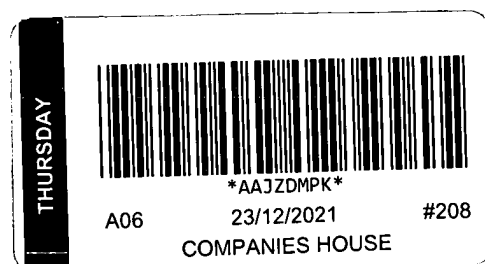


Company registration number (England & Wales): 08464996

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



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The Diocese of Ely Multi-Academy Trust
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Members	Canon Peter Maxwell Canon Paul Evans The Ven Dr Alex Hughes Revd. Canon Brian Atling Canon Andrew Read The Rt Rev. Dr Dagmar Winter The Diocese of Ely Educational Trust
Trustees	Peter Maxwell (Chair) Andrew Read Adrian Ball Mike Banyard John Bradshaw David Bridges Keith Carne Wendy Garrard Alex Hughes Helen Jackson Robert Skelton Hilary Wright (resigned 30 November 2021) Mike Younger
Company registered number	08464996
Company Name	The Diocese of Ely Multi Academy Trust
Registered office	Bishop Woodford House, Barton Road Ely, Cambridgeshire, CB7 4DX
Company Secretary	Annabelle Evans
Chief Executive Officer	Adrian Ball
Senior Management Team Chief Operating Officer Director of Education Director of Inclusion and Safeguarding School Performance Directors	Alexandra Duffety Catherine Lock Amy Weaver David Barrett Claire Grey
Independent Auditor	Haysmacintyre LLP 10 Queen Street Place London, EC4R 1AG
Bankers	Lloyds Bank Minister Place Ely, CB7 4EN
Solicitors	Mills & Reeve Botanic House 100 Hills Road Cambridge, CB2 1PH

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of The Diocese of Ely Multi-Academy Trust (DEMAT) for the period from 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a trustees' report, and a strategic report under company law.

DEMAT was established in March 2013. It oversees the development of Church of England & community academies within the Diocesan area, which extends throughout Cambridgeshire, part of Peterborough, part of West Norfolk and Suffolk. The Trust operates 39 academies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

DEMAT is a company limited by guarantee and an exempt charity. DEMAT's memorandum and articles of association are the primary governing documents of DEMAT.

The trustees of DEMAT are also the directors of the Company for the purposes of company law. Details of the trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

Employees and trustees are covered by professional indemnity insurance for failings arising from the performance of their duties that may lead to civil liability. There are no other specific third-party indemnities beyond this, which require reporting in the context of section 236 of the Companies Act 2006.

Method of Recruitment and Appointment or Election of Trustees

The members appoint trustees, paying attention to the skills and expertise required to set the strategic direction of the Trust and to ensure that the Trust meets all its statutory obligations as set out in the Academies Financial Handbook, which is published by the Education and Skills Funding Agency.

Policies and Procedures Adopted for the Induction and Training of Trustees

Training on induction is provided for trustees and governors of Local Governing Bodies. Governor training is provided by sector specialists, and trustees are encouraged to attend courses, sector events and read sector literature to maintain their knowledge and understanding.

All trustees are provided access to policies, procedures, terms of reference of trust committees, minutes, budget plans and other documents that they need to undertake their roles as trustees in line with the scheme of delegation.

Organisational Structure

The organisational structure of DEMAT consists of the following:

- The Trust Board (twelve directors).
- Local Governing Bodies for each school.
- Committees of the Trust Board, including Finance and Estates, Personnel, Standards and Ethos, Audit & Risk and Remuneration.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

The Trust Board meets at least four times per year and is responsible for the overall strategic direction of the Trust and for those statutory duties, which may not be delegated to sub-committees. The Trust Board has a scheme of delegation, which specifies delegated authorities at each level in the organisation. Each committee of the Trust Board meets at least three times per year, with Local Governing Bodies meeting as necessary to effectively carry out the activities delegated to them.

The day-to day management is delegated to the Chief Executive Officer (CEO) of DEMAT. The senior leadership team comprises the CEO, the Chief Operating Officer (COO), Director of Education, Director of Inclusion & Safeguarding and School Performance Directors.

Headteachers and their school-based senior leadership teams meet separately throughout the academic year.

Arrangements for setting pay and remuneration of key management personnel

The responsibility for setting the pay and remuneration of key management personnel sits ultimately with the Board of Trustees, but it is delegated to the Personnel & Remuneration Committees.

Objectives and outcomes are agreed with each member of key management at the beginning of the performance year, regular progress meetings are held to discuss progress against objectives and evaluated at the end of the year. Remuneration is driven by performance against objectives.

Engagement with employees

The Trust believes that its employees are key to achieving the 2025: DEMAT Promise, and as such, a focus on our employees is present in the second core strand of our strategy; Keeping close to the work.

All decisions regarding progression within the organisation are based on merit, with all staff being given appropriate access to training to enable progression. These decisions are reviewed, alongside workforce composition, to ensure equality of opportunity at all levels. Where appropriate, steps will be taken to identify and remove unjustified barriers and meet the specific needs of disadvantaged or under-represented groups.

The Trust conditions of service, benefits and facilities are reviewed regularly to ensure that they are available to all staff who should have access to them and that there are no unlawful obstacles to accessing them.

If any employee is disabled, or becomes disabled, the Trust encourages an open dialogue with any employee, so that they can be supported as appropriate.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Recruitment and selection policies and processes are regularly reviewed to ensure they comply with the Trust equality and diversity principles, ensuring all applicants are treated solely based on their abilities and potential, regardless of race, colour, nationality, ethnic origin, religious or political belief or affiliation, trade union membership, age, gender, gender identity, gender reassignment, marital and civil partnership status, sexual orientation, disability, socio-economic background, or any other inappropriate distinction.

In the year, the Trust has undertaken the following trust-wide activities to engage and communicate with employees;

- Termly JCNC meetings
- Focused support/teaching union meetings for specific projects
- HR advisors allocated to hubs, providing immediate support and assistance to staff in each academy with a variety of matters.

At each academy, the Trust supports and encourages local union representatives, whole staff briefings and training, in addition to consistent and robust performance management.

Throughout the pandemic, the Trust has increased engagement as follows;

- FAQ updates for staff on advice and guidance
- Additional meetings with Union colleagues to support our risk assessment processes, best practice and implementation.

The implementation of the operating model change for HR has improved communications with employees at all levels. As we move to develop a people strategy to support delivery of the 2025 DEMAT Promise, the trust will be seeking to incorporate proactive methods of communication.

Trade Union Facilities' Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, DEMAT is required to include information in respect of Trade Union Facilities Time.

In the 'reporting period', 1 April 2020 – 31 March 2021, the Trust did not have any employees who were relevant union officials. However, the following information shows how much the Trust bought in to Facilities' buy in time provided by the Local Authority:

Total cost of facility time	£7,134
Total pay bill	£32,506,077
Percentage of the total pay bill	0.02%

Connected Organisations, included Related Party Relationships

The Diocese of Ely Educational Trust (DEET) is the body which oversees all academy trusts within the Diocese of Ely including DEMAT. It was created by the Ely Diocesan Board of Finance (EDBF) in response to Church schools converting to academies. DEMAT currently has three Members appointed by the EDBF in addition to DEET who acts as a corporate Member. The Members of DEET appoint the directors of DEMAT.

In addition, the Ely Diocesan Board of Education (DBE) is currently constituted under the DBE Measure 1991 (as amended) and is soon to be reconstituted in accordance with the DBE Measure 2021. The DBE meets three times a year and receives updates from DEMAT. Five members of the DBE are also directors of DEMAT to ensure continuity and good communication between the two Boards.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Engagement with suppliers

In the year the Trust has developed the centralised invoice and payment processing to incorporate fully electronic invoice receipt which reduces further the days to pay. This ensures the Trust continues to enjoy good relationships with its suppliers.

During the COVID-19 pandemic, the Trust has liaised with large suppliers to ensure they receive payment of invoices in line with the public procurement note, and ensured that smaller suppliers were paid as soon as possible to aid any cash flow difficulties they may have been facing.

The Trust also works closely with key suppliers, and understands that contract management is critical for the success of larger contracts. This takes the form of weekly operational updates and monthly/quarterly strategic and commercial reviews.

OBJECTIVES AND ACTIVITIES

Our mission is to deliver a high-quality education for children and young people of all faiths and none, that is underpinned by our Christian distinctiveness. This year the Trust begun its delivery of the strategic plan, The DEMAT Promise, and answering the following questions:

- How can the Trust effectively monitor, evaluate, and improve each child's experience of their school life?
- How can the Trust ensure that its staff are enabled to focus on what is important?
- How can the Trust benefit from further strategic alignment across its schools?
- How can the Trust ensure that its schools are able to provide a high-quality education now and into the future?

Our actions are framed through the following core strands of our work.

- *Children are at the heart of all we do:* We believe that every decision should be taken in the best interests of children.
- *Keep close to the work:* We believe that all staff should be enabled to deliver the core purpose of their work without distraction and that leaders, at all levels, empathise with and develop their understanding of what is happening in the classroom.
- *Maintaining a legacy, creating new traditions:* We believe in the importance of continuing the legacy of Anglican Church education, and the need to build new traditions as a DEMAT family.
- *Aspirational, yet sustainable:* We believe it is important to ensure our high aspirations are supported by a sustainable approach to education, finances, and the environment.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Our values reflect how we act throughout the organisation.

- **LOVE**
We engender love and tolerance between and for our staff, pupils and others to foster an inspiring atmosphere of mutual support.
- **COMMUNITY**
We are committed to ensuring our schools are a living part of the community and contribute positively to its needs.
- **RESPECT**
We do everything possible to provide a caring, safe, and secure place for our staff and pupils to be happy and respected in our schools so they may achieve their potential.
- **TRUST**
We acknowledge accountability and responsibility for our actions but ensure that we encourage each other to make brave decisions and then learn from any mistakes.
- **AMBITION**
We are determined that our schools offer a place for the joy of learning, enabling those of all abilities to thrive and go on to lead rewarding lives.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Strategies and Activities

The Trust's objectives for the financial year 2020/2021 have been to further embed the processes and systems required for a Trust of our scale, and to ensure the foundations for the 2025 strategic plan are robust.

1: Provision of high-quality education now and in the future

Our strategies to achieve this in the current year have been;

- Establish effective educational leadership structure
- Improve outcomes (Ofsted/KS2)
- Improved teaching

Establish effective educational leadership structure

In order to ensure our academies attract the best, strongest and most talented leaders, we have reviewed the scope of our headship advertising and revised the recruitment packs. This has led to the Trust making 8 strong Headship appointments across 10 schools in the year. This represents a 100% success rate for trust headship recruitment.

In addition to ensuring strong, effective leadership is in place at each of our schools, the Trust has considered the need for additional strategic leadership between a central and school level. This has led to the appointment of a Hub Director, a role covering a portfolio of higher risk schools (Ofsted, RI, new substantive head), and who will provide consistent aligned leadership in those schools.

The school performance director role will continue to be an important part of the central team, providing a lighter touch monitoring of lower risk schools within the Trust with a focus on pupil outcomes and the quality of curriculum delivery

Improve outcomes

The trust continues to ensure they are providing a high quality, knowledge rich curriculum to all pupils, recognising that external benchmarks such as Ofsted and KS2 outcomes are critical success factors of this provision.

In seeking to be prepared for the recurrence of external outcome measures, in the financial year, the Trust has established standardised assessments and aligned data collection windows. This supports the early intervention in individual schools if results are not as expected, wider Trust approaches if a whole area is identified as weaker and the opportunity to share best practice from schools within the Trust where outcomes are stronger.

A well sequenced, knowledge-rich curriculum underpins the success for our pupils, in the year the Trust has progressed with the Primary Knowledge Curriculum (PKC) roll out in history, geography, science and art. Over the year, additional schools have started to utilise the curriculum materials. Whilst quantitative data on these successes is not yet available, school teachers and leaders have universally acknowledged the improvements in retention of knowledge, quality of work pupil confidence within these subjects, and increased subject expertise and confidence of the teaching staff.

In 2019/2020 the Trust began to establish subject communities, and these were extended in the current year. The purpose of the subject communities is to bring together the domain specific knowledge within the Trust, and embed the sharing of best practice – realising the benefits of being in a MAT for primary schools.

Improved teaching

The quality of teaching pupils receive remains the greatest contributor to their success whilst they are in trust schools. This is only possible by investing in staff and their training. In the year, the trust has coordinated training for ECTs to ensure consistency.

The central education team has also produced subject specific CPD supported by the partnership with the Primary Knowledge Curriculum.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Teaching support staff provide key support to their teachers, and in the year the Trust has invested in training to support the effective deployment of teaching support staff, maximising their impact and practice.

One of the greatest intangible benefits of being part of a Trust is in being part of something greater than an individual class teacher, or a school; in the year there have been 2 whole-Trust sessions during coordinated INSET days. These have provided an update from the CEO for all staff, training from sector specialists and an opportunity for all staff to feel part of something bigger – albeit virtually.

2. Embedding whole trust financial sustainability

Our strategies to achieve this in the current year have been;

- Improved financial reporting and operations
- GAG pooling
- Small school review

Improved financial reporting and financial operations

In the 2020/21 financial year the critical activity in respect of improved financial reporting and financial operations has been the delivery of the finance operating model transformation. Consultations on the proposed structure took place in the Autumn Term 2020, with the new structure going live as of 1 January 2021.

Key changes included moving to a hub model for localised school support, with dedicated hub finance assistants for each school, a centralised, outsourced invoice processing model and a centre of excellence for consolidation and trust reporting.

Whilst the above primarily captures restricted and unrestricted revenue funding, in the year under the leadership of a new, experienced Head of Facilities, the trust has reviewed its capital funding allocation and is in the process of developing a capital funding strategy. This will be aligned with the findings of the Estates review, which took place over the 2021 Summer & Autumn terms.

GAG pooling

GAG pooling is the primary strategy the Trust has deployed to ensure the ongoing sustainability of all schools in the Trust, as well as the Trust as a whole. In this financial year, the Trust implemented the pooling policy approved by the Board in Spring 2020, and embedded the pooling which was the basis for the 20/21 budget.

A key finding was to review and refine the allocation mechanism, which informed a revision to approach for the 2021/2022 budget cycle. This has focussed on clearer ratios and benchmarks to bring all schools closer to a standardised staffing model.

Smaller schools within the Trust have benefitted from this approach, and the Trust has been able to utilise some of the economies of scale working with 39 schools. The only funds to be pooled are the general annual grant allocations, all other funding based on school specific demographics are retained by each school in full.

Small school review

In the past 18 months the Trust has reviewed the approach to small schools, whilst GAG pooling helps with providing some additional funding to marginal schools, it cannot prevent non-viable schools becoming unsustainable. In the year, the Trust has reviewed the small school's portfolio and established structural changes which need to be made.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

The most significant outcome of this review was the merger of Runcton Holme & Wormegay Primary schools into the Holy Cross Church of England Primary Academy, at the old Runcton Holme site. A consultation began in January 2021, and concluded with the majority of respondents in favour of the proposal. The majority of pupils from the previous Wormegay site were welcomed to the new Holy Cross Primary Academy on 1 September 2021.

In other small schools within the Trust, alternative approaches have been explored such as the class or year group structure and developing more comprehensive pupil recruitment strategies. Going forward, pupil forecasting data will be utilised to ensure these plans adapt as needed. This will also support an early review of any schools with a falling roll.

3. Coherent Trust COVID response

Our strategies to achieve this in the current year have been;

- Appropriate use of expertise
- Adherence to Government guidelines
- Clear communications with staff, leaders and unions

Appropriate use of expertise

In the year, the Trust has used staff and trustees with expertise in health & safety and people management to develop and drive the COVID strategy and approach. The purpose of this has been to ensure that the educational staff can focus on developing and providing the highest quality resources for pupils both in school, and those requiring remote learning due to isolation.

Throughout the year, the strategy has been communicated to all staff at regular intervals and leaders more frequently where required. The Trust has seen lower levels of positive COVID cases and educational disruption than has been seen elsewhere, but has faced sector challenges such as ensuring effective safeguarding of children whilst operating remotely, responding to the increase in mental health concerns (children and adults) and maintaining the consistency of educational provision.

Adherence to Government guidelines

The Board has ensured the COVID strategy developed by the leadership team mirrors the spirit and letter of the Government guidelines. This is both at an operational level, and includes activities such as detailed reviews of the risk assessment for each school within the Trust, central team 'hotline' for any COVID queries and also a strategic level, such as having clear principles communicated to all leaders, providing a framework for decision-making.

Clear communications with staff, leaders and unions

The Trust has continued to produce FAQs for all staff, identified and proactively supported staff in higher risk categories. The majority of trust staff in every school have felt able to undertake their normal role during COVID with the control measures in place.

Separate and focussed communications have also been provided to our school leaders to equip them to discuss matters with their staff openly and reduce any opportunity for staff to feel concerned and anxious about undertaking their role.

Throughout the pandemic, the Trust has continued to proactively engage with teaching and support unions, as all work together to safeguard the interests of Trust staff, these have taken the form of briefings, regular follow up and consultation.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Public Benefit

In setting our objectives and planning our activities over the past year, the trustees have considered the Charity Commission's general guidance on public benefit. The trustees are satisfied that due regard has been given to the public benefit guidance published by the Charity Commission, as required by Section 17 of the Charities Act 2011.

The Trust aims to advance for the public benefit of education in the Diocese of Ely. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing schools offering a broad curriculum set within a distinctively Christian context.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Trust academies

At the balance sheet date the Trust operated 39 academies across Norfolk, Suffolk, Cambridgeshire, and Peterborough educating 6,800 pupils. The Board was delighted to welcome The Pathfinder Church of England Primary School into the Trust and the newly merged Holy Cross Church of England Primary Academy on 1 September.

Key successes over the year include

Leadership structures

The successful recruitment into all leadership posts is a success, bucking the national trend and difficulties experienced elsewhere in the sector. The successful candidates all identified the clear direction around values and educational principles as being a key factor in their decision to apply for the roles. It is important for us to build on this success to encourage similar attractions for new staff members at all levels of the organisation.

The broadening of subject communities has supported the development of our middle leaders across the Trust with Ofsted reports commenting on the strengths emerging within these cohorts of leaders.

Ofsted outcomes

In the accounting period, a total of five academies were inspected during the phased return of Ofsted inspections. The selected schools were those Trust schools who were judged to be Requiring Improvement in their most recent inspections. All five schools were seen twice, with the exception of Wormegay CofE Primary which was not seen in the summer term due to the closure notice being issued. The first inspection was a review of remote learning provision with all schools being judged as providing an effective education at this time. In the second round of inspections, the Ofsted teams returned to carrying out onsite visits, and this time all schools were judged to be taking effective action to become good schools.

The schools seen in 20-21 were Norman, Wormegay, William De Yaxley, St Peters, and Weeting.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Pupil attainment and progress outcomes

Unfortunately, due to the COVID-19 pandemic, all national testing was cancelled resulting in no published data for the 2019-2020 academic year. Internal summative assessments were used by Trust schools to provide data on reading fluency and mathematical fluency across the Trust. Feedback from these tests suggest 61% of year 6 pupils were on track to reach age related expectations should the national tests have taken place. Internal phonics screening checks indicated that the Trust schools were in line with the 2019 national average.

Operating efficiencies

The successful implementation and conclusion of the Trust wide operating model review which led to the centralisation of Finance and HR services through a hub model was an important feature of the 20-21 year. All change processes were managed effectively by the Central services team allowing Headteachers and school staff to focus on the quality of education in their schools in exceptionally difficult circumstances.

These changes will allow greater effectiveness in the way in which these functions support our schools but will also generate financial efficiencies allowing further discussion on the strategic use of funds to support improvements in education.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Engagement with key stakeholders

The Trust identifies key stakeholder groups at a Trust and academy level and adopts stakeholder management approaches accordingly.

Pupils

In line with the core strands of our work, our academies do a great deal of work engaging with and involving our pupils in the daily routines of academy life. All academies operate pupil councils with representatives from all year groups; in response to demand from pupils and in recognition of the changing world around us, many academies now operate Eco-groups to focus on the response to climate change within the school locality.

The response to the COVID-19 pandemic has increased the number of options available to schools to engage with their pupils. In addition to the focus groups named above, the adoption of online platforms has allowed for greater communication between pupils and school whilst remote learning. As the pandemic passes, the use of these tools for increased communication will remain.

Parents & Carers

All academies have their own ethos, within the wider Trust values, and local parental engagement is key to each Academy's success. This year parental stakeholder engagement has been in the form of traditional parents' evenings, visibility of leaders' and staff at the beginning and end of the school day and encouraging academies to be welcoming environments for parents to enter and discuss their children's education.

In the current year, and reflecting the challenges of COVID-19, academies have engaged in greater, more frequent electronic communication with parents and carers and relevant surveys to understand concerns. Remote learning platforms during lockdown has given the opportunity to engage parents and carers in their children's learning.

Governors and Local Governing Bodies

An independent review was undertaken by CST in Summer 2020, and the key findings were implemented in the 2020 Autumn Term. These activities included;

- Review & revise the Scheme of Delegation
- Governance team established, with clear remit on supporting Governors and local governance across the Trust
- Specific sections on template Local Governing Body agendas to provide feedback to the Trust Board
- Online meetings with CEO and other Central team staff on key issues, both current and going forward
- One to one meetings with the Head of Legal & Governance and Chairs of Governors

These have been successful, but the Board recognises there is still progress to be made, particularly around the clarity of the role of a Governor and the LGB within the Trust, which has impacted on the quality of the monitoring they have been able to undertake, activity which was significantly impacted by the restrictions in place during the pandemic.

In July 2021, a Governor/Chair conference was held to provide an update on the Trust strategy and educational approach. In September 2021, further workshops were held with Chairs to discuss moving forward local governance within the Trust. Actions arising from these meetings will be addressed in the 2021/2022 academic year.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

KEY PERFORMANCE INDICATORS

The Trust has developed a series of key indicators at Trust, whole school and individual pupil level, to better analyse real-time and historic performance across regions and within schools. These indicators can also be benchmarked to national performance, as they are designed to easily map onto national measures.

DEMAT KPIs

KPI	KS2 attainment	Phonics screen	% Staff costs to income	Pupil attendance
Target	60	80	77	94
20-21 actual	61*	*82	91	92.6

*internal data

Whilst the internal data suggests that the KPIs have been met, it must be remembered that the conditions in which these assessments were sat and marked lacked the consistency of nationally set assessments. Pupil attendance was lower than the KPI target but was impacted by increased COVID cases and bubble closures throughout the academic year.

The trust will review the staff costs to income ratio and take further steps to achieve the target KPI.

PROMOTING THE SUCCESS OF THE ORGANISATION

The Trust Board believes that the success of the organisation in delivering a high quality of education to all pupils within its academies is served in the following ways;

- Commitment to excellence; the Trust Board ensures that the organisation is focussed and committed to supporting its staff to deliver a well-sequenced curriculum rich in content. Further, that colleagues in teaching and support roles are encouraged to look beyond the Trust to expand their own knowledge and expertise.
- Robust, transparent governance at all levels; this ensures that decision-making is challenged robustly, and implications on all key stakeholders, including employees and suppliers have been appropriately considered. It also allows the long-term impact of any such decisions to be assessed.
- Consultation with key stakeholders; in order to understand the perspectives of the wide range of key stakeholders in the organisation, the Trust Board is working to establish sustainable mechanisms to allow a balanced dialogue. This facilitates an understanding by the Board of the impact of its decision-making.
- Conduct across the organisation; the Trust Board believes that clear expectations of conduct are the best way to ensure the Trust maintains its reputation for integrity and fairness. This is best evidenced by the 'DEMAT Principles' contained in the 2025 strategic plan.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

GOING CONCERN

After making appropriate enquiries, the Trust Board has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future.

The net balance sheet deficit principally relates to the local government pension scheme (LGPS) pension deficit of £29,705,000 (2020: £21,860,000), which is a long-term liability and is not expected to crystallize in the foreseeable future. Excluding the LGPS deficit would give a net balance sheet surplus of £5,269,934.

There are no significant cash commitments or other expenditure outflows planned in the coming year which give rise to material changes to the going concern assumption. Assumptions underpinning income for a primary MAT are consistent and predictable.

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.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

The adjusted operating result for the 2020/2021 financial year is a £885,969 deficit, excluding the additional LGPS charge from actuarial valuation of £2,491,000.

The carried forward reserve on revenue funds is £3,543,339 (2020: £4,436,727) at 1 September 2021.

The Trust has taken the decision to pool an element of the academies funding instead of charging a 6% management fee. The lump sum received for each academy within the Trust is pooled to provide funds for activity undertaken on behalf of the Trust as a whole, once central expenditure is taken into account, the residual balance is allocated to academies based on individual need or specific areas identified for improvement. The Trust has implemented the use of benchmarks for class size and contact ratio to bring in consistency in trust academies and address the staff costs to income ratio.

During the year the Trust undertook the operating model restructure, restructuring costs of £433,010 were incurred. The business case for the restructure provided that the return on investment for the costs would be within years 2-3 of the new model. The project was delivered on budget and therefore the cost will be recovered by 2023/2024 academic year at the latest.

A reduction of £450,000 in other income is due to COVID and the lack of local activities for fundraising in the year, combined with reduced lettings.

The cash flow of the Trust remains strong. Due to the balanced operating costs and predictable nature of non-staff expenditure cash flows, the Trust retains the majority of its reserve in cash at any one time. This equates to 11% (2020: 10%) of the Trust operating costs and is sufficient to cover any short-term need.

The Trust currently utilises an overnight deposit to generate interest on the capital funds it holds and generates a greater return.

The Trust 3-year budget remains in a net surplus position of £887,741 over the period to 31 August 2024. Trust general reserves at 31 August 2023 are therefore forecast to be £4.431m at 31 August 2023. The assumptions underpinning the budget are based on those taken in recent years, when the Board can demonstrate the Trust generates an operating surplus. The use of contact ratio, class size and staff costs to income ratio will enable the Trust to bring further consistency and sustainability to the wider operating structure.

The Diocese of Ely Multi-Academy Trust
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Reserves Policy

The Trust's three-year budget has been developed, at both school and shared service level, to ensure that the reserves maintained are appropriate for the size of MAT and associated liabilities. This also covers the use of reserves at an individual school level if it is felt appropriate.

The use of reserves is always consistent with the reserve policy agreed with the Finance & Estates Committee and Trust Board. The Trust holds reserves that are adequate to meet foreseen needs.

The DEMAT reserves deficit is £24,435,066 (2020: £15,595,244). The restricted reserves deficit is £19,335,338 (2020: 19,335,338) and incorporates the LGPS deficit of £29,705,000 (2020: £21,860,000). Excluding the LGPS deficit the restricted reserve would be in surplus of £5,269,934 (2020: £2,524,662).

The value of the LGPS deficit is £29,705,000. This is not an immediate liability and arises on the valuation of future liabilities for pensions of scheme members. The Trust is required to offer the Local Government Pension Scheme (LGPS) to eligible employees under the terms of its funding agreement. The Trustees monitor the current and future levels of contribution to ensure the Trust can meet any increased contributions as they fall due.

A total of £165,000 of the fixed asset reserve has been designated for capital projects in the next academic year.

The unrestricted reserve of £3,572,395 is allocated to each academy on the basis of the funds transferred on conversion and any further unrestricted reserves they have been able to generate. The Trust does not currently pool unrestricted reserves for general use across the Trust.

Levels of reserves maintained are to ensure ongoing liquidity and ability to meet unforeseen costs as they arise – this is supported by regular cash flow reviews.

Investment Policy

The Trust Board is firmly committed to ensuring that all funds under its control are administered without exposing the Trust to undue risk. As such the Board does not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board. Due to the nature of the funding cycle, the Academy may at times hold large cash balances, which may not be required for immediate use.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties faced by the Trust are captured within the Trust's strategic risk register which is organised across 5 core risks as follows:

1. Our ability to respond to the needs of our diverse school profile when delivering a high-quality education.
2. Our ability to provide warm, safe, and secure environments across the Trust estate.
3. Our ability to govern, challenge and secure the continuous improvement of the Trust.
4. Our ability to respond to changes in funding/ expenditure caused by external factors.
5. Our ability to manage growth whilst ensuring standards across the Trust are maintained.

Each year, the strategic risk register is updated, and sub-risks under each of these headings are revised. The annual development plans for each executive owner are created around activities to address these sub-risks, progress on these is reported at each sub-committee meeting.

The strategic risk register as a whole is a standing item on the Audit & Risk Committee agenda.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

Financial and Risk Management Objectives and Policies

Financial policies and financial risks are reviewed regularly by the Finance and Estates Committee. Budgets are prepared on an annual basis and performance against budget and cash flow forecasts are reviewed regularly. At the year end, the Trust did not have any material liabilities which would have a significant effect on its liquidity.

FUNDRAISING

The academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees. No complaints have been raised within the current or prior year.

PLANS FOR FUTURE PERIODS

The Trust will seek to deliver on the detail contained within its strategic plan, The DEMAT Promise. In the final period of 2020-2021 work was undertaken across multiple Trust stakeholders to complete the MAT Assurance Framework and develop a Trust SEF. This work then facilitated the development of five strategic goals that sit alongside The DEMAT Promise. The strategic goals are:

- All DEMAT schools to be Good or better in Ofsted and SIAMS by 2025
- DEMAT to be recognised as a system leader Trust by 2025
- DEMAT to diversify its portfolio to include special or AP schools alongside considered growth within the diocese
- DEMAT to be recognised nationally for valuing its people and its organisational health
- DEMAT to develop a delivery plan for a single IT ecosystem

Operational activity in 2021-2022 will focus on actions that set the foundations for achieving these goals. Examples of activities to take place include the expansion of and recruitment into the Hub Director posts, establishment of internal specialist SEND hubs in two of our schools, and the implementation of a DEMAT maths curriculum.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2020 to 31 August 2021	1 September 2019 to 31 August 2020
Energy consumption used to calculate emissions		
(kWh)	6,095,246	2,632,340
(Litres)	174,064	-
(Miles)	21,186	-
<u>Energy consumption break down</u>		
• Gas (kWh)	4,015,904	1,174,151
• Electricity (kWh)	2,079,342	1,363,234
• Burning Oil (Litres)	150,167	-
• LPG (Litres)	23,897	-
• Transport fuel (Miles)	21,186	94,955
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	66.20	19.43
Burning oil consumption	34.33	-
LPG consumption	3.35	-
Owned transport – mini-buses	0.00	0.03
<u>Total scope 1</u>	<u>103.88</u>	<u>19.46</u>
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	39.74	28.60
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee-owned vehicles	1.56	1.13
<u>Total gross emissions in metric tonnes CO2e</u>	<u>145.18</u>	<u>49.19</u>
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.022	0.007

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 2021 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites. Five academies within the Trust have received roof replacements with a further five receiving works to their plant rooms of heating controls to help with reduction in heating costs.

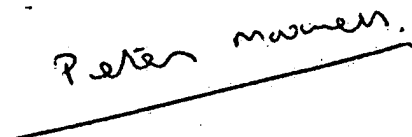
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2021

AUDITORS

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 information and to establish that the auditor is aware of that information.

Trustees' report, incorporating a strategic report, was approved by order of the members of the board of trustees on 21 December 2021 and signed on their behalf, by:

A handwritten signature in black ink, appearing to read 'Peter Maxwell', written over a horizontal line.

Peter Maxwell
Chair of Trustees

A handwritten signature in black ink, appearing to read 'Adrian Ball', written over a horizontal line.

Adrian Ball
Accounting Officer

GOVERNANCE STATEMENT

Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that DEMAT 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 Trust Board has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between DEMAT and the Secretary of State for Education. They are also responsible for reporting to the Trust Board 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 Trust Board formally met four times during the year. It is comfortable that the framework of full Board, and sub-committee meetings is enough to maintain robust oversight of the Trust.

There have been no significant changes to the composition of the Board or Committees in the year. As of 1 September 2021, the Chair of Personnel Committee transferred to Helen Jackson.

Findings from the 2020 governance review were further incorporated into the current year, including assessment of the involvement of the local governance tier.

The Board is comfortable effective oversight has been maintained through the detailed and focussed reporting, additional meetings in areas of significant risk (such as the Trust strategy on COVID), and specific working groups in areas which are new or being developed, such as the Health & Safety working group.

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

Trustee	Meetings attended	Out of a possible
Peter Maxwell	3	4
Andrew Read	2	4
Adrian Ball	4	4
Mike Banyard	4	4
John Bradshaw	4	4
David Bridges	3	4
Keith Carne	4	4
Wendy Garrard	4	4
Alex Hughes	3	4
Helen Jackson	3	4
Robert Skelton	3	4
Hilary Wright	4	4
Mike Younger	4	4

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Finance and Estates Committee is a sub-committee of the Trust Board. Its purpose is to review and advise the Trust Board on the financial performance of the Trust and the safeguarding and use of its assets.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell (Chair)	4	4
Andrew Read (DDE)	3	4
Adrian Ball (CEO)	4	4
Mike Banyard	1	1
John Bradshaw	4	4
David Bridges	3	4
Keith Carne	4	4
Wendy Garrard	1	1
Helen Jackson	1	1
Robert Skelton	1	1
Mike Younger	1	1

The Standards and Ethos Committee is a sub-committee of the Board. It monitors standards and the performance for each academy and how ethos contributes to establishing a purposeful learning environment which enables, regardless of ability or gender, to make maximum progress in relation to their starting points.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell (Chair)	3	3
Andrew Read (DDE)	3	3
Adrian Ball (CEO)	3	3
Mike Banyard	3	3
David Bridges	3	3
Wendy Garrard	3	3
Helen Jackson	3	3
Mike Younger	3	3

The Audit Committee is a sub-committee of the Trust Board. Its purpose is to review and advise the Trust Board on the responsibilities in relation to an entity's financial reporting, internal control system, risk management system and internal and external audit functions.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Adrian Ball (CEO)	4	4
Mike Banyard	4	4
Wendy Garrard	4	4
Helen Jackson	4	4
Robert Skelton	4	4
Mike Younger	4	4

The Diocese of Ely Multi-Academy Trust
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GOVERNANCE STATEMENT (continued)

The Personnel Committee is a sub-committee of the Trust Board. Its purpose is to assist and advise the Board on matters relating to the remuneration of Trust personnel and strategic HR direction, in order to motivate and retain Trust staff and ensuring that the Trust is able to attract the best talent.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell (Chair)	4	4
Andrew Read (DDE)	1	4
Adrian Ball (CEO)	4	4
Mike Banyard	3	4
John Bradshaw	4	4
Helen Jackson	4	4
Hilary Wright	4	4

The Remuneration Committee is a sub-committee of the Trust Board. Its purpose is to assist and advise the Board on matters relating to the remuneration of senior management personnel. It meets formally once a year, more if required due to senior leader changes. The sub-committee meets in a monitoring and advisory capacity in advising the Trust Board, Personnel Committee and Finance & Estates Committee on remuneration of senior management.

Trustee	Meetings attended	Out of a possible
Peter Maxwell (Chair)	1	1
Andrew Read (DDE)	1	1
Adrian Ball (CEO)	1	1
John Bradshaw	1	1
Keith Carne	1	1
Hilary Wright	1	1
Mike Younger	1	1

Review of Value for Money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the 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.

GOVERNANCE STATEMENT (continued)

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 has delivered improved value for money during the year by:

- Implemented more robust ICFP model for 2021/2022 3-year budget cycle.
- Continue to challenge leaders across the Trust on their deployment of staff, including agency staff, and align more closely with national staffing benchmarks.
- Implemented an operating model restructure for finance & HR, leading to an overall saving of 25% on previous cost, but also efficiencies such as reducing long term absence and consistent financial reporting and operations.
- Aligned all Trust capital expenditure (SCA, DFC, revenue and reserve) in a Trust estates development plan, which includes the individual school property development plans. The estates development plan is owned by the trust Facilities team and moderated by the Head of Facilities and trust Building Manager, who is a qualified Building Surveyor.

This ensures that all capital funds are spent on the most urgent, required, projects across the Trust and at each school.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 DEMAT for the year 1 September 2020 to 31 August 2021 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed.

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

This comprises a framework of regular management information and administrative procedures. In particular, it includes:

- Identification and management of risks in all functional areas
- Comprehensive monitoring systems, including monthly operational reporting to CEO and strategic reporting to Board/Committees as necessary, including extraordinary meetings should the need arise
- External review and moderation of the Trust response to risk, and its processes and controls
- Review and comparison against appropriate benchmarks in each functional area

All of the above include but are not limited to financial risks.

The Board identified three major areas for review in the period;

- Capital and capital projects accounting
- Staff master files and payroll input
- Health & Safety compliance and practice

These areas were identified following the operating model reviews commissioned in 2019/2020, and the subsequent changes implemented.

The capital and capital projects accounting review was undertaken by a third party in Summer Term 2021, the report provided assurance over the processes and controls over capital project accounting, month end capital accounting and adjustments and the reporting thereof. Minor findings were found in relation to the month end reporting of capital and will be incorporated into processes going forward.

The health and safety compliance and practice review was undertaken by a third party in the Autumn Term 2020, the majority of Trust schools were fully compliant, and practice was good. Minor findings were then addressed by the Facilities team across the remainder of the academic year. Other activity which has further strengthened the Trust risks in relation to Health & Safety has been the implementation of a Trust-wide compliance system, further challenge and support of a Trustee Health & Safety working group and standardised risk assessments implemented across the Trust.

A review was undertaken by the incoming Head of HR over the processes and controls over maintenance of staff master files and payroll input data. There were some weaknesses identified, the major weaknesses were translated into a project undertaken in the year to create 'e-files' for all staff, this project was entering completion at the balance sheet date. Further, the new HR operating model provided capacity for enhanced review, checking and consistency of payroll information and data. The revised processes and controls were in place for the balance sheet date.

GOVERNANCE STATEMENT (continued)

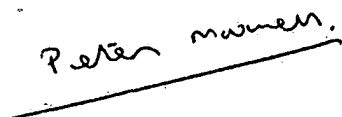
Review of Effectiveness

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

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework;
- Third parties engaged to provide specific assurance.

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

Approved by order of the members of the board of trustees on 21 December 2021 and signed on their behalf, by:



Peter Maxwell
Chair of Trustees



Adrian Ball
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of DEMAT I have considered my responsibility to notify the academy 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 academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2020.

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



Adrian Ball
Accounting Officer

Date: 21 December 2021

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies' Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 21 December 2021 and signed on its behalf by:



Peter Maxwell
Chair of Trustees

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEMAT

Opinion

We have audited the financial statements of The Diocese of Ely Multi-Academy Trust for the year ended 31 August 2021 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2020-2021 issued by the Education and Skills Funding Agency.

In our opinion, the financial statements:

- give a true and fair view of the state of the academy trust's affairs as of 31 August 2021 and of its incoming resources and application of resources, including the 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 2020 to 2021 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEMAT
(CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the strategic report and the directors' report for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' report).

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

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

Responsibilities of trustees for the financial statements

As explained more fully in the Statement of Trustees' Responsibilities set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF DEMAT
(CONTINUED)**

Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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:

Based on our understanding of the academy trust and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety, employment law, GDPR, safeguarding, academy regulations and charity law, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Academies Account Direction 2020- 2021, Companies Act and Charities Act 2011, and consider other factors such as VAT and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements including the risk of override of controls, and determined the principal risks were related to the improper recognition of revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Enquires of management regarding correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Testing journals posted during the year; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

Use of our report

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



Kathryn Burton (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 22 December 2021
10 Queen Street Place
London
EC4R 1AG

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO DEMAT AND THE
EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 15 October 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by DEMAT during the year 1 September 2020 to 31 August 2021 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 DEMAT and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Diocese of Ely Multi-Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than DEMAT and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of DEMAT's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of DEMAT's funding agreement with the Secretary of State for Education dated 28 June 2013 (Bury), 1 October 2013 (Stanground), 27 March 2014 (Weeting and Duchy), 30 April 2014 (St Martin), 27 June 2014 (Norman), 30 September 2014 (Runcton Holme, Wormegay and All Saints Academy) 30 October 2014 (Mepal & Witcham and St Peters), 31 October 2014 (William De Yaxley and St Andrews), 30 January 2015 (Ely St Mary) and 26 February 2015 (Anthony Curton, Tilney All Saints, Hilgay, Ten Mile Bank and Marshland St James, St Mary's St Neots), 11 July 2016 (Ermine Street), 9 June 2016 (Gilden Morden and Wisbech St Mary), 31 October 2016 (St Christopher's), 26 April 2017 (Guyhirn), 31 May 2017 (Milton), 30 June 2017 (St John's Huntingdon), 19 December 2017 (Babraham), 25 October 2017 (Elm Church of England Primary School), 31 January 2018 (Farcet Church of England Primary School & Orchards Church of England Primary School), 27 April 2018 (Stilton Church of England Primary School), 28 November 2017 (Thriplow Church of England Primary School), 31 August 2018 (St Botolph's), 29 August 2018 (Swaffham Prior), 27 March 2019 (Holme Church of England Primary School), 26 October 2018 (Swaffham Bulbeck), 28 February 2019 (St Luke's Church of England Primary School), 30 April 2019 (Oakington Church of England Primary School) and the Academies Financial Handbook extant from 1 September 2020, 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 2020 to 2021. 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 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO DEMAT AND THE
EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy Trust.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims, credit card statements and debit card payments.
- Review of minutes, bank certificates and related party declarations provided by Governors.

Conclusion

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

Haysmacintyre LLP

Haysmacintyre LLP

Reporting Accountant

10 Queen Street Place
London
EC4R 1AG

Date: 22 December 2021

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Restricted Fixed Asset Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM:						
Donations and capital grants	2	192,370	-	1,450,694	1,643,064	1,391,754
Charitable activities	3	561,777	36,677,814	-	37,239,591	36,213,244
Other trading activities	4	418,240	-	-	418,240	443,869
Investments	5	3,358	-	-	3,358	5,352
Funds inherited on conversion		-	-	-	-	-
TOTAL INCOME:		1,175,745	36,677,814	1,450,694	39,304,253	38,054,219
EXPENDITURE ON:						
Charitable activities	6	1,343,443	39,887,085	1,559,547	42,790,075	40,742,119
TOTAL EXPENDITURE		1,343,443	39,887,085	1,559,547	42,790,075	40,742,119
NET INCOME / (EXPENDITURE)						
BEFORE TRANSFERS		(167,698)	(3,209,271)	(108,853)	(3,485,822)	(2,687,900)
Transfers between Funds	17	-	-	-	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		(167,698)	(3,209,271)	(108,853)	(3,485,822)	(2,687,900)
Actuarial gains/(losses) on defined benefit pension schemes	22	-	(5,354,000)	-	(5,354,000)	(104,000)
NET MOVEMENT IN FUNDS		(167,698)	(8,563,271)	(108,853)	(8,839,822)	(2,791,900)
RECONCILIATION OF FUNDS:						
Total funds brought forward		3,740,094	(21,163,368)	1,828,030	(15,595,244)	(12,803,344)
TOTAL FUNDS CARRIED FORWARD		3,572,396	(29,726,639)	1,719,177	(24,435,066)	(15,595,244)

The notes on pages 33 to 65 form part of these financial statements.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

REGISTERED NUMBER: 08464996
BALANCE SHEET
AS AT 31 AUGUST 2021

		2021		2020	
	Note	£	£	£	£
FIXED ASSETS					
Tangible assets	13		1,178,364		936,563
CURRENT ASSETS					
Debtors	14	1,011,177		1,221,636	
Cash at bank and in hand		5,315,455		6,683,056	
		<u>6,326,633</u>		<u>7,904,692</u>	
CREDITORS: amounts falling due within one year	15	<u>(2,121,377)</u>		<u>(2,462,814)</u>	
NET CURRENT ASSETS			<u>4,205,255</u>		<u>5,441,878</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>5,383,619</u>		<u>6,378,441</u>
CREDITORS: amounts falling due after more than one year	16		<u>(113,685)</u>		<u>(113,685)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>5,269,934</u>		<u>6,264,756</u>
Defined benefit pension scheme liability	22		<u>(29,705,000)</u>		<u>(21,860,000)</u>
NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES			<u><u>(24,435,066)</u></u>		<u><u>(15,595,244)</u></u>
FUNDS OF THE ACADEMY					
Restricted funds	17	(21,639)		696,632	
Restricted fixed asset funds	17	1,719,177		1,828,030	
		<u>1,697,538</u>		<u>2,524,662</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(29,705,000)</u>		<u>(21,860,000)</u>	
		<u>(28,007,462)</u>			
Total restricted funds					<u>(19,335,338)</u>
Unrestricted funds	17	3,572,395			3,740,094
TOTAL DEFICIT			<u><u>(24,435,066)</u></u>		<u><u>(15,595,244)</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 21 December 2021 and are signed on their behalf, by:

Peter Maxwell

Peter Maxwell
Chair of Trustees

The notes on pages 33 to 65 form part of these financial statements.

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	19	(2,243,379)	(592,001)
Cash flows from investing activities:			
Purchase of tangible fixed assets		(574,956)	(343,555)
Capital grants from DfE/ESFA		1,450,694	1,165,844
Net cash used in investing activities		875,738	822,289
Change in cash and cash equivalents in the period		(1,367,641)	230,288
Cash and cash equivalents brought forward		6,555,679	6,325,391
Cash and cash equivalents carried forward		<u>5,188,038</u>	<u>6,555,679</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES

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

1.1 General information

The company is limited by guarantee, incorporated in England and Wales (company number: 08464996). The Company's registered office address is Bishop Woodford House, Barton Road, Ely, Cambridgeshire, CB7 4DX.

1.2 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

DEMAT constitutes a public benefit entity as defined by FRS 102.

1.3 Going concern

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

1.4 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.5 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measured reliably.

- **Grants**

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt, and the amount can be reliably measured.

- **Other Income**

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the services.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.6 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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

Land and buildings are not recognised by the Trust, capital grants received to cover expenditure on land and buildings are recognised when received and matched to a corresponding grant expenditure to church trustees or other body that holds the land and buildings as a donation and not income from charitable activities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	- 20% straight line per annum
Technology & Computer Equipment	- 33.3% straight line per annum

1.8 Interest receivable

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

1.9 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight-line basis over the lease term.

1.10 Debtors

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

1.11 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.

1.12 Liabilities and provisions

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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.13 Financial Instruments

The Trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.14 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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.15 Pensions

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ("TPS"), the Local Government Pension Scheme ("LGPS"), the Church Workers' Pension Scheme ("CWPF") and the NEST Scheme. The TPS & LGPS are defined benefit schemes, and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22 the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

The CWPF and Nest are defined contribution schemes, and the assets are held separately from those of the Trust. Contributions to the CWPF are fixed at 10% of the employees' salary, employer contributions to the NEST scheme depend on the employee contributions but the minimum combined contribution is 8%. The amounts charged to the statement of financial activities are the employer contributions for the period are paid to the Scheme in cash.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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 2021. 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.

The accounting policies have been applied consistently in dealing with items which are considered material in relation to the Academy Trust's financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted	Restricted	Restricted Fixed Asset	Total	Total
	Funds	Funds	Funds	Funds	Funds
	2021	2021	2021	2021	2020
	£	£	£	£	£
Donations	192,370	-	-	192,370	225,910
Capital Grants	-	-	1,450,694	1,450,694	1,165,844
Total donations and capital grants	192,370	-	1,450,694	1,643,064	1,391,754

In 2020, of the total income from donations and capital grants, £225,910 was to unrestricted funds and £1,165,844 was to restricted fixed asset funds.

3. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
ESFA/DfE grants				
General Annual Grant (GAG)	-	32,446,083	32,446,083	31,885,558
Pupil premium	-	2,004,352	2,004,352	1,942,270
Catch up premium		519,040	519,040	
	561,777	34,969,475	34,969,475	36,213,244
Other Government Grants				
Local authority grants	-	1,637,410	1,637,410	1,339,415
Other income from the Trust's operations	561,777	70,929	632,706	1,046,001
	561,777	36,677,814	37,239,591	36,213,244

In 2020, of the total income from charitable activities, £1,000,055 was to unrestricted funds and £35,213,189 was to restricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

4 OTHER TRADING ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Hiring of facilities	92,002	-	92,002	78,871
Other Income	18,322	-	18,322	29,246
Catering income	307,916	-	307,916	339,752
	<u>418,240</u>	<u>-</u>	<u>418,240</u>	<u>443,869</u>

In 2020, all income from other trading activities of £443,869 was to unrestricted funds.

5. INVESTMENT INCOME

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Short term deposits	3,358	-	3,358	5,352

In 2020 all the investment income was to unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

6. CHARITABLE ACTIVITIES	Total Funds 2021 £	Total Funds 2020 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	21,062,116	18,960,133
National insurance	1,901,830	1,683,298
Pension cost	4,508,116	4,160,597
Educational supplies	1,202,615	1,169,162
Examination Fees	-	-
Staff Development	213,349	214,226
Educational consultancy	191,382	260,568
Other Direct Costs	60,757	218,802
	<u>29,140,165</u>	<u>26,666,786</u>
	Total Funds 2021 £	Total Funds 2020 £
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	3,782,472	4,056,377
National insurance	254,592	266,284
Pension cost	2,794,836	2,881,153
Depreciation	333,156	391,925
DBS Finance Cost	394,761	391,182
Technology costs	326,597	472,981
Recruitment and support	171,731	171,048
Maintenance of premises and equipment	1,595,163	1,934,637
Cleaning	368,571	250,786
Rent & rates	279,624	309,892
Energy costs	460,441	487,828
Insurance	318,341	254,898
Security and transport	26,059	25,801
Catering	1,428,055	1,321,173
Bank interest and charges	3,139	9,386
Other support costs	723,309	610,379
	<u>13,260,847</u>	<u>13,835,730</u>
	<u>42,401,012</u>	<u>40,502,516</u>
OTHER ACTIVITIES		
Governance Costs	389,063	239,603
	<u>42,790,075</u>	<u>40,742,119</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

7. EXPENDITURE

	Staff Costs £	Premises £	Other Costs £	Total 2021 £
Activities:				
Direct costs	27,472,062	-	1,668,103	29,140,165
Support costs	6,831,902	3,083,224	3,345,722	13,260,847
Support costs:				
Governance	-	-	389,063	389,063
	<u>34,303,964</u>	<u>3,083,224</u>	<u>5,402,888</u>	<u>42,790,075</u>

Comparative costs in respect of prior periods

	Staff Costs £	Premises £	Other Costs £	Total 2020 £
Activities:				
Direct costs	22,113,718	-	2,257,760	24,371,478
Support costs	5,950,775	2,562,512	3,788,920	12,302,207
Support costs:				
Governance	-	-	255,633	255,633
	<u>28,064,493</u>	<u>2,562,512</u>	<u>6,302,313</u>	<u>36,929,318</u>

8. NET INCOME /(EXPENDITURE)

	2021 £	2020 £
This is stated after charging:		
Depreciation of tangible fixed assets:		
- owned by the charity	333,155	391,925
Auditors' remuneration - audit	42,700	49,800
Auditors' remuneration - other services	16,100	16,100
	<u>391,955</u>	<u>457,825</u>

The Diocese of Ely Multi-Academy Trust
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

9. STAFF COSTS

	2021	2020
	£	£
Staff costs were as follows:		
Wages and salaries	23,923,110	22,505,740
Social security costs	2,156,422	1,949,582
Operating costs of defined benefit pension schemes	7,302,952	7,041,750
	<u>33,382,484</u>	<u>31,497,072</u>
Supply teacher costs	627,038	502,115
Staff restructuring costs	294,440	8,655
	<u>34,303,964</u>	<u>32,007,842</u>

Staff restructuring costs comprise;

	2021	2020
	£	£
Redundancy payments	230,797	-
Severance payments	63,643	8,655
	<u>294,440</u>	<u>8,655</u>

Included in staff restructuring costs are a number of non-contractual severance payments, none of which exceed £50,000 per payment but are a total of £63,643 (2020: £8,655).

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

	2021	2020
	No.	No.
Teachers	407	404
Management	6	6
Administration and Support	770	747
	<u>1,183</u>	<u>1,157</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. STAFF COSTS (continued)

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	19	15
In the band £70,001 - £80,000	6	6
In the band £80,001 - £90,000	2	2
In the band £130,000 - £140,000	1	1

Twenty-four of the above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2021 employer's pension contributions for these staff amounts to £387,588 (2020: £321,466).

The key management personnel of the academy trust comprise the trustees and the senior management team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £606,073 (2020: £512,915).

10. CENTRAL SERVICES

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

- Financial services
- HR Services
- Legal services
- Educational support services
- Others as arising

The Trust pools the lump sum element of the academies GAG funding, and all central costs are covered from the pool prior to it being split between the academies by need. No deductions are taken from Pupil premium, insurance, or any other ad hoc funding.

In previous years, the trust has levied a management fee of 6% on GAG income, no deductions were made from pupil premium, insurance or any other ad hoc funding.

The Diocese of Ely Multi-Academy Trust
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

10. CENTRAL SERVICES (continued)

The amounts charged for the prior year were as follows;

	2020 £
All Saints	25,866
Anthony Curton	45,837
Babraham	24,833
Bury	44,082
St Christopher's CofE Primary School	73,033
Duchy of Lancaster, Methwold	27,945
Elm	50,877
Ely St Marys	90,637
Ermine Street Church Academy	36,090
Farcet	31,548
Guilden Morden	18,371
Guyhirn	23,979
Hilgay	19,169
Holme	27,067
Marshland	26,779
Mepal and Witcham	24,213
Milton	82,116
The Norman	23,455
Oakington	32,209
Orchards Church of England Primary School	114,461
Runcton Holme	15,076
St Andrews	83,632
St Botolph's	91,683
St John's, Huntingdon	88,676
Stanground St John's	51,869
St Luke's	46,083
St Martin at Shouldham	44,623
St Mary's, St Neots	37,890
St Peter's	59,613
Stilton	43,722
Swaffham Bulbeck	25,013
Swaffham Prior	27,714
Ten Mile Bank	11,715
Thriplow	34,038
Tilney All Saints	23,996
Weeting	29,831
William de Yaxley	46,825
Wisbech St Mary	45,176
Wormegay	12,018
Total	<u>1,661,760</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

11. TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

A Ball (staff trustee) FTE equivalent: 1 (2020: 1 FTE)
Remuneration £130,000-£140,000
Employer's pension contributions £5,000 - £10,000

During the year ended 31 August 2021, travel and subsistence expenses totaling £404 (2020: £1,201) were paid on behalf of 1 Trustee (2019: 1)

12. TRUSTEES' AND OFFICERS' INSURANCE

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

13. TANGIBLE FIXED ASSETS

	Fixtures and Fittings £	Technology And Computer equipment £	Total £
Cost			
At 1 September 2020	1,249,692	930,178	2,179,870
Additions	306,521	268,435	574,956
Disposals	-	-	-
At 31 August 2021	1,556,213	1,198,613	2,754,826
Depreciation			
At 1 September 2020	647,861	595,446	1,243,307
Charge for the year	200,896	132,259	333,155
Disposals	-	-	-
At 31 August 2021	848,757	727,705	1,576,462
Net Book value			
At 31 August 2021	707,456	470,908	1,178,364
At 31 August 2020	601,831	334,732	936,563

14. DEBTORS

	2021 £	2020 £
Trade debtors	54,144	132,015
Other debtors	42,446	37,572
Prepayments and accrued income	622,144	763,432
Tax recoverable	292,444	288,617
	1,011,178	1,221,636

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

15. CREDITORS: Amounts falling due within one year

	2021 £	2020 £
Other loans	13,692	13,692
Trade creditors	359,656	478,700
Other taxation and social security	409,699	318,343
Other creditors	556,660	626,808
Accruals and deferred income	781,670	1,025,271
	<u>2,121,377</u>	<u>2,462,814</u>
Deferred income		
Deferred income at 1 September 2020	603,407	516,291
Resources deferred during the year	282,712	603,407
Amounts released from previous years	(603,407)	(516,291)
	<u>282,712</u>	<u>603,407</u>
Deferred income at 31 August 2021	<u>282,712</u>	<u>603,407</u>

Deferred income at the 2021 year-end relates to Universal Infant Free School meal grants, trip income and rates relief for the 2021/22 school year received before the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

16. CREDITORS: Amounts falling due after more than one year

	2021 £	2020 £
Other loans	100,033	113,685

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Between two and five years		
Other loans	39,158	41,075
Over five years		
Other loans	60,875	72,610

Creditors include amounts not wholly repayable within 5 years as follows:

Included within the above are amounts falling due as follows:

	2021 £	2020 £
Repayable by instalments	60,875	72,710

All loan balances are Salix loans for energy improvements, across two schools, All Saints and Milton. They are fully repayable over 4-15 years.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted Funds						
General Funds	3,740,094	1,175,745	1,343,443	-	-	3,572,396
Restricted Funds						
General Annual						
Grant (GAG)	696,632	33,036,052	33,754,323	-	-	(21,639)
Pupil Premium	-	2,004,352	2,004,352	-	-	-
Other ESFA Grants	-	-	-	-	-	-
Startup grant	-	-	-	-	-	-
LEA Grant	-	1,637,410	1,637,410	-	-	-
Pension reserve	(21,860,000)	-	2,491,000	-	(5,354,000)	(29,705,000)
	(21,163,368)	36,677,814	39,887,085	-	(5,354,000)	(29,726,639)
Restricted fixed asset funds						
Fixed Assets on conversion	82,729	-	-	-	-	82,729
Catering	6,376	-	-	-	-	6,376
DFC	1,094,782	225,677	473,054	-	-	847,405
SCA	660,330	1,225,016	919,644	-	-	965,702
Other Capital Grants	(16,187)	-	166,849	-	-	(183,036)
	1,828,030	1,450,693	1,559,547	-	-	1,719,177
Total restricted Funds	(19,335,338)	38,128,507	41,446,632	-	(5,354,000)	(28,007,463)
Total of Funds	(15,595,244)	39,304,253	42,790,075	-	(5,354,000)	(24,435,066)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. STATEMENT OF FUNDS (continued)

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers In/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted Funds						
General Funds	3,451,268	1,675,186	1,386,360	-	-	3,740,094
Restricted Funds						
General Annual Grant (GAG)	391,806	31,931,504	31,626,678	-	-	696,632
Special Educational Projects	-	1,942,270	1,942,270	-	-	-
Other ESFA Grants	-	-	-	-	-	-
Start up grant	-	-	-	-	-	-
LEA Grant	-	1,339,415	1,339,415	-	-	-
Pension reserve	(19,255,000)	-	2,501,000	-	(104,000)	(21,860,000)
	(18,863,194)	35,213,189	37,409,363	-	(104,000)	(21,163,368)
Restricted fixed asset funds						
Fixed Assets on conversion	82,729	-	-	-	-	82,729
Catering	6,376	-	-	-	-	6,376
DFC	861,509	233,273	-	-	-	1,094,782
CIF	660,330	-	-	-	-	660,330
Other Capital Grants	997,637	932,572	1,946,395	-	-	(16,187)
	2,608,581	1,165,844	1,946,395	-	-	1,828,030
Total restricted Funds	(16,254,612)	36,379,033	39,355,758	-	(104,000)	(19,335,338)
Total of Funds	(12,803,345)	38,054,219	40,742,119	-	(104,000)	(15,595,245)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

17. STATEMENT OF FUNDS (continued)

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

General Annual Grant - To be used for funding the school operating costs.

Other ESFA Grant - To be used for funding the school operating costs.

LEA Grant - To be used towards the costs of providing special educational needs

Start up grant - To be used towards the legal, professional and other costs of conversion.

Catering - To be used to purchase capital catering equipment for Universal Infant Free School Meals.

DFC - To be used towards capital projects meeting the ESFA's requirements.

SCA - To be used towards capital projects meeting the ESFA's requirements.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021.

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NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

As of 1st September 2020, all reserves are centrally recorded. The below remains split out by location for the comparative information relating to 2020.

Fund balances at 31 August 2021 were allocated as follows;

	2021 £	2020 £
Bury	-	240,386
St Johns, Stanground	-	216,284
Duchy of Lancaster, Methwold	-	77,484
Weeting	-	96,275
St Martin at Shouldham	-	226,391
The Norman, Northwold	-	66,953
All Saints	-	2,556
Runcton Holme	-	(58,119)
Wormegay	-	(35,692)
St Peter's	-	77,813
Anthony Curton	-	77,525
Tilney All Saints	-	180,689
William De Yaxley	-	42,174
Mepal and Witcham	-	77,485
St Andrew's	-	254,693
Ely St Marys	-	328,842
Marshland St James	-	147,695
St Mary St Neots	-	277,373
Hilgay	-	120,312
Ten Mile Bank	-	(9,168)
St Christophers	-	30,433
Ermine Street Church Academy	-	97,758
Guilden Morden Primary School	-	(41,268)
Guyhirn CofE Primary School	-	291,498
Milton Primary School	-	129,876
St Johns Huntingdon	-	224,375
Wisbech St Mary	-	48,707
Elm	-	161,595
Babraham	-	14,647
Farcet	-	54,945
Stilton	-	97,268
Thriplow	-	87,891
Orchards	-	111,800
St Botolph's	-	170,240
Swaffham Bulbeck	-	48,298
Swaffham Prior	-	76,396
St Luke's	-	27,813
Oakington	-	28,992
Holme	-	(13,484)
Central Services	3,550,757	380,995
Total before fixed asset fund and pension reserve	3,550,757	4,436,726

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FOR THE YEAR ENDED 31 AUGUST 2021

Restricted fixed asset fund	1,719,177	1,828,030
Pension reserve	(29,705,000)	(21,860,000)
Total:	<u>(24,435,066)</u>	<u>(15,595,244)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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 2021 £	Total 2020 £
Bury	601,957	68,223	40,522	117,916	828,619	795,568
St Johns, Stanground	743,663	65,234	76,793	126,208	1,011,897	1,020,399
Duchy of Lancaster	387,396	76,061	36,637	53,981	554,075	481,140
Weeting	466,676	63,579	23,534	51,138	604,928	550,023
St Martin at Shouldham	900,192	69,977	65,298	109,492	1,144,959	1,095,074
The Norman, Northwold	311,928	70,451	27,851	60,047	470,277	384,660
All Saints	382,286	66,988	57,430	54,182	560,886	507,434
Runcton Holme	164,686	37,737	18,448	54,083	274,954	323,780
Wormegay	226,480	31,175	14,751	30,404	302,810	290,312
St Peter's	926,629	125,398	92,747	121,083	1,265,857	1,281,165
Anthony Curton	695,493	145,333	28,101	66,023	934,949	868,171
Tilney All Saints	203,999	55,164	10,895	49,133	319,191	409,994
William De Yaxley	719,005	102,608	66,944	87,744	976,301	1,004,723
Mepal and Witcham	436,312	48,543	40,561	66,438	591,854	518,339
St Andrew's	1,665,958	129,184	91,361	278,533	2,165,036	2,007,192
Ely St Marys	1,360,749	215,858	92,364	148,104	1,817,074	1,909,802
Marshland St James	369,396	64,221	26,301	74,271	534,189	527,867
St Mary St Neots	686,815	33,525	46,771	(62,086)	705,024	982,072
Hilgay	266,439	39,991	34,284	56,770	397,483	387,962
Ten Mile Bank	193,905	27,586	20,386	35,435	277,313	246,581
St Christopher's	1,126,890	162,113	57,720	224,556	1,571,279	1,414,919
Ermine Street	829,170	69,014	53,272	143,594	1,095,049	858,601
Guilden Morden	273,594	68,830	17,775	54,267	414,466	424,101
Guyhirn	384,458	33,023	52,833	62,137	532,451	530,486
Milton	1,384,231	94,093	105,839	258,971	1,843,134	1,630,914
St John's Huntingdon	1,504,885	151,464	66,783	255,684	1,978,817	1,798,016
Wisbech St Mary	816,599	121,819	55,512	176,355	1,170,285	1,094,443
Elm	757,599	142,825	54,160	136,509	1,091,092	1,073,079
Babraham	312,467	32,156	19,717	69,614	433,954	507,952
Farcet	488,441	78,386	37,841	79,997	684,663	654,498
Stilton	690,521	83,238	42,679	102,476	918,914	862,502
Thriplow	513,459	50,799	35,324	72,166	671,747	615,222

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

17. STATEMENT OF FUNDS (continued)

Orchards	1,876,130	285,783	80,100	216,204	2,458,217	1,876,130
St Botolph's	1,357,304	307,162	59,488	153,251	1,877,206	1,357,304
Swaffham Bulbeck	386,291	19,810	25,933	66,591	498,626	386,291
Swaffham Prior	509,977	50,241	20,645	79,761	660,624	509,977
St Luke's	737,968	86,494	61,327	117,489	1,003,279	737,968
Oakington	594,155	76,374	29,820	76,033	776,382	594,155
Holme	484,204	73,330	28,691	73,215	659,440	484,204
Central Services	708,718	3,333,151	38,199	2,299,553	6,379,621	708,718
	<u>27,447,024</u>	<u>6,856,940</u>	<u>1,855,635</u>	<u>6,297,321</u>	<u>42,456,920</u>	<u>40,350,194</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Restricted fixed asset funds 2021 £	Total Funds 2021 £
Tangible Fixed Assets	-	-	1,178,364	1,178,364
Current Assets	3,572,395	2,213,424	540,814	6,326,633
Creditors due within one year	-	(2,121,377)	-	(2,121,377)
Creditors due in more than one year	-	(113,685)	-	(113,685)
Pension scheme liability	-	(29,705,000)	-	(29,705,000)
	<u>3,572,395</u>	<u>(29,726,639)</u>	<u>1,719,177</u>	<u>(24,435,065)</u>

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

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Restricted fixed asset funds 2020 £	Total Funds 2020 £
Tangible Fixed Assets	-	-	936,563	936,563
Current Assets	3,725,827	3,287,399	891,466	7,713,322
Creditors due within one year	14,267	(2,477,081)	-	(2,462,814)
Creditors due in more than one year	-	(113,685)	-	(113,685)
Pension scheme liability	-	(21,860,000)	-	(21,860,000)
	<u>3,740,094</u>	<u>(21,163,367)</u>	<u>1,828,030</u>	<u>(15,595,244)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH
FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(3,485,822)	(2,687,900)
Depreciation charges	333,155	391,925
Decrease/ (Increase) in debtors	210,458	25,188
(Decrease) Increase in creditors	(341,437)	343,630
Defined benefit pension scheme adjustments	2,491,000	2,501,000
Capital grants from the DfE & other capital monies	(1,450,733)	(1,165,844)
Net cash provided by operating activities	(2,243,379)	(592,001)

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2021 £	2020 £
Cash in hand	5,315,455	6,683,056
Debts due within 1 year	(13,692)	(13,692)
Debts due in more than 1 year	(100,033)	(113,725)
	5,201,730	6,555,639

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

21. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £	Cash flows £	Other non-cash changes £	At 31 August 2021 £
Cash	6,683,056	(1,367,641)	-	5,315,455
Cash equivalents	-	(13,692)	-	(13,692)
Change in net debt		(13,692)		(13,692)
Loans falling due within one year	(13,692)	(13,692)	13,692	(13,692)
Loans falling due in greater than one year	(113,725)		(13,692)	(100,033)
Total	(127,417)	(13,692)	-	(113,725)

22. CAPITAL COMMITMENTS

At 31 August 2020 the academy had capital commitments as follows:

	2021 £	2020 £
Contracted for but not provided in these financial statements	165,000	135,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

23. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: The Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Norfolk County Council and Cambridgeshire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

A smaller number of staff belong to the Church Workers Pension Fund (CWPF) which is managed by the Church of England's Pension Board.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012, of the LGPS 31 March 2016 and of the CWPF 31 December 2013.

There were outstanding contributions of £313,925 (2020: £518,579) at the end of the financial year.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £3,272,297 (2020 - £3,046,893).

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £2,564,000 (2020 - £2,220,000), of which employer's contributions totaled £2,070,000 (2020 - £1,768,000) and employees' contributions totaled £494,000 (2020 - £452,000). The agreed contribution rates for future years are 23% for employers and 5.5- 8.5% for employees.

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

Principal actuarial assumptions:

	2021	2020
Discount rate for scheme liabilities	1.7%	1.9%
Rate of increase in salaries	3.5%	2.8%
Rate of increase for pensions in payment /inflation	2.9%	2.0%

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSION COMMITMENTS (continued)

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

	2021	2020
Retiring today		
Males	22.1	21.9
Females	24.4	24.0
Retiring in 30 years		
Males	23.2	22.7
Females	26.3	25.5

Sensitivity analysis

	2021	2020
		£
0.1% decrease in real discount rate (0.5% for 2020)	1,271,000	4,891,000
1 year increase in member life expectancy	2,100,000	
0.1% increase in Salary increase rate (0.5% for 2020)	469,000	359,000
0.1% increase in Pension increase rate (0.5% for 2020)	1,170,000	4,457,000

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

	Fair value at 31 August 2021 £	Fair value at 31 August 2020 £
Equities	13,915,000	10,074,000
Debt instruments	5,748,000	4,052,000
Property	2,420,000	1,970,000
Cash	605,000	732,000
	<u>22,688,000</u>	<u>16,828,000</u>

The actual return/(loss) on scheme assets was a loss of (£3,211,000) (2020 – (£594,000))

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2021	2020
	£	£
Current service cost (net of employee contributions)	4,169,000	(3,881,000)
Net interest cost	392,000	(388,000)
Total	(4,561,000)	(4,269,000)
Actual return on scheme assets	(3,211,000)	(594,000)

Movements in the present value of the defined benefit obligation were as follows:

	2021	2020
	£	£
Opening defined benefit obligation	38,849,000	34,578,000
Current service cost	4,169,000	3,881,000
Interest cost	693,000	692,000
Contributions by employees	494,000	452,000
Benefits paid	8,565,000	(490,000)
Actuarial losses/(gains)	(276,000)	(264,000)
Transferred on conversion	-	-
Closing defined benefit obligation	52,494,000	38,849,000

Movements in the fair value of the academy's share of scheme assets:

	2021	2020
	£	£
Opening fair value of scheme assets	16,888,000	15,217,000
Upon conversion	-	-
Interest income	301,000	304,000
Return on plan assets (excluding net interest on the net defined pension liability)	3,211,000	(594,000)
Contributions by employer	2,070,000	1,768,000
Contributions by employees	494,000	452,000
Benefits paid	(276,000)	(264,000)
Closing fair value of scheme assets	22,688,000	16,883,000

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

22. PENSION COMMITMENTS (continued)

Church Workers' Pension Fund

DEMAT participates in the Pension Builder Scheme section of CWPF for lay staff. The Scheme is administered by the Church of England Pensions Board, which holds the assets of the schemes separately from those of the Employer and the other participating employers.

The Church Workers Pension Fund has a section known as the Defined Benefits Scheme, a deferred annuity section known as Pension Builder Classic and a cash balance section known as Pension Builder 2014.

Pension Builder Scheme

The Pension Builder Scheme of the Church Workers Pension Fund is made up of two sections, Pension Builder Classic and Pension Builder 2014, both of which are classed as defined benefit schemes. DEMAT participates in 'Pension Builder 2014'.

Pension Builder 2014 is a cash balance scheme that provides a lump sum that members use to provide benefits at retirement. Pension contributions are recorded in an account for each member. This account may have bonuses added by the Board before retirement. The bonuses depend on investment experience and other factors. There is no requirement for the Board to grant any bonuses. The account, plus any bonuses declared, is payable from members' Normal Pension Age.

There is no sub-division of assets between employers in each section of the Pension Builder Scheme.

The scheme is considered to be a multi-employer scheme as described in Section 28 of FRS 102. This is because it is not possible to attribute the Pension Builder Scheme's assets and liabilities to specific employers and that contributions are accounted for as if the Scheme were a defined contribution scheme. The pensions costs, £67,707 (2020: £52,632) charged to the Statement of Financial Activities relating to this scheme in the year are contributions payable.

A valuation of the scheme is carried out once every three years. The most recent was carried out as at 31 December 2016.

For the Pension Builder 2014 section, the valuation revealed a surplus of £1.8m on the ongoing assumptions used. There is no requirement for deficit payments at the current time.

The legal structure of the scheme is such that if another employer fails, DEMAT could become responsible for paying a share of that employer's pension liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

24. OPERATING LEASE COMMITMENTS

At 31 August 2021 the total of the Trust's future minimum lease payments under non- cancellable operating leases was:

	2021	2020
	£	£
Amounts payable:		
Within 1 year	37,374	19,726
Between 1 and 5 years	9,224	6,288
Total	<u>46,598</u>	<u>26,014</u>

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations 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 trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

There have been no related party transactions in the current or prior year to disclose.

26. POST BALANCE SHEET EVENTS

From September 2021, Runcion Holme and Wormegay Primary Schools have amalgamated to form Holy Cross Church of England Primary School.

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.