,536</u>	<u>429,854</u>	
Total funds				<u>3,689,263</u>	<u>2,173,023</u>	

The financial statements were approved by the Board of Trustees and authorised for issue on 28th November 2022 and were signed on its behalf by:



G Latos - Trustee

The Key Educational Trust

**Cash Flow Statement
for the Year Ended 31st August 2022**

	Notes	31/8/22 £	31/8/21 £
Cash flows from operating activities			
Cash generated from operations	1	<u>259,837</u>	<u>226,830</u>
Net cash provided by operating activities		<u>259,837</u>	<u>226,830</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(40,255)	(183,842)
Capital grants from DfE/EFA		28,108	68,881
Interest received		<u>151</u>	<u>139</u>
Net cash used in investing activities		<u>(11,996)</u>	<u>(114,822)</u>
Change in cash and cash equivalents in the reporting period		247,841	112,008
Cash and cash equivalents at the beginning of the reporting period		<u>1,247,991</u>	<u>1,135,983</u>
Cash and cash equivalents at the end of the reporting period		<u><u>1,495,832</u></u>	<u><u>1,247,991</u></u>

The notes form part of these financial statements

The Key Educational Trust

Notes to the Cash Flow Statement for the Year Ended 31st August 2022

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

	31/8/22	31/8/21
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(120,760)	(2,742,950)
Adjustments for:		
Depreciation charges	106,922	106,590
Capital grants from DfE/ESFA	(28,108)	(68,881)
Transfer from Local Authority on conversion	-	2,794,500
Interest received	(151)	(139)
Decrease/(increase) in debtors	63,211	(122,945)
Increase in creditors	27,723	110,655
Difference between pension charge and cash contributions	<u>211,000</u>	<u>150,000</u>
Net cash provided by operations	<u>259,837</u>	<u>226,830</u>

2. Analysis of changes in net funds

	At 1.9.21	Cash flow	At 31.8.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,247,991</u>	<u>247,841</u>	<u>1,495,832</u>
	<u>1,247,991</u>	<u>247,841</u>	<u>1,495,832</u>
Total	<u>1,247,991</u>	<u>247,841</u>	<u>1,495,832</u>

The Key Educational Trust

Notes to the Financial Statements for the Year Ended 31st August 2022

1. Accounting policies

Basis of preparing the financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2021 to 2022 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The Key Educational Trust meets the definition of a public benefit entity under FRS 102.

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

Critical accounting judgements and key sources of estimation uncertainty

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 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 amount 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 19, 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 2016 has been used by the actuary in valuing the pensions liability at the year end. 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.

Income

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Grants

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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.

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

1. Accounting policies - continued

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

Other income

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the 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 financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the academy trust to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

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

Charitable activities

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

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

1. Accounting policies - continued

Tangible fixed assets

Leasehold land and buildings	2% straight line
Computer equipment	15% reducing balance
Furniture and equipment	15% reducing balance

Valuation of occupied property

The property known as Christ Church Academy at Old Road, Stone, ST15 8JD is occupied under a 125 year lease, commencing 1 August 2011. The landlords are The Lichfield Diocesan Board of Education and Staffordshire County Council. The property was valued independently upon conversion and was treated as a restricted fixed asset fund donation for the year and included as fixed asset additions on the Balance Sheet. The property has since been depreciated in accordance with the Trust's accounting policy.

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.

Financial instruments

The academy trust only holds basic financial instruments as defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows.

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.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Fund accounting

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

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

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

Hire purchase and leasing commitments

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

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

2. Donations and capital grants

	31/8/22	31/8/21
	£	£
Donations	75,064	20,783
Grants	<u>28,108</u>	<u>68,881</u>
	<u>103,172</u>	<u>89,664</u>

Grants received, included in the above, are as follows:

	31/8/22	31/8/21
	£	£
Other DfE/EFSA grants	<u>28,108</u>	<u>68,881</u>

3. Funding for the academy trust's educational operations

	Unrestricted funds	Restricted funds	31/8/22 Total funds	31/8/21 Total funds (restated)
	£	£	£	£
DfE/ESFA grants				
General Annual Grant (GAG)	1,834	3,666,276	3,668,110	3,644,380
Other DfE/EFSA grants	<u>-</u>	<u>302,282</u>	<u>302,282</u>	<u>313,106</u>
	<u>1,834</u>	<u>3,968,558</u>	<u>3,970,392</u>	<u>3,957,486</u>
Other Government grants				
Local Authority	-	147,238	147,238	66,337
Other incoming resources	<u>21,208</u>	<u>76,334</u>	<u>97,542</u>	<u>93,367</u>
	<u>21,208</u>	<u>223,572</u>	<u>244,780</u>	<u>159,704</u>
	<u>23,042</u>	<u>4,192,130</u>	<u>4,215,172</u>	<u>4,117,190</u>

Other DfE/ESFA grants is made up of the following:

	31/8/22	31/8/21
	£	£
Pupil premium	212,071	167,000
FSM supplementary grant	13,967	44,000
Covid catch up premium	-	62,000
Other	23,684	40,106
	<u>302,282</u>	<u>313,106</u>

4. Other trading activities

	31/8/22	31/8/21
	£	£
Music tuition	17,880	16,010
Hire of facilities	5,610	5,647
Catering income	<u>11,245</u>	<u>10,606</u>
	<u>34,735</u>	<u>32,263</u>

The Key Educational Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

5. Investment income

	31/8/22	31/8/21
	£	£
Deposit account interest	<u>151</u>	<u>139</u>

6. Expenditure

	Non-pay expenditure			31/8/22	31/8/21
	Staff costs	Premises	Other costs	Total	Total (restated)
	£	£	£	£	£
Raising funds					
Costs of fundraising					
Direct costs	-	-	111,871	111,871	39,380
Costs incurred by trading for a fundraising purpose					
Direct costs	-	-	3,733	3,733	-
Charitable activities					
Academy's educational operations					
Direct costs	2,958,263	-	180,367	3,138,630	2,598,582
Allocated support costs	<u>366,415</u>	<u>454,898</u>	<u>398,443</u>	<u>1,219,756</u>	<u>1,549,744</u>
	<u>3,324,678</u>	<u>454,898</u>	<u>694,414</u>	<u>4,473,990</u>	<u>4,187,706</u>

Net income/(expenditure) for the year is stated after charging/(crediting):

	31/8/22	31/8/21
	£	£
Fees payable to auditor for audit services	9,500	8,000
Operating lease rentals	13,341	13,854
Depreciation of tangible fixed assets	106,922	106,561
Net interest on defined benefit pension liability	<u>33,000</u>	<u>27,000</u>

7. Raising funds

Costs of fundraising

	31/8/22	31/8/21
	£	£
Educational visits	<u>111,871</u>	<u>39,380</u>

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

7. Raising funds - continued

Costs incurred by trading for a fundraising purpose

	31/8/22	31/8/21
	£	£
Purchases	<u>3,733</u>	<u>-</u>
Aggregate amounts	<u>115,604</u>	<u>39,380</u>

8. Charitable activities - academy's educational operations

	Unrestricted funds £	Restricted funds £	31/8/22 Total funds £	31/8/21 Total funds £
Direct costs	-	3,138,630	3,138,630	2,758,582
Support costs	<u>-</u>	<u>1,219,756</u>	<u>1,219,756</u>	<u>1,549,744</u>
	<u>-</u>	<u>4,358,386</u>	<u>4,358,386</u>	<u>4,308,326</u>

	31/8/22 Total £	31/8/21 Total £
Analysis of support costs		
Support staff costs	366,415	639,919
Depreciation	42,046	42,281
Technology costs	44,665	75,261
Premises costs	433,330	535,474
Other support costs	100,732	107,809
Governance costs	<u>232,568</u>	<u>149,000</u>
Total support costs	<u>1,219,756</u>	<u>1,549,744</u>

9. Trustees' remuneration and benefits

One or more of the directors has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff directors only receive remuneration in respect of services they provide undertaking the roles of principal 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:

C Wright (principal and trustee):	Remuneration	£110,000 - £115,000 (2021: £110,000 - £115,000)
	Employer pension contributions	£25,000 - £30,000 (2021: £25,000 - £30,000)
A Graham	Remuneration	£70,000 - £75,000 (2021: £70,000 - £75,000)
	Employer pension contributions	£15,000 - £20,000 (2021: £15,000 - £20,000)

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

9. Trustees' remuneration and benefits - continued

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st August 2022 nor for the year ended 31st August 2021.

10. Staff costs

	31/8/22	31/8/21
	£	£
Wages and salaries	2,432,516	2,477,402
Social security costs	245,041	224,000
Operating costs of defined benefit pension schemes	<u>577,806</u>	<u>542,994</u>
	3,255,363	3,244,396
Supply teacher costs	<u>69,315</u>	<u>126,428</u>
	<u><u>3,324,678</u></u>	<u><u>3,370,824</u></u>

The average number of persons (including senior management team) employed by the academy trust during the year was as follows:

	31/8/22	31/8/21
Teachers	36	35
Administration and support	47	47
Management	<u>9</u>	<u>9</u>
	<u><u>92</u></u>	<u><u>91</u></u>

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

	31/8/22	31/8/21
£60,001 - £70,000	1	1
£70,001 - £80,000	1	1
£111,001 - £120,000	<u>1</u>	<u>1</u>
	<u><u>3</u></u>	<u><u>3</u></u>

Key management personnel

The key management personnel of the academy trust comprise the directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £786,514 (2021: £797,272).

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

11. Central services

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

- human resources;
- financial services;
- legal services;
- educational support services; or
- others as arising.

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

- flat percentage of topslice (5%) for Christ Church Academy
- flat percentage of topslice (4%) for Christ Church First School and Oulton First School

The amounts charged during the year were as follows:

	2022 £	2021 (restated) £
Christ Church Academy	135,996	125,044
Christ Church First School	23,844	21,325
Oulton First School	13,848	13,842
The Key Educational Trust	-	-
	<u>173,688</u>	<u>160,211</u>

12. Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance is included within an overall in the total insurance policy cost and is estimated to be £500 per year of that overall cost.

13. Comparatives for the statement of financial activities

	Unrestricted fund £	Restricted Fixed Asset fund £	Restricted funds £	Total funds £
Income and endowments from				
Donations and capital grants	179	68,881	20,604	89,664
Transfer from Local Authority on conversion	-	(2,794,500)	-	(2,794,500)
Charitable activities				
Funding for the academy's educational operations	-	-	4,277,190	4,277,190
Other trading activities	32,263	-	-	32,263
Investment income	139	-	-	139
Total	<u>32,581</u>	<u>(2,725,619)</u>	<u>4,297,794</u>	<u>1,604,756</u>
Expenditure on				
Raising funds	-	-	39,380	39,380
Charitable activities				
Academy's educational operations	32,263	106,922	4,169,473	4,308,326

The Key Educational Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

13. Comparatives for the statement of financial activities - continued

	Unrestricted fund £	Restricted Fixed Asset fund £	Restricted funds £	Total funds £
Total	32,263	106,922	4,208,853	4,347,706
NET INCOME/(EXPENDITURE)	318	(2,832,541)	88,941	(2,742,950)
Transfers between funds	-	114,000	(114,000)	-
Other recognised gains/(losses) Actuarial gains/(losses) on defined benefit schemes	-	-	(173,000)	(173,000)
Net movement in funds	318	(2,718,541)	(198,059)	(2,915,950)
Reconciliation of funds				
Total funds brought forward	429,536	5,778,404	(1,118,967)	5,088,973
Total funds carried forward	<u>429,854</u>	<u>3,059,863</u>	<u>(1,317,026)</u>	<u>2,173,023</u>

14. Tangible fixed assets

	Long leasehold £	Fixtures and fittings £	Computer equipment £	Totals £
Cost				
At 1st September 2021	3,222,940	250,010	304,455	3,777,405
Additions	<u>13,343</u>	<u>17,909</u>	<u>9,003</u>	<u>40,255</u>
At 31st August 2022	<u>3,236,283</u>	<u>267,919</u>	<u>313,458</u>	<u>3,817,660</u>
Depreciation				
At 1st September 2021	409,577	169,920	138,217	717,714
Charge for year	<u>64,875</u>	<u>15,935</u>	<u>26,111</u>	<u>106,921</u>
At 31st August 2022	<u>474,452</u>	<u>185,855</u>	<u>164,328</u>	<u>824,635</u>
Net book value				
At 31st August 2022	<u>2,761,831</u>	<u>82,064</u>	<u>149,130</u>	<u>2,993,025</u>
At 31st August 2021	<u>2,813,363</u>	<u>80,090</u>	<u>166,238</u>	<u>3,059,691</u>

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

15. Debtors: amounts falling due within one year

	31/8/22	31/8/21
	£	£
Trade debtors	31,116	22,864
VAT	26,171	83,840
Prepayments and accrued income	<u>75,600</u>	<u>89,395</u>
	<u>132,887</u>	<u>196,099</u>

16. Creditors: amounts falling due within one year

	31/8/22	31/8/21
	£	£
Trade creditors	89,285	149,614
Social security and other taxes	58,356	97,629
Other creditors	87,439	84,509
Accruals and deferred income	<u>231,401</u>	<u>107,006</u>
	<u>466,481</u>	<u>438,758</u>

Deferred Income

	31/8/22	31/8/21
	£	£
Deferred income as at 1st September 2021	88,218	96,000
Resources deferred in the year	136,486	88,218
Amounts released from previous years	<u>(88,218)</u>	<u>(96,000)</u>
Deferred income as at 31st August 2022	<u>136,486</u>	<u>88,218</u>

At the balance sheet date, the Trust was holding funds received in advance from the ESFA in respect of the Universal Infant Free School Meals and school trips in 2022/23.

17. Members' liability

Each member of the academy trust undertakes to contribute to the assets of the 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 cease to be a member.

The Key Educational Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

18. Movement in funds

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Restricted general funds				
General Annual Grant (GAG)	520,134	174,212	(11,644)	682,702
Pension deficit	(1,892,000)	1,426,000	-	(466,000)
Other	54,840	(54,840)	-	-
	<u>(1,317,026)</u>	<u>1,545,372</u>	<u>(11,644)</u>	<u>216,702</u>
Restricted fixed asset fund				
Restricted fixed asset fund	<u>3,060,195</u>	<u>(78,814)</u>	<u>11,644</u>	<u>2,993,025</u>
Total restricted funds	<u>1,743,169</u>	<u>1,466,558</u>	<u>-</u>	<u>3,209,727</u>
Unrestricted fund				
General fund	<u>429,854</u>	<u>49,682</u>	<u>-</u>	<u>479,536</u>
TOTAL FUNDS	<u>2,173,023</u>	<u>1,516,240</u>	<u>-</u>	<u>3,689,263</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant (GAG)	3,662,164	(3,487,952)	-	174,212
Other DfE/ESFA Grants	302,282	(302,282)	-	-
Local Authority Grants	147,238	(147,238)	-	-
Pension deficit	-	(211,000)	1,637,000	1,426,000
Other	163,756	(218,596)	-	(54,840)
	<u>4,275,440</u>	<u>(4,367,068)</u>	<u>1,637,000</u>	<u>1,545,372</u>
Restricted fixed asset fund				
Restricted fixed asset fund	<u>28,108</u>	<u>(106,922)</u>	<u>-</u>	<u>(78,814)</u>
Total restricted funds	<u>4,303,548</u>	<u>(4,473,990)</u>	<u>1,637,000</u>	<u>1,466,558</u>
Unrestricted fund				
General fund	<u>49,682</u>	<u>-</u>	<u>-</u>	<u>49,682</u>
TOTAL FUNDS	<u>4,353,230</u>	<u>(4,473,990)</u>	<u>1,637,000</u>	<u>1,516,240</u>

The Key Educational Trust

Notes to the Financial Statements - continued
for the Year Ended 31st August 2022

18. Movement in funds - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Restricted general funds				
General Annual Grant (GAG)	411,560	222,574	(114,000)	520,134
Pension deficit	(1,570,000)	(322,000)	-	(1,892,000)
Other	<u>39,473</u>	<u>15,367</u>	<u>-</u>	<u>54,840</u>
	<u>(1,118,967)</u>	<u>(84,059)</u>	<u>(114,000)</u>	<u>(1,317,026)</u>
Restricted fixed asset fund				
Restricted fixed asset fund	<u>5,778,404</u>	<u>(2,832,209)</u>	<u>114,000</u>	<u>3,060,195</u>
	<u>4,659,437</u>	<u>(2,916,268)</u>	<u>-</u>	<u>1,743,169</u>
Total restricted funds				
	<u>4,659,437</u>	<u>(2,916,268)</u>	<u>-</u>	<u>1,743,169</u>
Unrestricted fund				
General fund	<u>429,536</u>	<u>318</u>	<u>-</u>	<u>429,854</u>
TOTAL FUNDS	<u>5,088,973</u>	<u>(2,915,950)</u>	<u>-</u>	<u>2,173,023</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Restricted general funds				
General Annual Grant (GAG)	3,664,984	(3,442,410)	-	222,574
Other DfE/ESFA Grants	313,106	(313,106)	-	-
Local Authority Grants	66,337	(66,337)	-	-
Pension deficit	-	(149,000)	(173,000)	(322,000)
Other	<u>253,367</u>	<u>(238,000)</u>	<u>-</u>	<u>15,367</u>
	<u>4,297,794</u>	<u>(4,208,853)</u>	<u>(173,000)</u>	<u>(84,059)</u>
Restricted fixed asset fund				
Restricted fixed asset fund	<u>(2,725,619)</u>	<u>(106,590)</u>	<u>-</u>	<u>(2,832,209)</u>
	<u>1,572,175</u>	<u>(4,315,443)</u>	<u>(173,000)</u>	<u>(2,916,268)</u>
Total restricted funds				
	<u>1,572,175</u>	<u>(4,315,443)</u>	<u>(173,000)</u>	<u>(2,916,268)</u>
Unrestricted fund				
General fund	<u>32,581</u>	<u>(32,263)</u>	<u>-</u>	<u>318</u>
TOTAL FUNDS	<u>1,604,756</u>	<u>(4,347,706)</u>	<u>(173,000)</u>	<u>(2,915,950)</u>

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

18. Movement in funds - continued

Total funds analysis by academy

Fund balances at the year end were allocated as follows:

	2022	2021 (restated)
	£	£
Christ Church Academy	527,642	1,213,828
Christ Church First School	58,000	(212,000)
Oulton School	-	(16,000)
The Key Educational Trust	<u>576,595</u>	<u>19,000</u>
Total before fixed assets fund and pension reserve	1,162,237	1,004,828
Restricted fixed asset fund	2,993,025	3,060,000
Pension reserve	<u>(466,000)</u>	<u>(1,892,000)</u>
Total funds	<u><u>3,689,262</u></u>	<u><u>2,172,828</u></u>

Total costs by academy

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

	Teaching & educational support Staff £	Other support staff costs £	Educational supplies £	Other costs excl. dep'n £	Total 2022 £	Total 2021 £
Christ Church Academy	2,037,250	255,717	177,008	524,630	2,994,605	2,940,000
Christ Church First School	531,019	67,572	20,312	152,988	771,891	749,000
Oulton First School	309,467	43,632	12,148	98,172	463,419	483,000
Trust	<u>33,798</u>	<u>46,223</u>	<u>-</u>	<u>271,414</u>	<u>351,435</u>	<u>175,000</u>
	<u><u>2,911,534</u></u>	<u><u>413,144</u></u>	<u><u>209,468</u></u>	<u><u>1,047,204</u></u>	<u><u>4,581,350</u></u>	<u><u>4,347,000</u></u>

Transfers between funds

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

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

Closing Restricted General Funds were as follows:

General Annual Grant

The Principal has in place a schedule of improvements, both in IT and building infrastructure, the costs of which will be made from the GAG fund carried forward. There is no restriction on the balance that can be carried forward on this fund

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

18. Movement in funds - continued

Transfers between funds - continued

Catch-up Premium

This represents the balance of the ESFA catch-up premium to support children and young people to catch up lost time after school closures during the COVID-19 pandemic.

Other non-DfE/ESFA COVID-19 funding

This represents the balance of COVID-19 Mass Testing funding from Department of Health and Social Care.

Other Restricted

School Fund

This represents the balance of funds held in the School Funds bank account.

Closing Restricted Fixed Asset Funds were as follows:

Transfer from Local Authority on Conversion

This represents the value of assets transferred upon conversion to the Trust, less depreciation accounted for on those assets.

DfE/ESFA capital grants

Since conversion, certain amounts of capital expenditure have been financed out of GAG. This balance represents the amount of funding used in this manner, less the depreciation accounted for on those assets.

Capital expenditure from GAG

Since conversion, certain amounts of capital expenditure have been financed out of GAG. This balance represents the amount of funding used in this manner, less the depreciation accounted for on those assets.

Closing Unrestricted Funds were as follows:

Unrestricted Funds

This fund represents the accumulation of unrestricted funds generated from activities. These funds are held to enable the Trust to accommodate any future GAG deficits and contingency costs.

19. Pension and similar obligations

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

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

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

Teachers' pension scheme

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

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

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

19. Pension and similar obligations - continued

Valuation of the teachers' pension scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. 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 2023.

The employer's pension costs paid to TPS in the period amounted to £405,117 (2021 - £390,641).

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

Local government pension scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31st August 2022 was £202,962 (2021 - £190,000), of which employer's contributions totalled £166,425 (2021 - £155,000), and employees' contributions totalled £36,537 (2021 - £35,000). The agreed contribution rates for future years are 27.20 per cent for employers and between 5.5 and 12.50 per cent for employees, dependent on salary banding.

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

The Key Educational Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

19. Pension and similar obligations - continued

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

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Current service cost	344,000	274,000
Net interest from net defined benefit asset/liability	71,000	58,000
	<u>415,000</u>	<u>332,000</u>
Actual return on plan assets	<u>-</u>	<u>337,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Opening defined benefit obligation	4,131,000	3,303,000
Current service cost	344,000	274,000
Contributions by scheme participants	36,000	35,000
Interest cost	71,000	58,000
Benefits paid	(48,000)	(49,000)
Actuarial (gains)/losses from changes in financial assumptions	(1,730,000)	510,000
	<u>2,804,000</u>	<u>4,131,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Opening fair value of scheme assets	2,239,000	1,733,000
Contributions by employer	166,000	152,000
Contributions by scheme participants	36,000	35,000
Actuarial gains/(losses)	38,000	337,000
Benefits paid	(48,000)	(49,000)
Return on plan assets (excluding interest income)	(93,000)	31,000
	<u>2,338,000</u>	<u>2,239,000</u>

The Key Educational Trust

Notes to the Financial Statements - continued for the Year Ended 31st August 2022

19. Pension and similar obligations - continued

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Actuarial (gains)/losses from changes in financial assumptions	1,730,000	-
Return on plan assets (excluding interest income)	(93,000)	31,000
	<u>1,637,000</u>	<u>31,000</u>

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	31/8/22	31/8/21
	£	£
Equities	1,683,360	1,589,000
Bonds	374,080	425,000
Property	210,420	157,000
Other assets	70,140	68,000
	<u>2,338,000</u>	<u>2,239,000</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	31/8/22	31/8/21
Discount rate	4.25%	1.65%
Future salary increases	3.60%	3.30%
Future pension increases	3.20%	2.90%

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

Retiring today		
Males	21.2	21.4
Females	23.8	24.0
Retiring in 20 years		
Males	22.2	22.5
Females	25.5	25.7

Sensitivity analysis	31/8/22	31/8/21
	£	£
Discount rate -0.1%	58,000	85,000
Mortality assumption - 1 year increase	112,000	165,000
CPI rate +0.1%	55,000	80,000

The Key Educational Trust

**Notes to the Financial Statements - continued
for the Year Ended 31st August 2022**

20. Contingent liabilities

The Trust is currently disputing a water bill received from WaterPlus, which is believed to have been erroneously raised. The amount of the invoice is £17,624 but the Trust does not believe this amount to be payable. Currently, the Trust has not recognised any liability in respect of this in the financial statements.

21. Long-term commitments, including operating leases

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31/8/22	31/8/21
	£	£
Within one year	10,761	6,000
Between one and five years	<u>5,198</u>	<u>6,000</u>
	<u>15,959</u>	<u>12,000</u>

22. Related party disclosures

No related party transactions took place in the period of account.