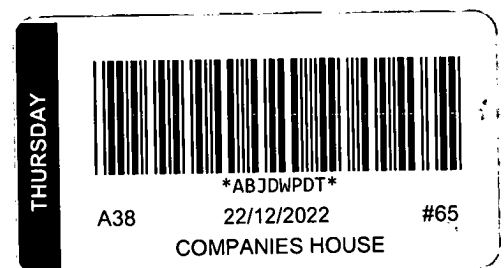


Company Registration Number: 07654902 (United Kingdom)

**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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



**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	D Middleton - Chair & Foundation Member A Armstrong H Cowan (resigned 19 July 2022) T Morgan - Foundation Member  S Edwards, Chief Executive <sup>1,2</sup> J Cowan <sup>1,3</sup> A Edwards <sup>2</sup> G Gosling <sup>1</sup> R Hendrickse <sup>2</sup> D Johnson <sup>3</sup> A Sedgley D Middleton, Chair & Foundation Member <sup>1</sup> S Whitehouse-Whiting (appointed 2 December 2021) S Vodden (appointed 2 March 2022)  <sup>1</sup> Finance Committee <sup>2</sup> Risk and Audit Committee <sup>3</sup> Remuneration Committee
<b>Company registered number</b>	07654902
<b>Company name</b>	Acorn Education Trust
<b>Principal and registered office</b>	Kingdown School Woodcock Road Warminster Wiltshire BA12 9DR
<b>Company secretary</b>	F Simpson
<b>Chief executive officer</b>	S Edwards
<b>Senior management team</b>	S Edwards, CEO C Robinson, Executive Headteacher R Price, Executive Headteacher S Porter, Executive Headteacher A Williams, Head of HR J Evans, Head of School Services M Burr, Executive Headteacher F Simpson, Head of Finance S Fullbrook, Head of SEND J Ronxin, Head of Marketing & Communication R Knott, Head of IT
<b>Independent auditors</b>	Bishop Fleming LLP Chartered Accountants Statutory Auditors 10 Temple Back Bristol BS1 6FL

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the year ended 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 14 primary and 3 secondary academies in Wiltshire. Its academies have a combined pupil capacity of 6,750 and had a roll of 5,109 in the school census on 1st October 2022.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of Acorn Education Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Acorn Education Trust.

Details of the Trustees who served throughout the year, and to the date the accounts are approved are included in the Reference and Administration Details.

**Trustees' Liability**

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

**Trustees' Indemnities**

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10 million. In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10 million on any one loss and any one membership year.

**Method of recruitment and appointment or election of Trustees**

The Board of Trustees comprises the Chief Executive Officer, up to 5 directors appointed by the Members and up to six foundation members approved by the Diocesan Board of Education. The number of Trustees who are employees of the Company, including the Chief Executive Officer, must not exceed one third of the total number of Trustees.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

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

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**Policies and Procedures adopted for the Induction and Training of Trustees**

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

**Organisational Structure**

The Board of Trustees normally meets twice each term. The Board establishes an overall framework for the governance of the Academy and determines Trusteeship, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are four committees as follows:

- Finance, Health & Safety and Estates Committee - this meets at least nine times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, health & safety and estates.
- Risk & Audit Committee – this meets at least six times a year and is responsible for compliance with reporting and regulatory requirements and reporting, and receiving reports from the internal and external audit.
- People & Wellbeing Committee - The Trust, through the People & Wellbeing Committee, ensures its decisions about levels of executive pay follow a robust, evidence-based process and are reflective of roles and responsibilities. Good quality pay award decisions are dependent on good quality strategic planning for the Trust and well executed appraisal processes.
- Safeguarding, Standards and Improvement Committee - this meets at least eight times a year to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Trustees, to approve the Annual Development Plan and budget.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Chief Executive Officer (CEO) and Senior Executive Team. The Senior Executive Team comprises the CEO, Executive Headteachers, HR Director and Heads of Departments. The Senior Executive Team implement the policies laid down by the Trustees and report back to them on performance.

Each Academy has a leadership structure which consists of the Academy Council and Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. Academy Councils are responsible for parental and community engagement, culture, vision, ethos and for aspects of safeguarding. These are key components in maintaining overall standards, attendance and behaviour, by which schools are measured when inspected.

The Chief Executive Officer is the Accounting Officer.

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

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**Arrangements for setting pay and remuneration of key management personnel**

The Trustees consider the Board of Trustees and the senior executive team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees, with the exception of the CEO, give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size. The responsibility of the post, size of the Trust and staff retention are all considered when determining pay levels. Advice is sought from external stakeholders, such as external auditors, and value for money principals are observed at all times. Roles are also compared for parity against other roles within the Trust, comparing levels of responsibility of the posts.

**Trade union facility time**

There were no relevant union officials for the year ended 31 August 2022.

**Related Parties and other Connected Charities and Organisations**

There are no related parties which either control or significantly influence the decisions and operations of Acorn Education Trust. There are no sponsors or formal Parent Teacher Associations associated with the Academy.

**Engagement with employees (including disabled persons)**

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials
- Regular updates and newsletters, plus a dedicated staff portal with latest news and policies
- Employee HR portal to put staff in control of their own personal details, additional hours claims and absence requests
- Line managers regularly meet with staff, even with those working from home, to enable staff to communicate regularly and check on their colleague's well-being

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

The Trust fosters business relationships with its students by acting on feedback, ensuring safeguarding and by maintaining a continuous commitment to school improvement. The Trust fosters business relationships with its suppliers by supporting a number of local suppliers, ensuring relationships are mutually beneficial and paying invoices within agreed payment terms.

**OBJECTIVES AND ACTIVITIES**

**Objects and Aims**

The principal object and activity of the Trust is to advance, for the public benefit, education in the United Kingdom. In particular by establishing, maintaining, carrying on, managing and developing schools and offering a broad range of curriculum for pupils of different abilities from nursery to age 19.

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

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**About Acorn Education Trust**

The overall aim of the Charitable Group is to promote excellent education, providing strong schools which enable all young people to make a success of their lives. Our strength as a group of schools lies in our collaboration, our dedication to continuous improvement, developing each pupils' whole character and our pursuit of excellence. Aligned structures and systems ensures high expectations, rigour, energy and breadth in all that we do.

As of 31st August 2022, Acorn Education Trust comprises 6 nurseries, 14 primary schools, 3 secondary schools and a central office team that serves all our settings.

Acorn Education Trust's vision is:

To prepare young people for their world in their time, by ensuring the following foundations of excellence are embedded in all our schools and nurseries:

- Active and visible leadership
- Care, support and challenge
- Opportunities for all
- Readiness to reach out
- The needs of all are paramount

**Public Benefit**

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy aims to advance for the public benefit, education in Wiltshire and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development of schools and offering a broad curriculum for pupils of all abilities.

The Academy provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

**STRATEGIC REPORT**

**ACHIEVEMENTS AND PERFORMANCE**

**Covid-19 Pandemic**

The 2021/22 academic year has continued to be dominated by the Covid-19 pandemic.

The key priorities for the year, in light of the Covid-19 pandemic and the return to school, have been:

1. The welfare of all our staff and students
2. Quality first teaching
3. Enhanced provision for our most vulnerable students
4. Digitalisation development
5. Ensuring leadership at all levels is strong and secure

Our schools remained open throughout the year, with intermittent bubble closures between September and December and the occasional bubble closure between January and July.

Our key strategy to achieve our objectives while battling Covid has been to maintain a culture across Acorn of trust and care. The trust in and between the senior executive, our heads, our leaders, our staff as well as

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

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making sure everyone matters, they know they matter, and, we all stay safe and well, both physically and mentally.

Because this has been our focus we have dealt with the urgent, day in day out, calmly, effectively, nimbly and also found time to improve, develop and expand. On May 1st 2022 we welcomed 5 schools from the Salisbury Plain Academies Trust – Avon Valley Academy, Bulford St. Leonard's Primary School, Durrington All Saints Primary School, Netheravon All Saints Primary School and St. Michael's Primary School.

**Foundations of excellence**

The foundations of excellence demonstrate the principles we follow as a group to ensure we achieve our aims.

**1. Active and visible leaders**

Our success as a group is dependent on excellent leadership at all levels across the central team and in all schools/nurseries. The quality of leadership was reflected in the 4 Ofsted reports this academic year in St. John's, Wansdyke, New Close and Great Wishford, as in each case leadership and management was judged "good".

In some ways leading schools this year has been harder than ever. Trying to maintain a normal school day, week and term, with Covid still dominating has been incredibly challenging and for a couple of schools, school improvement has been virtually impossible because of the continuous stream of staff absences.

Every adult in the school/nursery is a leader. In every word, tone and gesture, they set the direction and expectation. AET expects every adult to take responsibility and the initiative to do what is right for the pupils. All those in formal leadership positions create the climate and culture in which others work. They demand the highest standards, build a performance culture, develop their teams, and create the space for others to lead. All leaders listen, grow relationships, act with integrity and care and expect the best from themselves and others in building a successful, happy, and confident school/nursery. We aim to give all aspiring and current leaders the opportunity to develop all aspects of their leadership. Two headteachers continued with NPQH and a number of middle leaders completed the NPQSL course.

**2. Care, Support and Challenge**

The mental and physical welfare of all pupils and staff as mentioned earlier, has been our top priority. Our staff have been amazing and truly inspirational throughout the year. Their resilience, dedication, care and support has been immense.

Continuous improvement and collaboration is at the heart of our work with all our schools. However good we are, we can always be better. We are always learning from each other as well as visiting leading-edge schools and other Trusts. We constantly strive to be better; we learn with pride and endeavour always to give the children and staff in our schools the best possible opportunities. High levels of attainment and progress are expected in every AET school and nursery. Centrally, school improvement is delivered through a team around a school Strategy. The central team meet fortnightly to review progress on each setting and support is provided to each school depending on the category the school/nursery is placed in at a 360 meeting – low, medium or high. Headteachers meet weekly to share, support and learn. School Improvement support is weekly, fortnightly or termly depending on the category.

An annual external quality assurance visit by an independent teaching and learning consultant is also accelerating school improvement practices in every school.

Attendance in September was significantly higher in the vast majority of schools compared to the last 2 years and since then has fluctuated, depending on Covid cases, with a number of year groups and primary bubbles having to isolate at some point in the year. All schools ended the year above national for overall attendance.



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

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Our schools continued to offer excellent pastoral care and sought to look after the physical and mental well-being of our pupils in whichever ways they could. The Thrive approach is becoming embedded in all our schools; play therapy is supporting our younger children while enhanced provision and counselling is essential in our secondary schools.

**3. Opportunities for all**

Projects to improve school estates and IT were completed in all schools during the school term and holidays.

During the last year we have made great strides to align our primary and secondary curriculum. Our 6 curriculum principles – every child/student feels they belong, is challenged, develops a love of learning, has aspiration, makes a unique contribution to their school and is ready for their world in their time, has been revisited and remains at the heart of all that we do. We seek to develop the disciplinary and substantive knowledge of our young people so they are fully literate and extremely capable mathematicians, scientists, geographers, historians, artists, musicians, athletes etc.

In the summer we launched subject communities – a group of people who share a passion for a subject and want to improve together. This will put teachers in the driving seat, as central lesson planning and sharing of resources will enable every teacher to play to their own strengths and adapt materials for their local context and the needs of their pupils.

Across the Trust, The Great Teaching Toolkit, supported by Walkthrus in primary schools, are being used to underpin all work in teaching and learning, to support personal development, continuous professional development, lesson observation and leadership. The toolkit is based on research on how the brain acquires and uses new information as well as successful classroom practice.

Wherever possible, extracurricular clubs re-started, with some concerts and plays held remotely.

**4. Readiness to reach out**

The pandemic has certainly heightened the importance and value of being in a Trust. Headteachers have been able to focus on remote and face to face teaching and learning, alongside the development of the curriculum.

An area of growth in the last year has been the development of our networking both regionally and nationally. Working with local trusts through the RSC Learning Set structure and membership of the Confederation of School Trusts has helped us enormously; it has given us confidence in our own planning, subsequent actions and developments but also, allowed us, perhaps made us, look outwards and learn from colleagues on a regular basis.

Becoming a local provider for the new Teaching School Hub is a significant and exciting step for the Trust. The secondary ECT programme has gone very well as evidenced in the evaluations. And next year, we look forward to developing the year 2 programme as well as starting the primary version.

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

5. Outcomes for all are paramount

Headline summary KS1

Progress Indicators\*

At/ Above FFT20	At/ Above FFT20	Within 5% FFT50	Within 10% FFT50	>10% Below FFT50

School (No. of Pupils)	Reading Expected Standard+	Writing Expected Standard+	Maths Expected Standard+	Combined Expected Standard+
Bulford St Leonard's (20)**	64	50	64	41
Dilton Marsh (30)	74	57	80	57
Durrington (45)**	60	55	62	51
Great Wishford (10)	60	50	70	30
Heytesbury (12)	50	50	33	0
Keevil (16)	63	38	56	38
Netheravon All Saints (25)**	72	60	80	36
New Close (13)	54	45	62	38
Rowde (16)	40	0	20	0
St John's (17)	81	81	87	81
St Michael's (55)**	55	41	50	34
Wansdyke (29)	62	62	55	48
West Ashton (12)	58	33	42	25
The Avenue (inc RB) (34)	56	41	59	41
Trust (Raw) Average	60.6	47.4	58.6	37.1
National Average *	68	59	70	-

\* Progress against FFT50 and FFT20 based on 2019 national coefficients. Awaiting release of 2022 coefficients – these are expected to show a decrease in FFT Estimates in Writing and Maths, but be unchanged in reading

\*\* No prior attainment data

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

Headline summary KS2

Progress Indicators\*

At/ Above FFT20	At/ Above FFT20	Within 5% FFT50	Within 10% FFT50	>10% Below FFT50

School (No. of Pupils)	Reading Expected Standard+	Writing Expected Standard+	Maths Expected Standard+	Combined Expected Standard+
Bulford St Leonard's (33)	59	52	66	45
Dilton Marsh (28)	85	64	67	61
Great Wishford (14)	79	79	64	50
Heytesbury (6)	67	67	50	50
Keevil (22)	82	77	86	68
Netheravon All Saints (17)	65	59	71	53
New Close (16)	88	69	94	69
Rowde (28)	79	68	71	65
St John's (10)	80	100	90	80
St Michael's (53)	79	70	77	60
Wansdyke (30)	87	80	83	73
West Ashton (17)	83	78	72	72
The Avenue (inc RB) (42)	73	68	63	58
Trust Average	76.7	69.1	72.8	60.8
National Average	74	69	71	59

\* Progress against FFT50 and FFT20 based on 2019 national coefficients. Awaiting release of 2022 coefficients – these are expected to show a decrease in FFT Estimates in Writing and Maths, but be unchanged in reading

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

Headline Summary – GCSE

Significance shown for  $\pm 0.15$

Measure – Progress*	Avon Valley	Clarendon	Kingdown	Trust
Progress 8	-0.07	-0.01	-0.15	-0.09
Progress – English	-0.42	-0.24	-0.29	-0.29
Progress – Maths	-0.10	-0.02	-0.17	-0.11
Progress – Ebacc Bucket	+0.17	+0.14	-0.03	0.06
Progress – Open Bucket	-0.06	-0.03	-0.22	-0.13

\* Based on G4S/ 4Matrix estimates

Measure – Attainment	Avon Valley	Clarendon	Kingdown	FFT National
Progress 8	43.1	44.0	47.5	49.0
Progress – English	8.7	9.2	9.9	10.8
Progress – Maths	8.1	8.4	9.2	9.8
Progress – Ebacc Bucket	13.0	13.0	14.1	13.2
Progress – Open Bucket	13.2	13.5	14.2	-

Measure – E + M	Avon Valley	Clarendon	Kingdown	National*
Basic 4+	55	65	74	71
Basic 5+	30	38	46	52
English 4+	64	72	83	78
English 5+	48	55	65	61
Maths 4+	65	68	77	75
Maths 5+	38	45	51	57

\* Based on FFT schools' submissions, or national data for 16 year olds currently available

Headline summary – A level

Measure	Clarendon	Kingdown
Progress – A Level*	-0.07	-0.29
Progress – Applied*	+0.15	-0.02
APS per Entry – A Level	29.9	36.0
Mean Grade	C	B-
APS per Entry – Applied	28.5	31.6
Mean Grade	Merit+	Dis-

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

\* Progress based on 2020 GCSE TAGs, and 2019 national progress coefficients. This data is not published.

Measure		Clarendon	Kingdown
A Level	A* - B	35.9	54.3
	A* - C	66.3	78.5
	A* - E	90.5	99.3
Applied	Di* - Di	52.9	48.0
	Di* - Me	70.6	81.0
	Di* - Pa	94.1	99.0

**Key Performance Indicators**

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In period under review, £nil was carried forward representing 0% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2021/22 were 5,182, an increase of 1,300 over 2020/21 (3,882) mainly due to the additional five schools who joined in May 2022.

Another key financial performance indicator is staffing costs as a percentage of restricted revenue income. For 2021/22 this was 85%, compared to 88% in 2020/21.

The following non-financial KPIs are also monitored regularly:

1. All schools to improve their academic performance within the year
2. All schools to be removed from categories within appropriate Ofsted timeframe
3. All schools to provide a broad and balanced curriculum
4. High quality teaching staff and business staff in all schools

**Going Concern**

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

**FINANCIAL REVIEW**

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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During the year ended 31 August 2022 the Academy received total income of £46,682,367 and incurred total expenditure of £31,946,413. The excess of income over expenditure for the year was £14,735,954 mainly due to the donation of assets transferred from Salisbury Plain Academies on 1st May 2022.

At 31 August 2022 the net book value of fixed assets was £55,954,884 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion of its schools. The pension is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements. In the current year the actuarial valuation has returned a surplus. As described in Note 25 the Academy has not recognised this surplus.

Key financial policies reviewed during the year include the Finance Regulations Policy, which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff. Other policies reviewed and updated include the Scheme of Delegation, which sets out the delegated authority for spending, Risk Register and Charges and Remissions.

**Reserves Policy**

The Trustees have determined that the minimum level of cash reserves should equate to one month's expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. This currently gives rise to a figure of approximately £2,500,000, based on peak expenditure months.

The Trust's current level of reserves (total funds less the amount held in fixed assets and restricted funds) is £3,873,252, which includes £567,202 ring-fenced for use by schools who joined in May 2022 and represents the remaining balance of reserves brought into the Trust on joining. Historically, the Trust has grown its reserves in anticipation of new schools joining without bringing a reserve contribution. In the current context of above inflation costs and supplies and below real term public funding forecasts, the Trust anticipates a need to draw upon reserves in order to maintain the quality of education and support staff and student welfare.

The Trust's current level of reserves are prudent in the current circumstances and remain balanced in line with future plans. Along with the balance sheet, the reserves are a key indicator of the financial resilience of the Trust. This remains a critical factor as the Trust is likely to need new financial partnerships on the road to improved digitalisation, mitigating the symptoms and effects of climate change and in implementing further improvements to the quality of education offered by the Trust.

**Investment Policy**

Due to the nature of funding, the Trust may at times hold cash balances surplus to its short-term requirements.

The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses may be placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Chief Executive Officer and Chief Finance Officer within strict guidelines approved by the Board of Trustees.

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

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**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks and uncertainties facing the Trust are as follows:

**IT security** - IT risks include hardware and software failure, human error, spam, viruses and malicious attacks, as well as natural disasters such as fires, cyclones or floods. The IT disaster recovery plan is reviewed annually to ensure it is fit for purpose. The increase in the threat of malicious cyber attacks has been mitigated by enhanced insurance and additional training for staff.

**Financial** - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 95% of the Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. The unfunded pay awards for both Teaching and Business staff have added considerable financial pressure for 2022/23 and future years.

**Failures in governance and/or management** - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

**Reputational** - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

**Safeguarding and child protection** - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

**Staffing** - the success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

**Fraud and mismanagement of funds** - the Trust has appointed an independent internal auditor to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the risks to revenue funding from a falling roll are small, the reduction in post 16 funding levels, changes in funding arrangements for special educational needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees' and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments. At the year end, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**STREAMLINED ENERGY AND CARBON REPORTING**

<b>UK Greenhouse gas emissions and energy use data for the period</b>	<b>1 September 2021 to 31 August 2022</b>	<b>1 September 2020 to 31 August 2021</b>
Energy consumption used to calculate emissions (kWh)	4,571,264	4,727,116
Energy consumption break down (kWh) (optional) • gas, • electricity, • transport fuel		
<u>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</u>		
Gas consumption	547.04	589.06
Owned transport – mini-buses	31.02	11.56
<u>Total scope 1</u>	578.07	600.62
<u>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</u>		
Purchased electricity	299.28	303.74
<u>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</u>		
Business travel in employee owned vehicles	31.02	8.89
<u>Total gross emissions in metric tonnes CO<sub>2</sub>e</u>	891.14	913.26
<u>Intensity ratio</u>		
Tonnes CO <sub>2</sub> e per pupil	0.17	0.24

**Quantification and Reporting Methodology**

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.

**Measures taken to improve energy efficiency**

We are in the process of installing smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites. On new build projects we are having air source heat pumps installed.



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

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**PLANS FOR FUTURE PERIODS**

**Strategic aspirations:**

- To be a 'strong' trust of 20-40 schools in 2030, in a mutually supporting trust system.
- To be a leader in the quality and equality of education.
- To provide inspirational experiences and opportunity for every child.
- To be a NetO organisation by 2030 at the latest.

**Operational Goals**

**Schools/nurseries:**

- Every school an Ofsted "Good" within 3 years of joining, with an excellent teacher and targeted support for every child - Highly effective curriculum, with high standards of behaviour and attendance.
- By 2025 70%, by 2027 80%, by 2030 90% of primary children to have reached the expected standard in reading, writing and maths.
- All secondary schools to achieve an average of 5 in English and Maths by 2028
- Every student achieves a destination route which meets their career aspirations

**Estates & Infrastructure:**

- Fully identified estate and fleet sustainment programme to a 10 year horizon
- Enable the Trust's Information and Digitisation Plan to achieve full operating capability by 2026.
- All schools with gigabit internet by 2025
- Enable the Trust's Environmental Plan to achieve Net0 by 2030

**People and Wellbeing:**

- Fully recruited, qualified and trained staff
- Succession planning in place out to 24 months for SLT and governance roles
- A resourced professional and personal development programme with fair accessibility for all staff.
- A robust appraisal and feedback system for all staff.

**The Acorn Growth Framework:**

- Grow capacity for sustained school improvement.
- Enable people and talent development.
- Secure Acorn's future within a rapidly evolving sector.
- Retain as a golden thread the family feeling, humility and pride of being part of Acorn.

**The Acorn Budget:**

- Balanced budget forecast out to 2 years.
- Forecast of budget out to 5 years.
- Planning options for unfunded goals.
- A clear, defined reserves plan and policy

**FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS**

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**SECTION 172 STATEMENT**

The board of trustees recognises their responsibilities under section 172(1)(a) to (f) of the Companies Act 2006, being that directors of a company must act in a way most likely to promote the success of the company, and in doing so must have regard to:

- the likely consequences of any decision in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company

Evidence of the board's compliance with section 172 can be found in the records and minutes of the board and its sub-committees.

**AUDITOR**

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 13/12/2022 and signed on the board's behalf by:



David Middleton  
Chair of Trustees

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2022**

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**SCOPE OF RESPONSIBILITY**

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

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

**GOVERNANCE**

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

Trustee	Meetings attended	Out of a possible
David Middleton	6	6
Sara Edwards	6	6
John Cowan	4	6
Richard Hendrickse	5	6
David Johnson	5	6
Alan Sedgley	5	6
Gill Gosling	6	6
Rev Prof Allen Edwards	4	6
Susan Whitehead-Whiting	5	5
Sarah Vodden	3	3

The Board recognises the increased opportunity to bring and retain relevant experience to Board proceedings that is provided by blended or fully online meetings. A number of members and trustees now bring key skills whilst living outside of the geographical footprint of the trust. This enables a more diverse set of perspectives for key decisions, something that the Trust is keen to develop further. Further refinements in information management, especially with regard to financial and business data, allow the Board to remain confident in the information presented. The Board continues to operate a structure of sub-committees that allow the detailed interrogation of data and information presented to governors. A robust risk management culture is embedded in the Trust. More detail on this activity can be found, below.

**Governance Review**

The Board operates a process of continuous review of governance practice across the trust. Examples of this in the period include further review and adjustment of Academy Council structures and roles; accompanying revision of the scheme of delegation; and an external review of Governance conducted by Browne Jacobsen LLP. In its governance review work, the trust consults broadly with internal and external stakeholders, such as Head Teachers and Salisbury Diocese of Education. The MAT landscape continues to evolve and the Trust maintains a membership of the Confederation of School Trusts (CST). This assists with situational awareness and broader MAT trend analysis.

The Finance, Health & Safety and Estates Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Assess implications of the indicative funding from DfE for each Academy in advance of the financial year, drawing any matters of significance/concern to The Board.
- Ensure key spending links to the Trust Development plan and the School Development Plans.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

- Receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year.
- Liaise with and receive reports from appropriate committees and make recommendations to those committees about the financial aspects of matters being considered by them.
- Consider requests for supplementary expenditure and make appropriate recommendations to the Trust Board.
- Review financial policy
- Monitor and review expenditure on a regular basis, ensure compliance with the overall financial plans and DfE regulations, and draw matters of concern to the attention of the Board.
- Monitor and review procedures for ensuring effective implementation and operation of financial procedures.
- Monitor and review of Health and Safety policy to ensure compliance and effective implementation
- Monitor and follow the Department's Health and Safety: responsibilities and duties for schools' as well as Health and Safety Executive (HSE) guidance for Education.
- Strategically manage and maintain the trust's estate in a safe working condition.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
David Middleton	8	9
Sara Edwards	9	9
John Cowan	5	9
Gill Gosling	8	9

The Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds
- Advise the Board on the appointment and remuneration of external auditors and internal audit arrangements
- Review the external financial statements including the external auditor's opinion, advising the Board on audit aspects and monitoring management action in response to issues raised by external audits
- Promote a climate of financial discipline and control
- Receive the financial statement to form part of the annual report of the Trust Board to stakeholders and for filing as per the Companies Act, Charity Commission and Funding Agreement
- Review the report and recommendations made through the internal audit programme
- Oversee the Trust policies on Fraud, data protection, health and safety, freedom of information and whistle blowing
- Receive reports on the outcomes of investigations of suspected or alleged impropriety
- Review the effectiveness of internal controls, governance and risk management systems
- Identify key risks in the Trust and agree actions to reduce each risk

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Richard Hendrickse	5	6
Rev Prof Allen Edwards	5	6
Sara Edwards	6	6

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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The People and Wellbeing Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- To agree the CEO's key performance indicators with the Chair of Trustees prior to the start of each performance year
- Building on the work of the SSI cttee, develop a set of Trust KPIs for the Board to approve, and review progress against the KPIs, including those relating to academic performance, quality of care and quality of provision.
- To determine whether the outcome of the CEO's appraisal meets the criteria for pay progression as covered under the AET pay policy.
- To make recommendations to the Trust Board as to remuneration, benefit and incentives that should be paid to the CEO and other senior executives.
- To ensure that appropriate and fair procedures are followed for setting pay, and to moderate pay decisions across the Trust as required, drawing on appraisal reports from HR Director which will be available in December.
- Ensure Executive contracts are consistent with their responsibilities and to monitor appropriate procedures are in place and followed for setting levels of executive pay which are transparent, proportionate and justifiable.
- Ensure decisions on pay are fair in accordance with our Equal Opportunities at work policy.
- To deal with any other matters relating to pay, appraisal and employment as may be referred by the Board.
- To create, maintain and update the pay policy as recommended by the Government or make an alternative decision on annual pay awards
- Implement STPCD recommendations
- To put in place a CEO and senior executive succession structure.
- To ensure a talent management policy/process is in place which is monitored and reviewed annually.
- To address and monitor any risks on succession including any that are identified by the Risk and Audit Committee.
- To receive reports and make recommendations to the Trust Board on all aspects of matters relating to:
  - o Staff recruitment and retention data
  - o Vacancies at executive level
  - o Staff wellbeing and long-term sickness absence, persistent absenteeism
  - o Review the Trust's approach to recruitment and reward packages, career progression and CPD for educational and non-education staff
- Evaluate responses to the annual staff survey and identify areas where action may be needed to address any concerns raised.
- To work with the Senior Executive Team to review the training requirements of the trust, linked to the curriculum and the School Development Plan and make recommendations to the Board.
- Policy reviews to be agreed and ratified by the full Trust Board.
- Profile of employees to be reported to the committee annually.
- To receive annual report of complaints made to the Trust and its academies; timescale of complaints, outstanding complaints.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
David Johnson	2	2
Sara Edwards	1	2
John Cowan	1	2
David Middleton	1	2

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

The Standards and School Improvement Committee is a sub-committee of the main Board of Trustees. Its purpose is to:

- Hold the Senior Executive to Account for Self-Evaluation, Quality Assurance and School Improvement
- Benchmark the performance of all schools and nurseries against national expectations and targets
- Agree the framework for target setting at school and nursery level
- Monitor and evaluate the educational aspects of the Trust Development Plan
- Monitor improvements in schools and nurseries alongside key performance risks, as identified on the risk universe and register.
- Monitor local governance effectiveness
- Monitor admissions in all schools and nurseries.
- Reviews the impact of the pupil premium spend and the PE and Sport Grant. (Covid catch up)
- Monitor's progress of all students in all schools including the most vulnerable, SEND and Looked After children.
- Safeguards and promotes the welfare of children.
- Has regard to any statutory guidance on safeguarding issued by the Secretary of State.<sup>24</sup>
- Ensures the suitability of staff, supply staff, volunteers, contractors and proprietors with guidance from the Trust Safeguard Lead

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Alan Sedgley	8	8
Gill Gosling	5	8
Sara Edwards	7	8
Susan Whitehead-Whiting	6	6

**REVIEW OF VALUE FOR MONEY**

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

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

- Robust financial governance and budget management
- Value for money purchasing
- Reviewing controls and managing risk
- Challenging proposals and examining their effectiveness and efficiency
- Deploying staff effectively
- Reviewing quality of curriculum provision and quality of teaching
- Reviewing quality of children's learning to enable children to achieve nationally expected progress

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Acorn Education

**ACORN EDUCATION TRUST  
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**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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Trust for the period from 1st September 2021 to 31st 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that have been in place for the period from 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 RISK AND CONTROL FRAMEWORK**

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

- Ensuring compliance with the Academy Trust Handbook
- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Finance, Health & Safety and Estates Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Academy Advisory as internal auditor for academic year 2021/22.

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

- Payroll
- Personnel
- Governance
- Safeguarding
- GDPR

On an annual basis the auditor reports to the Board of Trustees, through the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The internal auditor delivered their schedule of work as planned and the report identified one risk which required immediate remedial action. The testing undertaken did not indicate any imminent risk to the Trust.

**REVIEW OF EFFECTIVENESS**

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

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

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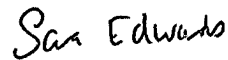
- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Trustees of the Board of Trustees on 13/12/2022 and signed on its behalf by:



David Middleton  
Trustee



Sara Edwards  
Accounting Officer



**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

Due to challenging post pandemic times, we have not sufficiently evidenced our compliance with our procurement policy on 5 contracts totalling £833k. We did not obtain adequate written documentation in respect of the procurement of some of these contracts and the evidence of board oversight was not sufficient. Having identified these weaknesses the Trust has put in place more robust procedures and communicated these to all appropriate staff.

*Sa Edwards*

**S Edwards**  
Accounting Officer  
Date: 13/12/2022

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

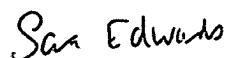
The Trustees are responsible for ensuring that in their conduct and operation the Group and the charitable company apply financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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



**D Middleton**  
Chair of Trustees  
Date: 13/12/2022



**S Edwards**  
Accounting Officer

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ACORN EDUCATION TRUST**

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**OPINION**

We have audited the financial statements of Acorn Education Trust (the 'parent Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Trust's affairs as at 31 August 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**CONCLUSIONS RELATING TO GOING CONCERN**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ACORN  
EDUCATION TRUST (CONTINUED)**

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**OTHER INFORMATION**

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

We have nothing to report in this regard.

**OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

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

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of our knowledge and understanding of the Group and the parent Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Trust 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 Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ACORN  
EDUCATION TRUST (CONTINUED)**

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**AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

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

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

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

- the nature of the Academy sector, control environment and the Group's and of the parent Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Group's and of the parent Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's and of the parent Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Group and the parent Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Group and the parent Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Group and the parent Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Group and the parent Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's and of the parent Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ACORN  
EDUCATION TRUST (CONTINUED)**

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Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

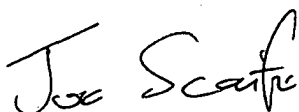
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**USE OF OUR REPORT**

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



**Joseph Scaife FCA DChA (Senior Statutory Auditor)**

for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
10 Temple Back  
Bristol  
BS1 6FL

Date: 15 December 2022

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ACORN  
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 9 October 2020 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 Acorn Education Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF ACORN EDUCATION TRUST'S ACCOUNTING OFFICER  
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Acorn Education Trust's funding agreement with the Secretary of State for Education dated 22 December 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the Academy complied with the framework of authorities. We also reviewed the reports commissioned by the Trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and noncompliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

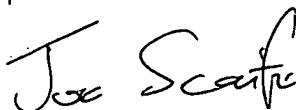
**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ACORN  
EDUCATION TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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**CONCLUSION**

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

As disclosed in the Statement on Regularity, Propriety and Compliance the Trust has identified areas of weakness in demonstrating adequate documentary evidence and sufficient board oversight of the procurement process for contracts in the year.



Joseph Scaife FCA DChA (Senior statutory auditor)  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
10 Temple Back  
Bristol  
BS1 6FL

Date: 15 December 2022



**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>						
Donations and capital grants:	4					
Transferred with existing academy		144,045	(1,647,843)	11,683,124	10,179,326	-
Other donations and capital grants		35,159	225,574	6,659,037	6,919,770	2,912,415
Other trading activities		1,018,322	-	-	1,018,322	757,707
Investments	7	619	-	-	619	476
Charitable activities		632,043	27,932,287	-	28,564,330	23,545,784
Teaching schools		-	-	-	-	2,500
<b>Total income</b>		<b>1,830,188</b>	<b>26,510,018</b>	<b>18,342,161</b>	<b>46,682,367</b>	<b>27,218,882</b>
<b>Expenditure on:</b>						
Raising funds		758,806	-	-	758,806	744,544
Charitable activities		191,117	29,541,887	1,478,211	31,211,215	26,040,668
Teaching schools		-	-	-	-	3,438
<b>Total expenditure</b>		<b>949,923</b>	<b>29,541,887</b>	<b>1,478,211</b>	<b>31,970,021</b>	<b>26,788,650</b>
<b>Net income/(expenditure)</b>		<b>880,265</b>	<b>(3,031,869)</b>	<b>16,863,950</b>	<b>14,712,346</b>	<b>430,232</b>
Transfers between funds	19	-	(177,683)	177,683	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>880,265</b>	<b>(3,209,552)</b>	<b>17,041,633</b>	<b>14,712,346</b>	<b>430,232</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	12,143,000	-	12,143,000	(2,410,000)
<b>Net movement in funds</b>		<b>880,265</b>	<b>8,933,448</b>	<b>17,041,633</b>	<b>26,855,346</b>	<b>(1,979,768)</b>

**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Reconciliation of funds:</b>					
Total funds brought forward	2,992,987	(8,933,448)	47,160,611	41,220,150	43,199,918
<b>Total funds carried forward</b>	<b>3,873,252</b>	<b>-</b>	<b>64,202,244</b>	<b>68,075,496</b>	<b>41,220,150</b>

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

The notes on pages 37 to 69 form part of these financial statements.

**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07654902**

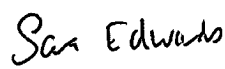
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	55,954,884	44,527,355
		<u>55,954,884</u>	<u>44,527,355</u>
<b>Current assets</b>			
Debtors	16	9,195,769	3,002,393
Cash at bank and in hand		6,290,116	4,861,281
		<u>15,485,885</u>	<u>7,863,674</u>
Creditors: amounts falling due within one year	17	(3,257,099)	(2,170,879)
<b>Net current assets</b>		<u>12,228,786</u>	<u>5,692,795</u>
<b>Total assets less current liabilities</b>		<u>68,183,670</u>	<u>50,220,150</u>
Creditors: amounts falling due after more than one year	18	(108,174)	-
Defined benefit pension scheme asset / liability	25	-	(9,000,000)
<b>Total net assets</b>		<u><u>68,075,496</u></u>	<u><u>41,220,150</u></u>
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	64,202,244	47,160,611
Restricted income funds	19	-	66,552
Pension reserve	19	-	(9,000,000)
<b>Total restricted funds</b>	19	<u>64,202,244</u>	<u>38,227,163</u>
<b>Unrestricted income funds</b>	19	<u>3,873,252</u>	<u>2,992,987</u>
<b>Total funds</b>		<u><u>68,075,496</u></u>	<u><u>41,220,150</u></u>

The financial statements on pages 31 to 69 were approved by the Trustees, and authorised for issue on 13/12/2022 and are signed on their behalf, by:



**D Middleton**  
Chair of Trustees

  
**S Edwards**  
Accounting Officer

The notes on pages 37 to 69 form part of these financial statements.

**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07654902**

**TRUST STATEMENT OF FINANCIAL POSITION**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	55,954,884	44,527,355
Investments	15	1	1
		<u>55,954,885</u>	<u>44,527,356</u>
<b>Current assets</b>			
Debtors	16	9,185,246	3,761,826
Cash at bank and in hand		6,282,449	3,997,996
		<u>15,467,695</u>	<u>7,759,822</u>
Creditors: amounts falling due within one year	17	(3,362,470)	(2,159,811)
<b>Net current assets</b>		<u>12,105,225</u>	<u>5,600,011</u>
<b>Total assets less current liabilities</b>		<u>68,060,110</u>	<u>50,127,367</u>
Creditors: amounts falling due after more than one year	18	(108,174)	-
Defined benefit pension scheme asset / liability	25	-	(9,000,000)
<b>Total net assets</b>		<u><u>67,951,936</u></u>	<u><u>41,127,367</u></u>

**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER:07654902**

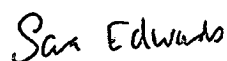
**TRUST STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT 31 AUGUST 2022**

	Note	2022 £	2021 £
<b>Funds of the Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	64,202,244	47,160,611
Restricted income funds	19	-	66,522
Pension reserve	19	-	(9,000,000)
<b>Total restricted funds</b>	19	<b>64,202,244</b>	<b>38,227,133</b>
Unrestricted funds	19	3,773,300	2,900,234
<b>Total unrestricted income funds</b>	19	<b>3,749,692</b>	<b>2,900,234</b>
<b>Total funds</b>		<b>67,951,936</b>	<b>41,127,367</b>

The financial statements on pages 31 to 69 were approved by the Trustees, and authorised for issue on 13/12/2022 and are signed on their behalf, by:



**D Middleton**  
Chair of Trustees



**S Edwards**  
Accounting Officer

The notes on pages 37 to 69 form part of these financial statements.

**ACORN EDUCATION TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	21	<b>(4,890,299)</b>	786,324
<b>Cash flows from investing activities</b>	22	<b>6,319,134</b>	(445,868)
<b>Change in cash and cash equivalents in the year</b>		<b>1,428,835</b>	340,456
		<hr/>	<hr/>
Cash and cash equivalents at the beginning of the year		<b>4,861,281</b>	4,520,825
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<b>6,290,116</b>	4,861,281
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 37 to 69 form part of these financial statements

**ACORN EDUCATION TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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

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**1. GENERAL INFORMATION**

Acorn Education Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Kingdown School, Woodcock Road, Warminster, Wiltshire, BA12 9DR.

**2. ACCOUNTING POLICIES**

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

**2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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

Acorn Education trust meets the definition of a public benefit entity under FRS 102.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

**2.2 GOING CONCERN**

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

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

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**2. ACCOUNTING POLICIES (continued)**

**2.3 INCOME**

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

- **Transfer of existing academies into the Group**

Where assets and liabilities are received on the transfer of an existing academy into the Group, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Group. An equal amount of income is recognised for the transfer of an existing academy into the Group within 'Income from Donations and Capital Grants' to the net assets acquired.

**2.4 EXPENDITURE**

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

- **Expenditure on raising funds**

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



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

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**2. ACCOUNTING POLICIES (continued)**

**2.4 EXPENDITURE (CONTINUED)**

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**2.5 INTEREST RECEIVABLE**

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

**2.6 TAXATION**

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

**2.7 TANGIBLE FIXED ASSETS**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Land and buildings occupied under a Church Supplemental Agreement are not recognised as assets in the balance sheet. These land and buildings are occupied free of charge under a rolling two-year licence from the landowner. Due to the specialised nature of these land and buildings it is not considered practical to place a value on the notional rent donated by the landowner.

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

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**2. ACCOUNTING POLICIES (continued)**

**2.7 TANGIBLE FIXED ASSETS (CONTINUED)**

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

Long-term leasehold property	- 50 years straight line
Long-term leasehold land	- 125 years straight line
Fixtures and fittings	- 5 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 4 years straight line

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

**2.8 INVESTMENTS**

Investments in subsidiaries are valued at cost less provision for impairment.

**2.9 DEBTORS**

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid

**2.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

**2.11 LIABILITIES**

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

**2.12 OPERATING LEASES**

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

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

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**2. ACCOUNTING POLICIES (continued)**

**2.13 PENSIONS**

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

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

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

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

Under FRS 102 an entity shall only recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore when a pension scheme is valued at a surplus, it is recognised at a £Nil value.

**2.14 AGENCY ARRANGEMENTS**

The Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at year end are disclosed in note 29.

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

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**2. ACCOUNTING POLICIES (continued)**

**2.15 FUND ACCOUNTING**

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

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT**

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

Critical accounting estimates and assumptions:

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

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

Critical areas of judgment:

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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

**4. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Transferred with existing academy	144,045	(1,647,843)	11,683,124	<b>10,179,326</b>	-
Donations	35,159	225,574	-	<b>260,733</b>	76,198
Capital Grants	-	-	6,659,037	<b>6,659,037</b>	2,836,217
<b>SUBTOTAL</b>	<u>35,159</u>	<u>225,574</u>	<u>6,659,037</u>	<u><b>6,919,770</b></u>	<u>2,912,415</u>
	<u>179,204</u>	<u>(1,422,269)</u>	<u>18,342,161</u>	<u><b>17,099,096</b></u>	<u>2,912,415</u>
<b>TOTAL 2021</b>	<u>58,395</u>	<u>17,803</u>	<u>2,836,217</u>	<u><b>2,912,415</b></u>	

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

**5. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>DFE/ESFA GRANTS</b>				
General Annual Grant	-	21,937,575	21,937,575	18,956,175
Pupil Premium	-	1,043,397	1,043,397	843,963
Other DfE/ESFA Grants	-	2,284,244	2,284,244	225,902
Teachers Pay Grant	-	31,771	31,771	661,044
Teacher Pension Grant	-	89,780	89,780	257,960
PE Grant	-	195,490	195,490	172,470
UFSM	-	212,174	212,174	166,424
Rates	-	106,645	106,645	92,899
	-	25,901,076	25,901,076	21,376,837
<b>OTHER GOVERNMENT GRANTS</b>				
Enhanced Learning Provision	-	532,216	532,216	272,121
Named Pupil Allowance	-	390,432	390,432	411,155
Resource Base Funding	-	317,235	317,235	230,704
Nursery	302,796	-	302,796	197,597
Young People's Support Service	-	325,552	325,552	312,768
Other LA Grant	-	463,884	463,884	270,094
	302,796	2,029,319	2,332,115	1,694,439
Other income from the Trust's activities	329,247	1,892	331,139	189,788
<b>COVID-19 ADDITIONAL FUNDING (DFE/ESFA)</b>				
Catch-up Premium	-	-	-	284,720
	-	-	-	284,720
	632,043	27,932,287	28,564,330	23,545,784
<b>TOTAL 2021</b>	342,297	23,203,487	23,545,784	

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

**6. INCOME FROM OTHER TRADING ACTIVITIES**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	41,493	<b>41,493</b>	26,074
Trading subsidiary activities	976,829	<b>976,829</b>	731,633
	<u>1,018,322</u>	<u><b>1,018,322</b></u>	<u>757,707</u>

**7. INVESTMENT INCOME**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	619	<b>619</b>	476
	<u>619</u>	<u><b>619</b></u>	<u>476</u>

**8. EXPENDITURE**

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising funds:					
Direct costs	411,272	346,009	1,525	<b>758,806</b>	744,544
Education:					
Direct costs	20,579,798	1,063,135	1,502,243	<b>23,145,176</b>	19,281,012
Allocated support costs	3,576,343	2,353,553	2,137,143	<b>8,067,039</b>	6,759,656
Teaching school	-	-	-	-	3,438
	<u>24,567,413</u>	<u>3,762,697</u>	<u>3,640,911</u>	<u><b>31,971,021</b></u>	<u>26,788,650</u>
TOTAL 2021	<u>20,864,104</u>	<u>3,238,028</u>	<u>2,686,518</u>	<u>26,788,650</u>	

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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2022 £</b>	<b>Support costs 2022 £</b>	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Education	23,145,176	8,067,039	31,212,215	26,040,668
	<u>                    </u>	<u>                    </u>	<u>                    </u>	<u>                    </u>
TOTAL 2021	19,281,012	6,759,656	26,040,668	
	<u>                    </u>	<u>                    </u>	<u>                    </u>	

**ANALYSIS OF DIRECT COSTS**

	<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
Pension finance cost	127,000	49,440
Staff costs	20,425,684	17,227,473
Depreciation	1,063,135	961,210
Educational supplies	550,364	390,672
Examination fees	244,433	234,598
Staff development	12,422	1,197
Other costs	568,024	281,312
Supply teachers	154,114	135,110
	<u>                    </u>	<u>                    </u>
	23,145,176	19,281,012
	<u>                    </u>	<u>                    </u>



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

**9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**ANALYSIS OF SUPPORT COSTS**

	Total funds 2022 £	Total funds 2021 £
Pension finance cost	51,000	53,560
Staff costs	3,599,951	2,971,678
Depreciation	415,076	335,119
Staff development	64,607	42,607
Other costs	90,907	82,420
Recruitment and support	97,727	61,958
Maintenance of premises and equipment	701,272	920,473
Cleaning	343,333	317,963
Rent and rates	190,535	186,782
Energy costs	703,337	373,956
Insurance	81,531	74,771
Security and transport	84,882	42,714
Catering	554,323	390,781
Technology costs	347,189	253,689
Office overheads	211,911	245,144
Legal and professional	489,376	380,120
Bank interest and charges	662	921
Governance	39,420	25,000
	<u>8,067,039</u>	<u>6,759,656</u>

**10. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) for the year includes:

	2022 £	2021 £
Operating lease rentals	36,221	57,538
Depreciation of tangible fixed assets	1,478,211	1,296,329
Fees paid to auditors for:		
- audit	26,100	22,150
- other services	2,025	2,600
	<u>1,504,337</u>	<u>1,378,617</u>

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

**11. STAFF**

**a. STAFF COSTS**

Staff costs during the year were as follows:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Trust 2022 £</b>	<b>Trust 2021 £</b>
Wages and salaries	<b>16,723,611</b>	15,024,362	<b>16,205,053</b>	14,567,098
Social security costs	<b>1,674,600</b>	1,464,724	<b>1,644,308</b>	1,437,944
Pension costs	<b>6,038,696</b>	4,222,944	<b>5,999,274</b>	4,180,583
	<b>24,436,907</b>	20,712,030	<b>23,848,635</b>	20,185,625
Agency staff costs	<b>154,114</b>	135,110	<b>154,114</b>	135,110
Staff restructuring costs	-	16,964	-	16,964
	<b>24,591,021</b>	20,864,104	<b>24,002,749</b>	20,337,699

Staff restructuring costs comprise:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Trust 2022 £</b>	<b>Trust 2021 £</b>
Redundancy payments	-	1,500	-	1,500
Settlement payments	-	15,464	-	15,464
	-	16,964	-	16,964

**b. STAFF NUMBERS**

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>	<b>Trust 2022 No.</b>	<b>Trust 2021 No.</b>
Teachers	<b>382</b>	252	<b>382</b>	252
Administration and support	<b>478</b>	310	<b>478</b>	281
Managers	<b>11</b>	11	<b>11</b>	11
	<b>871</b>	573	<b>871</b>	544

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

**11. STAFF (CONTINUED)**

**b. STAFF NUMBERS (CONTINUED)**

The average headcount expressed as full-time equivalents was:

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>	<b>Trust 2022 No.</b>	<b>Trust 2021 No.</b>
Teachers	337	250	337	250
Administration and support	260	205	260	154
Managers	11	11	11	11
	<b>608</b>	<b>466</b>	<b>608</b>	<b>415</b>

**c. HIGHER PAID STAFF**

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>
In the band £60,001 - £70,000	11	10
In the band £70,001 - £80,000	11	8
In the band £80,001 - £90,000	1	2
In the band £90,001 - £100,000	1	-
In the band £130,001 - £140,000	1	-
In the band £140,001 - £150,000	-	1

**d. KEY MANAGEMENT PERSONNEL**

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £1,107,149 (11 staff) (2021: £1,224,540, 11 staff).

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

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**12. TRUSTEES' REMUNERATION AND EXPENSES**

The Executive Head and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Head and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Trust in respect of their role as Trustees. The value of Trustee' remuneration and other benefits was as follows: S Edwards: Remuneration £135,000 - £140,000 (2021: £140,000 - £145,000), Employer's pension contributions £15,000 - £20,000 (2021: £30,000 - £35,000). Other related party transactions involving Trustees are set out in note 28.

During the year ended 31 August 2022, expenses totalling £NIL were reimbursed or paid directly to no Trustees (2021 - £NIL). Expenses paid were for travel costs and mobile phone allowances.

**13. TRUSTEES' AND OFFICERS' INSURANCE**

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

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

**14. TANGIBLE FIXED ASSETS**

**GROUP AND TRUST**

	Long-term leasehold property £	Assets under construction £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
<b>COST OR VALUATION</b>						
At 1 September 2021	48,022,936	155,978	1,478,587	1,590,631	138,873	51,387,005
Additions	296,310	183,746	538,280	145,862	65,109	1,229,307
Acquired on conversion	11,411,649	-	194,588	70,196	-	11,676,433
Disposals	-	-	-	(47,036)	-	(47,036)
At 31 August 2022	59,730,895	339,724	2,211,455	1,759,653	203,982	64,245,709
<b>DEPRECIATION</b>						
At 1 September 2021	4,764,258	-	825,285	1,189,262	80,845	6,859,650
Charge for the year	945,516	-	257,566	247,555	27,574	1,478,211
On disposals	-	-	-	(47,036)	-	(47,036)
At 31 August 2022	5,709,774	-	1,082,851	1,389,781	108,419	8,290,825
<b>NET BOOK VALUE</b>						
At 31 August 2022	54,021,121	339,724	1,128,604	369,872	95,563	55,954,884
At 31 August 2021	43,258,678	155,978	653,302	401,369	58,028	44,527,355

The Academy Trust has been granted use of certain school buildings in respect of Bulford St Leonard's Church of England Primary School, Durrington All Saints Church of England Infant School, St Michael's Church of England Primary School. The Trustees consider that under this agreement the risks and rewards of ownership remain with the Diocese. Therefore the relevant land and buildings have not been included within the long-term leasehold property of the Academy Trust.

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

**15. FIXED ASSET INVESTMENTS**

	Investments in subsidiary companies £
<b>TRUST</b>	
<b>COST OR VALUATION</b>	
At 1 September 2021	1
	<hr/>
AT 31 AUGUST 2022	1
	<hr/> <hr/>
<b>NET BOOK VALUE</b>	
	<hr/>
AT 31 AUGUST 2022	1
	<hr/>
AT 31 AUGUST 2021	1
	<hr/> <hr/>

**PRINCIPAL SUBSIDIARIES**

The following was a subsidiary undertaking of the Trust:

Name	Company number	Holding	Included in consolidation
Academy Collaborative Services Limited	09360756	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Academy Collaborative Services Limited	976,829	(934,281)	42,548	123,561

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

**16. DEBTORS**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Trust 2022 £</b>	<b>Trust 2021 £</b>
<b>DUE WITHIN ONE YEAR</b>				
Trade debtors	15,977	21,404	5,454	21,404
Amounts owed by group undertakings	-	-	-	759,433
Other debtors	2,551	3,188	2,551	3,188
Prepayments and accrued income	8,819,044	2,673,292	8,819,044	2,673,292
Tax recoverable	358,197	304,509	358,197	304,509
	<u>9,195,769</u>	<u>3,002,393</u>	<u>9,185,246</u>	<u>3,761,826</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Trust 2022 £</b>	<b>Trust 2021 £</b>
Other loans	21,830	-	21,830	-
Trade creditors	468,187	559,038	465,910	559,038
Amounts owed to group undertakings	-	-	112,099	-
Other taxation and social security	435,326	340,841	430,875	334,950
Other creditors	487,423	485,509	487,423	480,332
Accruals and deferred income	1,844,333	785,491	1,844,333	785,491
	<u>3,257,099</u>	<u>2,170,879</u>	<u>3,362,470</u>	<u>2,159,811</u>

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Trust 2022 £</b>	<b>Trust 2021 £</b>
<b>Deferred income</b>				
Deferred income at 1 September 2021	350,476	243,303	350,476	243,303
Resources deferred during the year	568,270	350,476	568,270	350,476
Amounts released from previous periods	(350,476)	(243,403)	(350,476)	(243,403)
	<u>568,270</u>	<u>350,376</u>	<u>568,270</u>	<u>350,376</u>

At the balance sheet date the Trust was holding funds received in advance for high needs, rates and Universal Infant Free School Meals relating to 22/23 academic year.

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

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**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Trust 2022 £</b>	<b>Trust 2021 £</b>
Other loans	<b>108,174</b>	-	<b>108,174</b>	-

Other loans represents a Salix loan for LED lighting. This loan is interest free and repayable by instalments by 1st March 2028.



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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
<b>UNRESTRICTED FUNDS</b>						
General Funds	2,992,987	1,830,188	(949,923)	-	-	3,873,252
<b>RESTRICTED GENERAL FUNDS</b>						
General Annual Grant (GAG)	-	21,937,577	(21,612,984)	(324,593)	-	-
Pupil Premium	-	1,043,397	(1,043,397)	-	-	-
PE Grant	66,552	195,490	(262,042)	-	-	-
Other ESFA Grants	-	2,405,795	(2,405,795)	-	-	-
Rates Relief	-	106,645	(106,645)	-	-	-
High Needs	-	1,239,883	(1,239,883)	-	-	-
Other Local Authority Funding	-	463,882	(463,882)	-	-	-
Other Restricted Income	-	227,466	(227,466)	-	-	-
Deficit on conversion	-	(1,019,843)	1,019,843	-	-	-
UIFSM	-	212,174	(212,174)	-	-	-
Young People's Support Service	-	325,552	(325,552)	-	-	-
Capital Grants - Revenue Expenditure	-	-	(146,910)	146,910	-	-
Pension reserve	(9,000,000)	(628,000)	(2,515,000)	-	12,143,000	-
	(8,933,448)	26,510,018	(29,541,887)	(177,683)	12,143,000	-
<b>RESTRICTED FIXED ASSET FUNDS</b>						
Fixed Assets - Transferred in	41,806,515	11,676,433	(104,343)	-	-	53,378,605

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

**19. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Fixed Assets -						
Grants Funded	2,720,842	-	(1,373,868)	1,229,307	-	2,576,281
Devolved						
Formula						
Capital	27,580	144,290	-	(126,994)	-	44,876
SCA & CIF	472,541	630,586	-	(566,968)	-	536,159
Other Capital						
Grants	178,413	20,947	-	(175,462)	-	23,898
Section 106	1,954,720	5,869,905	-	(182,200)	-	7,642,425
	<u>47,160,611</u>	<u>18,342,161</u>	<u>(1,478,211)</u>	<u>177,683</u>	<u>-</u>	<u>64,202,244</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>38,227,163</u>	<u>44,852,179</u>	<u>(31,020,098)</u>	<u>-</u>	<u>12,143,000</u>	<u>64,202,244</u>
<b>TOTAL FUNDS</b>	<u>41,220,150</u>	<u>46,682,367</u>	<u>(31,970,021)</u>	<u>-</u>	<u>12,143,000</u>	<u>68,075,496</u>

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

The General Annual Grant (GAG) - Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

Start up grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a School to an Academy

Pupil Premium - This represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the underlying inequalities between those children and their wealthier peers.

Universal Infant Free School Meals (UIFSM) - This represents funding received from the ESFA to support the Trust in delivering the legal requirement to offer free school meals to all their reception, year 1 and year 2 pupils.

Other ESFA grants - This represents funding received from the ESFA, including COVID 19 test centre funding, Summer school and supplement FSM grant.

Named Pupil Allowance - This represents funding received from Wiltshire County Council in addition to the funding received for high needs.

Young Peoples Support Services - This represents funding from Wiltshire County Council as an alternative provision trial for children who have been or are at risk of being excluded.

Enhanced Learning Provision - This represents funding received from Wiltshire County Council in addition to the funding received for high needs and learning difficulties.

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**19. STATEMENT OF FUNDS (CONTINUED)**

Resource Base - This represents funding received from Wiltshire County Council in addition to the funding received for high needs and learning difficulties.

Other local authority funding - This represents other funding from Wiltshire County Council including Pupil Premium and Resource Base funding.

Other donations - This represents contributions received from the parents towards school trips as well as other funding received for specific purposes.

Rates relief grants are received from the ESFA to contribute towards the Trust's rate expenditure.

Teacher Pay Grant - Grant received from the ESFA to fund the increase in the costs of teachers' pay.

Teacher Pension Grant - Grant received from the ESFA to fund the increase in the costs of teachers' pensions.

PE Grant represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of pupils, so that they develop healthy lifestyles.

COVID-19 Catch-up Premium – funding from the ESFA to support children and young people to catch up on missed learning caused by COVID-19.

Pension reserve represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Trust is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years

**RESTRICTED FIXED ASSET FUNDS**

Fixed assets transferred on conversion represents the land, buildings and equipment donated to the Trust on conversion from the local authority.

Fixed assets purchased from GAG and other restricted funds represents amounts spent on fixed assets from the GAG funding received from the ESFA and other specific capital grants.

School Condition Allocation (SCA) funding represents amounts awarded by the ESFA for significant works in order to keep the Trust buildings safe and in good working order.

Devolved Formula Capital - represents funding received from the ESFA to cover the maintenance and purchase of the Federation's assets.

Section 106 Funding - represents funding received from Wiltshire County Council towards the costs of providing community and developing social infrastructure.

Other capital grants - Resource Base Funding - This is funding from Wiltshire County Council and is to be spend on increasing specialist provision/placements. This money will be utilised to expand the existing footprint of the current resource base enabling an increased capacity of pupils for the Trust as such it has been included as a Restricted Fixed Asset Fund.

**OTHER INFORMATION**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS (CONTINUED)**

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
<b>UNRESTRICTED FUNDS</b>					
General Funds - all funds	2,899,009	1,158,875	(1,064,897)	-	2,992,987
<b>RESTRICTED GENERAL FUNDS</b>					
General Annual Grant (GAG)	-	18,956,175	(18,615,709)	(340,466)	-
Pupil Premium	-	843,963	(843,963)	-	-
Teacher Pension Grant	-	661,044	(661,044)	-	-
Teacher Pay Grant	-	257,960	(257,960)	-	-
PE Grant	41,672	172,470	(147,590)	-	66,552
Other ESFA Grants	-	397,128	(397,128)	-	-
Rates Relief	-	92,899	(92,899)	-	-
Resource Base	-	225,902	(225,902)	-	-
Enhanced Learning Provision	-	272,121	(272,121)	-	-
Named Pupil Allowance	-	411,155	(411,155)	-	-
Young People's Support Service	-	312,768	(312,768)	-	-
Other Local Authority Funding	-	270,094	(270,094)	-	-
COVID-19 Catch Up Premium	-	284,720	(284,720)	-	-
Other Restricted Income	-	65,391	(65,391)	-	-
SCA Revenue Spend	-	-	(613,665)	-	-
DFC Revenue Spend	-	-	(4,315)	-	-
Pension reserve	(5,639,000)	-	(951,000)	(2,410,000)	(9,000,000)
	(5,597,328)	23,223,790	(24,427,424)	(2,750,466)	(8,933,448)
<b>RESTRICTED FIXED ASSET FUNDS</b>					
Fixed Assets - Transferred In	42,713,992	-	(907,477)	-	41,806,515
Fixed Assets - Grant funded	2,034,198	-	(388,852)	-	2,720,842
Devolved Formula Capital	-	108,352	-	-	27,580
Schools Condition Allocation	960,047	637,735	-	-	472,541
Other capital grants	190,000	75,000	-	-	178,413

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**NOTES TO THE FINANCIAL STATEMENTS  
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**19. STATEMENT OF FUNDS (CONTINUED)**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2021 £
Section 106	-	2,015,130	-	-	1,954,720
	<u>45,898,237</u>	<u>2,836,217</u>	<u>(1,296,329)</u>	<u>-</u>	<u>47,160,611</u>
<b>TOTAL RESTRICTED FUNDS</b>	<u>40,300,909</u>	<u>26,060,007</u>	<u>(25,723,753)</u>	<u>(2,750,466)</u>	<u>38,227,163</u>
<b>TOTAL FUNDS</b>	<u><u>43,199,918</u></u>	<u><u>27,218,882</u></u>	<u><u>(26,788,650)</u></u>	<u><u>(2,750,466)</u></u>	<u><u>41,220,150</u></u>

**Total funds analysis by academy**

Fund balances for each academy at 31 August 2022 and 31 August 2021 were zero as funds are pooled centrally, hence a breakdown by academy is not included in these accounts.

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**19. STATEMENT OF FUNDS (CONTINUED)**

**TOTAL COST ANALYSIS BY ACADEMY**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Kingdown School	6,629,162	592,963	197,103	1,110,733	<b>8,529,961</b>	9,897,330
Dilton Marsh C of E Primary School	677,207	44,297	19,384	126,992	<b>867,880</b>	875,780
The Avenue Primary School	1,253,230	108,785	16,961	230,303	<b>1,609,279</b>	1,894,441
Keevil C of E Primary School	385,430	42,603	30,233	102,653	<b>560,919</b>	516,246
West Ashton C of E Primary School	345,495	44,728	27,793	100,011	<b>518,027</b>	506,980
Heytesbury C of E Primary School	295,174	187,242	21,165	70,428	<b>574,009</b>	387,006
St John's C of E Primary School	411,403	56,289	35,865	117,638	<b>621,195</b>	655,262
Great Wishford C of E Primary School	321,939	27,243	30	113,351	<b>462,563</b>	504,906
New Close Primary School	371,474	61,006	1,660	177,092	<b>611,232</b>	539,593
The Clarendon Academy	3,890,330	609,432	80,990	1,094,057	<b>5,674,809</b>	6,607,067
Rowde	445,019	65,828	11,802	176,795	<b>699,444</b>	777,700
Wansdyke	962,645	86,481	29,753	423,204	<b>1,502,083</b>	1,352,180
Avon Valley Academy	497,207	128,021	19,553	228,805	<b>873,586</b>	-
Bulford St Leonard's C of E Primary School	223,038	32,306	15,259	88,984	<b>359,587</b>	-
Durrington All Saints Church of England Infant School	172,593	24,685	13,272	53,950	<b>264,500</b>	-

**ACORN EDUCATION TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. STATEMENT OF FUNDS (CONTINUED)**

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
St Michael's Church of England Primary School	484,120	32,771	10,842	110,543	638,276	-
Netheravon All Saints Primary School	183,104	15,616	14,835	55,379	268,934	-
Central Services (including Trading subsidiary)	1,180,228	1,340,319	3,864	792,507	3,316,918	977,830
<b>TRUST</b>	<b>18,728,798</b>	<b>3,500,615</b>	<b>550,364</b>	<b>5,173,425</b>	<b>27,953,202</b>	<b>25,492,321</b>

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	Unrestricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	55,954,884	55,954,884
Current assets	7,108,521	8,377,364	15,485,885
Creditors due within one year	(3,235,269)	(21,830)	(3,257,099)
Creditors due in more than one year	-	(108,174)	(108,174)
<b>TOTAL</b>	<b>3,873,252</b>	<b>64,202,244</b>	<b>68,075,496</b>

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**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	44,527,355	44,527,355
Current assets	3,001,292	2,229,126	2,633,256	7,863,674
Creditors due within one year	(8,305)	(2,162,574)	-	(2,170,879)
Provisions for liabilities and charges	-	(9,000,000)	-	(9,000,000)
<b>TOTAL</b>	<b>2,992,987</b>	<b>(8,933,448)</b>	<b>47,160,611</b>	<b>41,220,150</b>

**21. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2022 £	2021 £
Net income for the year (as per Statement of Financial Activities)	14,712,346	430,232
<b>ADJUSTMENTS FOR:</b>		
Depreciation	1,478,211	1,296,329
Capital grants from DfE and other capital income	(6,826,169)	(2,836,217)
Interest receivable	(619)	(12,247)
Defined benefit pension scheme cost less contributions payable	2,338,000	848,000
Defined benefit pension scheme finance cost	177,000	103,000
(Increase)/decrease in debtors	(5,934,981)	382,044
(Decrease)/increase in creditors	(654,761)	575,183
Net assets transferred on conversion or on joining the Trust	(10,179,326)	-
<b>NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES</b>	<b>(4,890,299)</b>	<b>786,324</b>



**ACORN EDUCATION TRUST  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. CASH FLOWS FROM INVESTING ACTIVITIES**

	Group 2022 £	Group 2021 £
Interest receivable	619	12,247
Purchase of tangible fixed assets	(1,229,307)	(1,075,494)
Capital grants from DfE Group	6,826,169	617,379
Net cash acquired upon conversion or joining the Trust	721,653	-
<b>NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES</b>	<b>6,319,134</b>	<b>(445,868)</b>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	Group 2022 £	Group 2021 £
Cash in hand and at bank	6,290,116	4,861,281
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>6,290,116</b>	<b>4,861,281</b>

**24. ANALYSIS OF CHANGES IN NET DEBT**

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	4,861,281	1,428,835	6,290,116
Debt due within 1 year	-	(21,830)	(21,830)
Debt due after 1 year	-	(108,174)	(108,174)
	<b>4,861,281</b>	<b>1,298,831</b>	<b>6,160,112</b>

**25. PENSION COMMITMENTS**

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

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

Contributions amounting to £472,327 were payable to the schemes at 31 August 2022 (2021 - £374,155) and are included within creditors.

**NOTES TO THE FINANCIAL STATEMENTS  
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**25. PENSION COMMITMENTS (CONTINUED)**

**TEACHERS' PENSION SCHEME**

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

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

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £2,584,127 (2021 - £2,396,180).

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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
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**25. PENSION COMMITMENTS (CONTINUED)**

**LOCAL GOVERNMENT PENSION SCHEME**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,133,000 (2021 - £1,023,000), of which employer's contributions totalled £904,000 (2021 - £816,000) and employees' contributions totalled £ 229,000 (2021 - £207,000). The agreed contribution rates for future years are 23 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 25 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

**PRINCIPAL ACTUARIAL ASSUMPTIONS**

	<b>2022</b>	<b>2021</b>
	<b>%</b>	<b>%</b>
Rate of increase in salary	<b>3.45</b>	3.3
Rate of increase for pensions in payment/inflation	<b>3.05</b>	2.9
Discount rate for scheme liabilities	<b>4.25</b>	1.65

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

	<b>2022</b>	<b>2021</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
Males	<b>21.7</b>	21.9
Females	<b>24.2</b>	24.4
Retiring in 20 years		
Males	<b>22.6</b>	22.9
Females	<b>26</b>	26.2

**SENSITIVITY ANALYSIS**

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Discount rate +0.1%	<b>475</b>	589
Salary increase rate +0.1%	<b>39</b>	47
Pension increase rate +0.1%	<b>440</b>	533

**SHARE OF SCHEME ASSETS**

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**25. PENSION COMMITMENTS (CONTINUED)**

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	11,640,000	8,781,000
Bonds	6,682,000	5,269,000
Property	3,233,000	1,756,000
Cash and other liquid assets	-	160,000
<b>Total market value of assets</b>	<b>21,555,000</b>	<b>15,966,000</b>

The actual return on scheme assets was £-1,033,000 (2021 - £1,752,000).

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

	2022 £	2021 £
Current service cost	(2,338,000)	(1,664,000)
Interest income	300,000	234,000
Interest cost	(477,000)	(337,000)
<b>Total amount recognised in the consolidated statement of financial activities</b>	<b>(2,515,000)</b>	<b>(1,767,000)</b>

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

	2022 £	2021 £
<b>At 1 September</b>	<b>24,966,000</b>	<b>19,014,000</b>
Transferred in on existing academies joining the trust	6,946,000	-
Current service cost	2,338,000	1,664,000
Interest cost	477,000	337,000
Employee contributions	229,000	207,000
Actuarial (gains)/losses	(13,176,000)	3,982,000
Benefits paid	(225,000)	(238,000)
<b>At 31 August</b>	<b>21,555,000</b>	<b>24,966,000</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**25. PENSION COMMITMENTS (CONTINUED)**

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

	2022 £	2021 £
<b>At 1 September</b>	<b>15,966,000</b>	13,375,000
Transferred in on existing academies joining the trust	<b>5,414,000</b>	-
Interest income	<b>300,000</b>	234,000
Actuarial gains	<b>(1,033,000)</b>	1,572,000
Employer contributions	<b>904,000</b>	816,000
Employee contributions	<b>229,000</b>	207,000
Benefits paid	<b>(225,000)</b>	(238,000)
<b>At 31 August</b>	<b>21,555,000</b>	15,966,000

The actuarial valuation has valued the pension scheme at a surplus of £1,498,000 as at 31 August 2022. Under FRS 102 an entity shall only recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. Therefore, as this valuation will not reduce future contribution rates, the asset has not been recognised and is reflected at £Nil in the financial statements for the year ended 31 August 2022.

**26. OPERATING LEASE COMMITMENTS**

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

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Not later than 1 year	<b>76,243</b>	36,221	<b>76,243</b>	36,221
Later than 1 year and not later than 5 years	<b>138,700</b>	39,404	<b>138,700</b>	39,404
Later than 5 years	<b>4,972</b>	13,496	<b>4,972</b>	13,496
	<b>219,915</b>	89,121	<b>219,915</b>	89,121

**27. MEMBERS' LIABILITY**

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

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

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**28. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

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

**29. AGENCY ARRANGEMENTS**

The academy distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31st August 2022 the Academy Trust received £28,229 and disbursed £28,119. An amount of £110 is included in other creditors relating to undistributed funds which is repayable to ESFA.

**30. CONTROLLING PARTY**

There is no controlling party.

**31. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST**

On 1 May 2022 Salisbury Plain Academies transferred all operations and assets and liabilities to Acorn Education Trust from its existing Trust for £NIL consideration.

The above transfers have been accounted for as acquisitions that are in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Consolidated Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Consolidated Statement of Financial Activities as Income from Donations and Capital Grants.

The following tables set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated Statement of Financial Activities.

**Salisbury Plain Academies**

	Value reported by transferring trust £	Transfer in recognised £
<b>TANGIBLE FIXED ASSETS</b>		
Land & Buildings	11,411,649	11,411,649
Fixtures & Fittings	194,588	194,588
Furniture and equipment	-	-
Computer equipment	70,196	70,196
<b>CURRENT ASSETS</b>		
Debtors due within one year	258,373	258,373
Cash at bank and in hand	721,653	721,653

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

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**31. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST (CONTINUED)**

	Value reported by transferring trust £	Transfer in recognised £
<b>LIABILITIES</b>		
Creditors due within one year	(1,849,133)	(1,849,133)
<b>PENSIONS</b>		
Pensions - pension scheme liabilities	(628,000)	(628,000)
<b>NET ASSETS</b>	<u>10,179,326</u>	<u>10,179,326</u>