
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Southwell & Nottingham Diocesan Board of Finance (Corporate) Bishop of Southwell & Nottingham Chair of the Board of Southwell & Nottingham Multi Academy Trust Chair of The Diocese of Southwell & Nottingham Board of Education
Trustees	Philip Blinston Hilary Craik Ian Griffiths (resigned 31 August 2022) John Hunter Chris Moodie Angela Pae Roger Periam Nigel Frith
Company registered number	08738949
Company name	Diocese of Southwell and Nottingham Multi-Academy Trust
Principal and registered office	Jubilee House Westgate Southwell Nottingham NG25 0JH
Company secretary	Jo Saville
Chief executive officer	Chris Moodie

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Senior management team

Chris Moodie, CEO
Anna Martin, Principal Magnus C of E Academy and Executive Head West
Grantham Primary and Secondary Academies
Jim Semmelroth, Head of School Magnus (resigned 31 August 2022)
Kerrie Clowes, Headteacher Harworth C of E Academy
Sam Robinson, Headteacher St Mary Magdalene C of E Primary School
Gez Rizzo, Headteacher St John's C of E Academy and Executive Headteacher
Haggonfields Primary and Nursery School (appointed 1 September 2021)
Phil Abbott, Headteacher Worksop Priory C of E Primary Academy
Liz Duffell, Headteacher St Peter's Crosskeys C of E Academy
Heather Gabb, Headteacher Burntstump Seely C of E Primary Academy (resigned
31 December 2021)
Emily Sopp, Headteacher Burntstump Seely C of E Primary Academy (appointed
1 January 2022)
Helen Thomas, Executive Headteacher St Swithun's C of E Primary Academy
Sarah Clarke, Headteacher The Kings C of E Primary Academy
James Marshall, Headteacher St Peter's C of E Primary Academy Mansfield
Helen Thomas, Executive Headteacher St Swithun's C of E Primary Academy
(resigned 31 August 2022)
Lisa McVeigh, Principal The Samworth Church Academy
Maria Parkin, Headteacher St Mary's C of E Primary School Edwinstowe
Sarah Barratt, Headteacher Hucknall National C of E Primary School
Claire Barber, Head of School then Headteacher West Grantham C of E
Secondary Academy
Natalie Smyth, Head of School then Headteacher West Grantham C of E
Primary Academy
Clare Kent, Headteacher Mount C of E Primary and Nursery School
(appointed 1 November 2021)
Joanna Hall, Academy Improvement Director (appointed 1 September 2020)
Sarah Perry, Business Director
Jo Saville, Trust Operations Director

Independent auditor

Mazars LLP
Chartered Accountants
Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Bankers

Lloyds Bank PLC
12 - 16 Lower Parliament Street
Nottingham
NG1 3DA

Solicitors

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors' Report of Diocese of Southwell and Nottingham Multi Academy Trust for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

During the reporting period the Trust operated academies as follows:

- Magnus C of E Academy – an academy for pupils aged 11 to 19 serving a catchment area in Newark, Nottinghamshire with a pupil capacity of 1050 and 714 on roll in the school census of October 2021.
- Harworth C of E Academy – an academy for pupils aged 4 – 11 serving a catchment area in Harworth Nottinghamshire with a capacity of 210 and 194 on roll as in the census October 2021.
- St Mary Magdalene C of E Primary School – an academy for pupils aged 4 – 11 serving a catchment area in Sutton-in-Ashfield in Nottinghamshire with a capacity of 210 and 207 on roll as in the census October 2021.
- St John's C of E Academy an academy for pupils aged 3 – 11 serving a catchment area in Worksop in Nottinghamshire with a capacity of 420, not including the nursery, and 422 pupils of statutory school age and 28 nursery pupils on roll as in the census October 2021.
- St Peter's Crosskeys C of E Academy – an academy for pupils aged 4 – 11 serving a catchment area around Farndon in Nottinghamshire with a capacity of 210 and 205 on roll as in the census October 2021.
- Burntstump Seely C of E Primary Academy – an academy for pupils aged 4 – 11 serving a catchment area around Arnold in Nottinghamshire with a capacity of 120 and 85 pupils of statutory school age and 5 nursery pupils on roll as in the census October 2021.
- Worksop Priory C of E Primary Academy – an academy serving a catchment area in Worksop in Nottinghamshire with a capacity of 210 pupils aged 4 – 11 and 202 statutory age and 15 nursery pupils on roll in the census of October 2021.
- The Kings C of E Primary Academy – an academy serving a catchment area in Newark in Nottinghamshire with a capacity for 345 pupils aged 3 – 11 and 244 pupils of statutory school age and 12 nursery pupils on roll in the census October 2021.
- St Peter's C of E Primary Academy Mansfield – an academy serving a catchment area in Mansfield in Nottinghamshire with a capacity for 315 pupils aged 3 – 11 and 211 pupils of statutory school age and 13 nursery pupils on roll on the October 2021 census.
- St Swithun's C of E Primary Academy – an academy serving a catchment area in East Retford in Nottinghamshire with a capacity for 129 statutory age pupils and 103 pupils and 9 nursery pupils on roll on the October 2021 census.
- The Samworth Church Academy – an academy for students aged 11 – 19 situated in Mansfield with 1044 students on roll on the October 2021 census. The academy has capacity for 900 11 – 16 age pupils and 250 post 16 students.
- St Mary's C of E Primary School Edwinstowe - an academy serving a catchment area in Edwinstowe near Mansfield Nottinghamshire with a capacity for 105 statutory age pupils and 98 pupils and 8 nursery pupils on roll on the October 2021 census.
- Haggonfields Primary and Nursery School – an academy serving a catchment area around Rhodesia near Worksop with a capacity for 105 statutory age pupils and 78 pupils and 10 nursery pupils on roll on the October 2021 census.
- Hucknall National C of E Primary School – an academy serving a catchment area in Hucknall in Nottingham, with a capacity of 420 pupils aged 4 – 11 and 406 on roll on the October 2021.
- West Grantham C of E Primary Academy – an academy serving the Earlsfield catchment area in Grantham, Lincolnshire with 263 statutory age pupils and 7 nursery pupils on roll on the October 2021 census.
- West Grantham C of E Secondary – an academy serving the Earlsfield catchment area in Grantham, Lincolnshire with 303 students on roll on the October 2021 census.
- Mount C of E Primary and Nursery School – an academy serving a catchment area in Newark, Nottinghamshire with 194 statutory age and 13 nursery pupils on roll on the October 2021 census - converted to academy status and joined the Trust on 1 November 2021.

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

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy Trust.

The Trustees of Diocese of Southwell and Nottingham Multi Academy Trust Limited are also the directors of the charitable company for the purposes of company law.

The charitable company operates as the Diocese of Southwell and Nottingham Multi Academy Trust ("SNMAT") but also trades under the names of its individual academies as follows:

Magnus C of E Academy
Harworth C of E Academy
St Mary Magdalene C of E Primary School
St John's C of E Academy
St Peter's Crosskeys C of E Academy
Burntstump Seely C of E Primary Academy
Worksop Priory C of E Primary Academy
The William Gladstone C of E Primary Academy
St Peter's C of E Primary Academy Mansfield
St Swithun's C of E Primary Academy
The Samworth Church Academy
St Mary's C of E Primary School Edwinstowe
Haggonfields Primary and Nursery School
Hucknall National C of E Primary School
West Grantham C of E Primary Academy
West Grantham C of E Secondary Academy
Mount C of E Primary and Nursery School

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1 and 2.

b. Members' liability

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

c. Trustees' indemnities

Indemnity cover to the value of £5,000,000 is provided for each academy through the DfE Risk Protection Arrangement for which a deduction is made on a monthly basis from the General Annual Grant Funding Allocations. This cover applies to all trustees of the trust acting in accordance with the role of professional responsibilities of the Multi Academy Trust in addition to the local governing bodies of the individual academies.

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

Potential new trustees are identified by the Trust Board, ensuring that the skills and expertise of new trustees are complimentary to those existing on the Board. Under the Articles of Association, the SNMAT Members have the power to appoint trustees - they are not subject to election.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new trustees depends upon their experience. Where necessary and appropriate the induction process will provide training on charity, education, legal and financial matters. All new trustees are welcome to visit any of the academies and to meet with staff and students. All trustees are provided with access to policies, procedures, minutes, accounts, budget plans and any documents that they may need to undertake their role as trustee. Trustees undertake an induction which is designed to cover the basic requirements to undertake the role and reflect the knowledge and experience they bring with them.

f. Organisational structure

The Trust is run by a Board of Directors who have overall legal responsibility for the operation of the Trust and the Academies within it. The Board works in partnership with its academies. Each Academy has its own Local Governing Body. The Governors who serve on the Local Governing Body are appointed by the Board of Directors. They include both parent and staff representatives. The Trust continues to grow. Mount C of E Primary and Nursery School joined SNMAT on 1 November 2021. Cotgrave C of E Primary School is scheduled to convert and join the Trust on 1 October 2022, Huthwaite All Saints Infant and Nursery School, Selston Infant and Nursery School, and Gamston C of E Primary School have been granted academy orders and will convert and join the Trust later in the year. In addition Leverton C of E Academy will be transferring to the Trust later in the year.

Academies joining the Trust are allocated to the appropriate academy category based on their latest Ofsted inspection report and recent performance trends. The Trust operates a Scheme of Delegation, which covers finance, human resources, education, asset management and strategy. It provides for certain functions to be carried out by one or more of the following: the Board of Directors, the Chief Executive Officer, the Principal/Headteacher of the Academy and the Local Governing Body of the Academy. The category of allocation is important because the scheme of delegation dictates the constitution of the Local Governing Body and the extent to which responsibilities are delegated to the Local Governing Body of the academy by the Trust Board. During the period under review the Trust served five sponsored academies, two supported academies and ten supporting academies. The Board of Directors meets at least 6 times per year and the Audit Committee meets 3 times per year. In addition, a Finance Task Group quality assures the management accounts reports and other task groups are formed with specific remits to focus on strategic topics and report back to the Board by a termly monitoring report as and when required. A Remuneration Committee agrees the remuneration for senior centrally appointed staff annually.

A significant number of responsibilities under the Scheme of Delegation lie with the Chief Executive Officer (CEO) of the MAT. The CEO delegates some duties to staff appointed by the Trust, staff from the Diocesan education team and appointed consultants.

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

None of the trustees of the multi academy trust receives pay or remuneration except for the Chief Executive Officer. The CEO, Academy Improvement Director and Business Director of the trust are currently remunerated at spot rates, which were initially set following benchmarking exercises prior to recruitment. The CEO is paid at a level below the top of the STCPD Leadership Group pay range, which allows for reasonable differentiation between the role and that of the highest paid Principal/Headteacher. These posts are remunerated at a level below that often paid to post holders in similar roles in other multi-academy trusts. The responsibility for determining, and annually reviewing, the level of pay of the central senior management staff has been delegated to the Remuneration Committee of the Board of Directors. Pay increases are awarded in line with cost of living allowances for all other staff employed by the Trust and, where appropriate, to progress made by academies in the Trust.

Pay ranges for principals/head teachers, deputy head teachers and assistant head teachers are determined in line with STPCD for new appointments, where responsibilities significantly change or if the academy trust chooses to review pay of leadership posts in line with STPCD. The pay ranges take into account all permanent responsibilities of the role, any challenges that are specific to the role and all other relevant considerations including the skills and competencies required. Pay ranges allow appropriate scope for performance related progression over time.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£
Total cost of facility time	9,564
Total pay bill	30,334,581
Percentage of total pay bill spent on facility time	0.032 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	20 %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

The Trust works closely with the Diocese of Southwell and Nottingham as it was set up primarily to serve church schools within the Diocese. The Diocesan Board of Finance initially provided funds related to the setting up of the Multi Academy Trust and is a corporate member of the Trust. Maintaining this link is a commitment made by both parties as the Trust grows and develops. The Trust Support Team is based at the Diocese of Southwell and Nottingham offices in Jubilee House in Southwell and rents facilities there at cost under a service level agreement. Support is also provided for the Trust by the Deputy Diocesan Director of Education at cost.

j. Engagement with employees (including disabled persons) (Section 172 Statement)

The Diocese of Southwell and Nottingham MAT had 839 employees (average headcount) in 2021-2022. The Trust maintains a consultative approach to all aspects of its operation. This is exemplified by the high level of communication the CEO has maintained with all its employees during the Covid 19 pandemic.

The CEO meets termly with all the Principals/Headteachers of its academies to consult with them regarding current issues and the Principals/Headteachers meet regularly with the staff in their academies to keep them apprised of developments. The Business Director meets termly with the Business Managers of all the academies and consults with them regarding what is working well and what processes and procedures could be changed to improve effectiveness.

The Trust has an established Joint Consultation and Collaboration Committee (JCC) on which the following trade unions represent their members – NEU, NASUWT, the Voice, ASCL, GMB and UNISON. Consultation takes place with the trade unions on behalf of their members regarding revisions to policies and provides a forum for trade unions to raise any issues of concern to their members.

The Trust has an Above and Beyond scheme to acknowledge the contributions made by individuals over and above the normal requirement for their roles. The scheme asks Headteachers to nominate members of staff each term. Nominated staff are presented with a gift card and a personalised letter from the CEO recognising their contribution to the performance of the Trust. Photographs of the nominated employees are included in the MAT newsletter.

The Trust is an equal opportunities employer and consideration is given to disabled people's requirements during the applications process. Where an employee becomes disabled the Trust carries out occupational health reviews as appropriate and makes reasonable adjustments to enable the employee to continue to undertake their role.

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

Structure, governance and management (continued)

k. Engagement with suppliers, customers and others in a business relationship with the Academy Trust
(Section 172 Statement)

The Trust regularly consults with stakeholders. As an education provider it is required to consult with all stakeholders, including parents, the Local Authority and the wider community, regarding admission criteria. The Trust has implemented a consistent format for reporting its' admission criteria to assist all stakeholders with understanding and interpreting admission requirements. The Trust Support Team has liaised with and supported academies during admission consultations to ensure they are as effective and efficient as possible.

Where schools are interested in the possibility of converting to become academies or other academies are interested in transferring into the Diocese of Southwell and Nottingham MAT, the Trust ensures that consultation takes place with the staff, parents and local community to ensure that they are aware of and understand the implications. During 2021-2022 such consultation took place in respect of Mount C of E Primary and Nursery School and Cotgrave C of E Primary School. In respect of all church schools there is a requirement that the Trust also consults with the Diocese, which must give approval for a church school to join a Multi Academy Trust.

The Trust maintained a cycle of Governor Keeping in Touch, Accountability Panel and Full Governor meetings with the aim of making governance more effective and efficient while promoting wellbeing for both staff and governors. This ensures that governors are able to hold leaders to account through external advice from the Academy Improvement Advisor.

During the Covid 19 lockdown the CEO regularly consulted with Headteacher, staff and parents of all the academies throughout the lockdown to ensure that everyone was reassured that the necessary processes and procedures were being put in place to safeguard the health of all concerned.

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

Objectives and activities

a. Objects and aims

The principal object and activity of the charitable company as stated in its Articles of Association is to advance for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

In accordance with the articles of association, the charitable company has entered into relevant funding agreements with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the academies, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

The main objects/aims of the trust during the year ended 31 August 2022 are summarised below:

- To express, both explicitly and implicitly, core Christian values such as responsibility, acceptance, truth and justice throughout our schools and academies and for these to be reflected in all aspects of the curriculum offered.
- To focus on the academic development of pupils with reference to Communication, Literacy, Numeracy and IT skills within a curriculum framework that also pays close attention to the personal development of pupils, their leadership and organisational skills, their understanding of citizenship, community involvement and forming a constructive relationship with the world of work.
- To develop pupils' abilities to make informed choices, solve problems and make decisions.
- To encourage a holistic approach to the development of pupils believing that each person is an individual made in the image of God and should therefore be supported to reach their full potential by receiving the very best education possible.
- To ensure that all pupils succeed and thrive in school by raising aspirations and tackling disadvantage.
- To provide strong support for operational needs to enable head teachers and their staff to focus on teaching and learning.

b. Objectives, strategies and activities

During 2021 - 2022, SNMAT expanded further as Mount C of E Primary and Nursery School became a partner academy. The expected conversion of Cotgrave CoE Primary School was stalled due to a complicated lease arrangement for the playing field (owned by a local brewery). This has now been resolved and the conversion took place on 1 October 2022.

In addition to this, a further five primary schools are in the process of converting or, in the case of one that is already an academy, transferring to this Trust. All have either secured an Academy Order or at the later stages of doing so. Additionally, other schools have signaled interest in either joining SNMAT or are wishing to further understand what this would mean for them. The governmental strategy, as outlined in the Education Act, of all schools joining a successful MAT by 2030 has changed the landscape and appetite for conversion.

The Trust Board of Trustees have determined that SNMAT will limit the number of partner academies to (broadly) thirty. This has been decided in order to protect the strengths of SNMAT (retaining the 'family' at the centre of all of our work) and ensuring that our offer is not impacted negatively by expanding to become a large (and ultimately more corporate) organisation. As partner academies of this, the number of small schools that SNMAT can financially accommodate without detriment to the effectiveness of our work has been limited to ten. The current pipeline will bring the number of small schools to ten and, accordingly, the remaining small schools will be asked to seek an alternative Trust within the Diocese.

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

Objectives and activities (continued)

The Academy Improvement Team (AIT) has been extended to reflect the level of need resulting from our expansion over the past two years. The COVID lockdown restricted our need to do this on a temporary basis as academy visits were limited for a period of time. The needs of academies for support and challenge in this ongoing time of recovery are substantial and – as a result – additional human resource has strengthened the AIT.

Trust Primary outcomes were in line with the national picture overall. There were the usual fluctuations across the Trust, with some partner academies performing well above the national level and others dipping below. Where the latter is the case, we are continuing to provide additional challenge and support to ensure that standards rise quickly and pupils' life-chances are optimised.

Trust Secondary outcomes reflect the varying positions of the secondary academies. Encouragingly, outcomes were at least in line with predictions and were more positive in key areas. Early analysis of the progress made by students in West Grantham Secondary Academy, for example, is much better than that predicted at the start of the year. This reflects the hard work and determination of a newly formed leadership group who have placed students and the epi-centre of their work.

The priorities identified in evaluative and diagnostic response to partnership work are:

- Ensure that teaching colleagues are well supported as they enter the profession by providing focused support for ECTs and leaders of the future.
- Enhance the SLT profile through a termly online Academy Improvement Forum for all senior leaders (phase specific).
- Harvest and evaluate feedback from stakeholders at all levels within the Trust.
- Establish and secure a finite pipeline that reflects the strategic direction set by the Board and Directors.
- Develop an annual statement of provision for partner academies that details the Trust offer to partner academies.
- Integrate the role of the Academy Business Analyst within the finance team in order that the support that partner academies enjoy is strengthened.
- Review, evaluate and refresh the governance systems, protocols and processes at Director level in order to improve efficiencies and create opportunities for more strategic leadership.
- Review and secure the delivery of high-quality HR provision including casework, policy development, retention and pay-roll.
- Plot, cost and manage the likely Trust level staffing impact of future expansion, both known and predicted.

c. Public benefit

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commissions general guidelines in public benefit. The Trustees have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The Academy Trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

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

Strategic report

Achievements and performance

a. Key performance indicators

The key performance indicators in schools and academies tend to be set in terms of Teaching and Learning rather than financial performance. These include outcomes of OfSTED inspections, results of Key Stage tests and national examinations benchmarked against similar schools and attendance data although increasingly emphasis is being placed on evaluation of the management of resources used to achieve these.

Mary Magdalene C of E Primary Academy was inspected in the Autumn term of 2021. It was judged to be a 'good school' in all areas. The school was previously inspected in 2007 and was then judged to be 'outstanding'. The academy has experienced substantial staffing turbulence over a prolonged period of time and has emerged (and been recognised) as a strong and improving academy.

St Peter's C of E Primary Academy, Mansfield was inspected in the spring term of 2022. It was judged to be a 'good school' in all areas. This is a significant achievement as it was a sponsored academy, likely to have been judged inadequate upon conversion.

Performance at the Primary Academies

Early Years

The Trust wide average was 62% of pupils achieving a GLD. Nationally in 2022, 65.2% of pupils achieved GLD. The outcomes reflect the impact of Covid on the youngest children in the Trust. The impact has increased in academies with higher levels of deprivation and who are newer to the Trust for example Mount 45% and West Grantham 46%. It is pleasing that outcomes at Kings 56% and Priory 50 % have improved again this year as a result of focused work and support this year.

Key Stage 1

Outcomes at Key Stage 1 were below National due to the high numbers of schools with greater than National levels of deprivation that were affected by the pandemic. Outcomes in reading across the Trust were that as a result, focused support, CPD and targeted actions are in place to improve outcomes in 2023.

Outcomes are considerably weaker in academies with high levels of deprivation reflecting the negative impact of COVID on young children's education for the past three years which is their whole school life.

Outcomes for pupils with SEND are also below where we would expect them to be again due to the impact of COVID

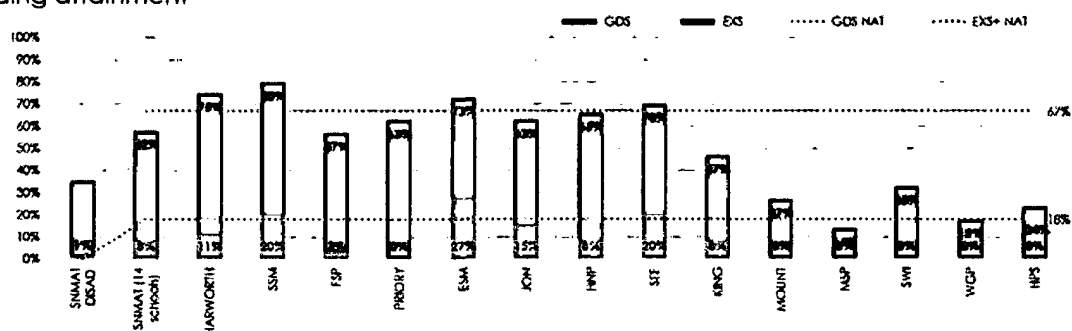
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

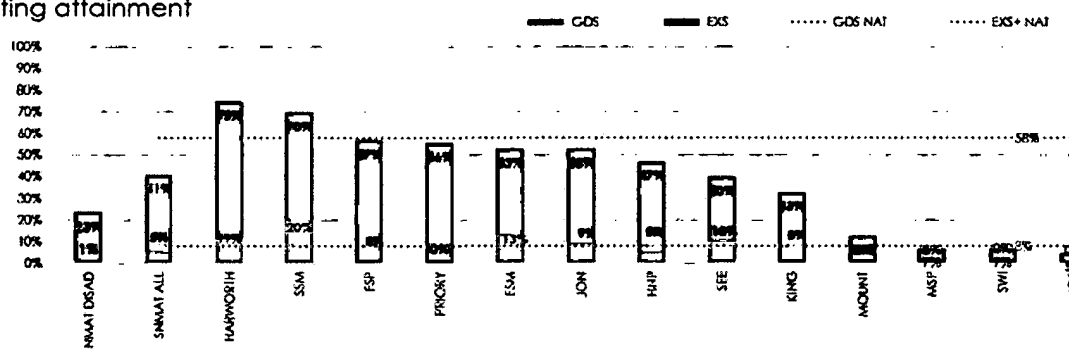
Strategic report (continued)

Achievements and performance (continued)

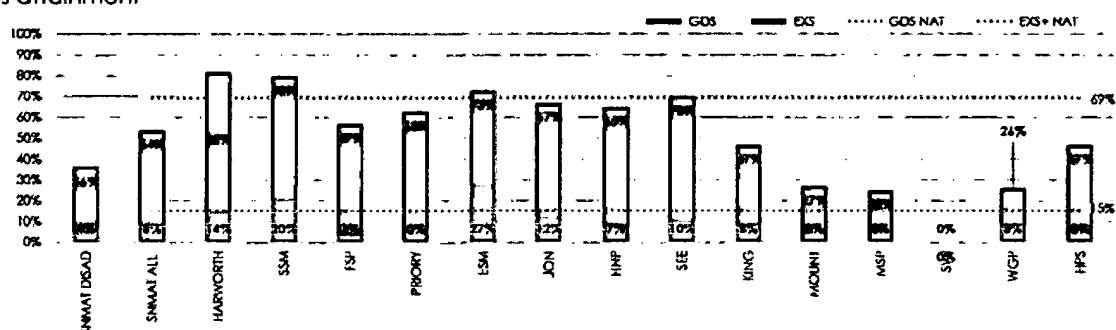
YR 2 Reading attainment



YR 2 Writing attainment



YR 2 Maths attainment



Phonics outcomes at 65% are below National. Reviews of Early reading are taking place so that appropriate support will be implemented.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

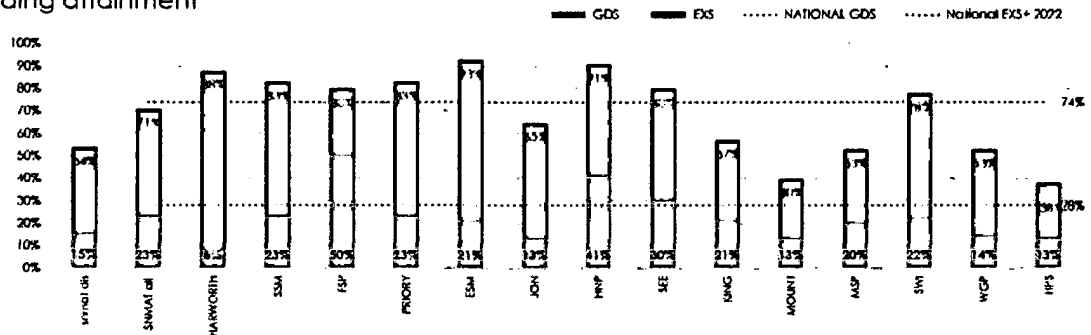
Key Stage 2

SNMAT Trust wide Key stage 2 outcomes are broadly in line with National. National combined 59% SNMAT is broadly in line at 58%.

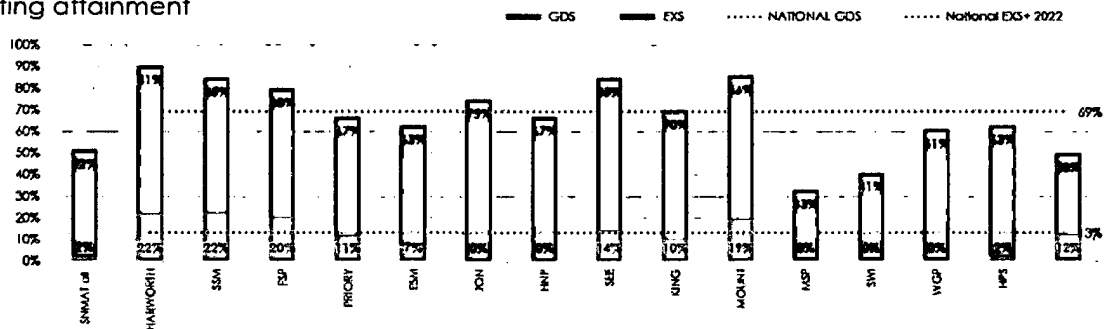
Where attainment is lower than National for some academies eg KING's, progress is stronger.

Focused support to improve outcomes in writing is in place.

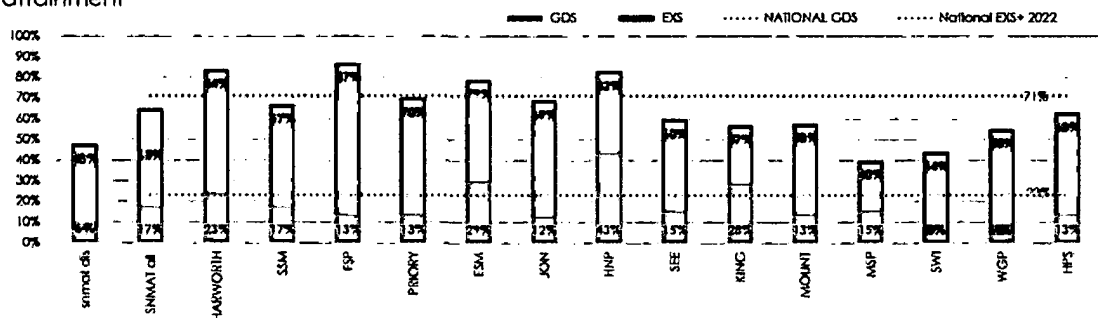
YR 6 Reading attainment



YR 6 Writing attainment



Yr6 Maths attainment



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

Strategic report (continued)

Achievements and performance (continued)

Performance at the Secondary Academies

The performance at GCSE and A level is an improving picture for Secondaries. Leaders' analysis of outcomes show significant improvements when the groups of students attending Alternate Provision at Key Stage 4 is removed. These groups took on average 3 GCSEs each.

		WGPA		Magnus		TSCA	
Outcomes Y11		A8	P8	A8	P8	A8	P8
All		3.31	-0.5	3.48/4.1	-0.3/0.05		-0.04
PPG	Yes PP		-0.7		-0.71		-0.96
	Not PP		-0.4		0.28		
	Diff		0.3		0.99		
						% achieving	P8
English	9-5	35%			-0.31	51.4	
	9-4	57%		51%		71.8	
Maths	9-5	48%			-0.24	41.4	
	9-4	57%		50%		58.6	
Grade 5+ English and Maths				28		34.8	
Grade 4+ English and Maths				44		56.9	

Key Stage 5

The Samworth Church Academy

The outcomes at the Samworth Church Academy were very pleasing. The progress figure for 2022 is predicted to be -0.2 when new measures are calculated in November for the progress scores.

Pass rate – 96% (pass rate in 2019 was 91%)

Grades A* - B – 40% (by comparison with 2019 when this was 24%)

Average Grade for academic courses – C (by comparison with D+ in 2019).

Magnus Church of England Academy

The outcomes at Magnus were strong. The progress figure for 2022 is predicted to be -0.47 (possibly not aligned with the new progress calculations).

Pass rate – 96%

Grades A* - B – 49%

Average Grade for academic courses – C

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

Strategic report (continued)

Achievements and performance (continued)

Attendance across the Trust

The attendance outcomes continued to be negatively impacted by COVID-19. However, it remains above National average across the Trust.

Primary attendance across SNMAT during this period was 92%

Secondary attendance across this period was 90%

Financial Performance Indicators

Financial Key Performance Indicators measure the pupil/teacher ratio, cost per pupil for different groups of staff the percentage of total costs and total income spent on staffing and the total income and expenditure per pupil. The table below shows the financial KPIs for the individual academies in the Trust for 2021-2022 as generated from the financial management system.

Location	School Type	Pupil /Teacher	Teach cost per pupil	Edu supp cost per pupil	Other staff costs per pupil	Staff costs / Total costs	Staff costs / GAG income	Staff costs / Total income	Total Cost per pupil	Total Income per pupil	Non – Teaching / Teaching
ESM	PRIMARY	21.2	2,589	1,391	670	76.6%	109.4%	79.2%	6,238	6,032	79.6%
FSP	PRIMARY	22.2	2,281	1,028	482	72.6%	90.7%	71.5%	5,227	5,307	66.2%
HAG	PRIMARY	16.6	3,062	1,294	997	75.6%	97.5%	73.7%	7,185	7,363	74.8%
HAR	PRIMARY	24.3	2,350	1,159	438	76.6%	91.7%	72.7%	5,186	5,461	68.0%
HNP	PRIMARY	22.4	2,411	949	458	76.9%	90.2%	73.8%	4,991	5,201	58.4%
JON	PRIMARY	24.6	2,207	931	795	77.1%	102.9%	76.7%	5,181	5,213	78.2%
MAG	SECONDARY	15.3	3,607	1,283	1,038	76.9%	100.3%	75.0%	7,812	8,010	64.3%
MSP	PRIMARY	22.4	2,431	1,664	675	77.5%	105.0%	73.5%	6,687	7,047	96.2%
PRI	PRIMARY	21.7	2,807	2,165	462	82.7%	118.5%	84.4%	6,704	6,574	93.6%
SAM	SECONDARY	15.4	3,750	896	732	79.3%	96.1%	80.6%	6,930	6,820	43.4%
SEE	PRIMARY	18.6	3,310	556	516	71.8%	87.9%	69.7%	6,171	6,354	32.4%
SSM	PRIMARY	20.7	2,395	557	594	76.9%	91.5%	74.9%	4,972	5,103	48.0%
SWI	PRIMARY	22.4	3,230	1,105	700	76.4%	130.5%	83.2%	8,056	7,405	55.9%
WGP	PRIMARY	20.4	2,488	1,670	957	75.3%	92.7%	65.1%	7,115	8,230	105.6%
WGS	SECONDARY	13.3	4,249	1,582	1,263	80.4%	92.0%	75.3%	8,952	9,564	67.0%
WMG	PRIMARY	18.9	2,614	1,561	617	76.9%	100.2%	73.9%	6,487	6,753	83.3%

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Value for money is demonstrated if the level of expenditure per pupil has produced test results, which are on target or have exceeded the target. It is usually accepted that staff costs should be between 75 - 80% of the total expenditure for a school. However, the figures above do not include the costs of staff who are not paid through SNMAT. In some cases, Executive Head teachers and Sencos work partially in SNMAT academies and partially in other schools by arrangement. Those schools are invoiced for their time at cost. The staffing profile, especially for small to medium size primary schools, also impacts on the overall staffing costs. Also, the central trust recharge, which is included as other expenditure, covers the costs of central trust staff which skews the split between staffing and other expenditure. Other DfE Grant Income is included in this report under Other Income.

The figures for Mount C of E Primary and Nursery School are not included as these are for a period of 10 months as the academy only joined the SNMAT on 1 November 2021.

b. Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and after making appropriate enquiries, have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future. The Trust continues to grow which enables it to support itself during times such as the recent pandemic, in which the academies suffered minimal detriment. Most of the academies have good reputations in their local communities as they aim to meet the needs of their stakeholders. Support provided by the Trust to maintained schools in the local area during the pandemic enhanced the Trust's reputation and led to interest from other schools in joining the Trust. This, together with careful financial management, has resulted in the Trust having a positive revenue reserve position. It is for these reasons in which the Trustees have concluded there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

Strategic report (continued)

Achievements and performance (continued)

c. Promoting the success of the company (Section 172 Statement)

The Board of Directors gives due consideration to the implications of Section 172 reporting during the discussions at its meetings. Any strategic discussions take into consideration the consequences of long-term decision making, the interests of its employees, the impact of operations on its stakeholders and the environment, the reputation of the Trust and the need to act fairly. These are included in the assessment of risks in the Trust risk register. Examples of this in 2021-2022 are:

- Ongoing consultation with Newark and Sherwood District Council regarding a Community Use Agreement for the synthetic pitch at Magnus which has now been finalised.
- In depth discussion of the long-term implications of a short term lease for land owned by a private company used as a playing field by a school in the process of converting and joining the Trust.
- Arranging the agreement with the Local Authority and the DfE for the out of use Children's Centre adjacent to Haggonfields Primary School to be transferred to the Trust for use by the school for its nursery provision.
- Continuing consultation with the DfE, Lincolnshire County Council and CIT regarding the transfer of the West Grantham Primary upper site to CIT to enable it to expand in support of Lincolnshire's SEN strategy in exchange for part funding an extension at the West Grantham Primary lower site to enable all the pupils to be relocated to a single site.
- Continuing consultation with academies regarding collaborative ways for on-line learning and remote teaching following the pandemic.
- Consultation with the Trust Support Team regarding the most productive ways of working building on the experiences of working from home during the pandemic.
- Consultation with trade unions regarding new Trust specific HR policies.
- Continuing close working relationships with the Diocese in respect of the academisation strategy.
- Engagement with schools looking to join the Trust.

Financial review

Financial Effect of Significant Events on the Financial Performance and Financial Position of the Trust

The Covid 19 pandemic continued to have an impact on the financial position of the Trust in 2021-2022, particularly other income and income from trading activities. Income from lettings, educational visits and staff consultancy continued to be lower than had been the case prior to the pandemic. Take up from paid meals for catering has also not fully recovered to pre-pandemic levels.

For those academies with nursery provision there has continued to be a lower than usual take up of places which has reduced grant income from the Local Authority.

Mount C of E Primary and Nursery School joined the Trust on 1 November with funds on conversion of £280,980 which increased the Trust's revenue reserves.

The Trust is eligible for School Condition Allocation Funding as the responsible body for the academies as there are over 5 academies and 3000 pupils in the Trust. The allocation between April and August 2022 was over £1,081,000, which has increased the fixed asset reserves significantly. Capital projects are planned for this but lead times are now longer than prior to the pandemic. In addition to this costs for building work have increased significantly.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Key Factors that are Likely to Affect the Trust's Financial Performance or Position Going Forward

Pupil numbers at some of the academies, such as Burntstump Seely and St Peter's Mansfield, are reducing. Burntstump Seely has reduced to 3 classes from 1 September and is keeping its staffing under review. St Peter's Mansfield requested permission to be able to reduce the permitted admission number (PAN) but this has been denied, which may make restructuring staffing according to need more difficult. The pupil numbers at both the West Grantham Academies are low, although the Trust was aware of the risks around the pupil numbers when it agreed to become the sponsor for these academies. At the West Grantham Primary Academy, the possibilities of reducing the PAN and moving all the pupils to a single site has been consulted on and the reduction in PAN agreed. Approval is awaited from the DfE for the proposal to lease the upper site premises to an academy Trust with an adjacent premises to enable the extension to be built at the lower site so all pupils can be relocated there. At the West Grantham Secondary Academy, it is believed that the improvements that are being made since the academy joined the Trust will result in an improved reputation and hopefully make it a school of choice in the area.

The financial position of the smallest academies in the Trust is always particularly sensitive to any changes in pupil numbers as each pupil represents a greater percentage of the income for that academy than in larger academies. The Trust is committed to supporting small schools in the Diocese and will therefore be affected financially as more small schools convert and join the Trust.

Inflation, particularly for energy, is increasing costs significantly and salaries being agreed with the School Teachers Review body and NJC are significantly higher than budgeted for in 2022-2023. These are circumstances outside the control of the Trust.

Overall Financial Position of the Academy Trust at the Reporting Date

The Trust had revenue reserves of £4,441,359 at 31 August 2022. This represents 13% of the total income of the Trust, £33,321,531, which is higher than the recommended upper threshold of 5% but will be needed to support the academies with the increased staffing and inflationary cost pressures in 2022-2023. The in-year surplus, £518,647, was 1.56% of the total revenue income. This is partly due to the transfer of the Mount C of E Primary and Nursery School surplus on conversion, which will be needed to support the school improvement required. For West Grantham C of E Primary Academy some of the reserves are committed to supporting the movement to a single site.

The Central Trust and 7 of the academies ended the year with an in-year deficit. These in year deficits were largely due to the accrual for the significantly higher than budgeted for support staff pay increase from 1 April 2022. Other reasons for these in year deficits were:

- the planned increase in staffing capacity in the Central Trust in advance of 6 additional academies anticipated to join the Trust in 2022-2023;
- capital expenditure from revenue funding on planned projects at 3 of the academies;
- the termination of the collaboration agreement with a school outside the Trust on 31 March 2022 which resulted in the costs of the full salary of the executive headteacher and Assistant headteacher having to be borne by one of the academies between 1 April and 31 August exacerbated by significantly higher agency staff costs sickness absence and staff turbulence.

However, these in-year deficits are all covered by the academy's revenue reserves so that there were no cumulative deficits at the end of the year.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Trust Income in 2021-22 was 95.5% General Annual Grant (GAG), other DfE and LA grants and 4.5% Other income and income from trading activities. This included the transfer of surpluses on conversion/transfer of the new partner academies. Income received was 7% more than was budgeted for largely due to:

- the receipt of additional Covid Recovery Premium, School Led Tuition and Supplementary Grant funding from the DfE;
- the receipt of additional SEN, behaviour, Afghan pupils and FSM voucher funding from the LAs;
- the surplus on conversion for Mount C of E Primary and Nursery School

Staffing expenditure was 5% over budget, largely due to:

- Changes in staffing which had not been known when the budget was set in May/June 2021;
- increased agency staff costs incurred to cover continuing absences due to the pandemic;
- increases to staffing to meet the needs of pupils for whom SEN funding was approved after the original budget was set or who transferred to a school in year;
- the backdated April 2021 pay increase for support staff which had not accrued for as a pay freeze for all but the lowest paid staff had been anticipated;
- the change to the term time only calculations for support staff pay from 52 weeks to 52.143 weeks to bring it into line with the green book;
- the termination of a collaboration agreement between the Trust and the LA at Easter 2022 which resulted in the Trust having to cover the full salary for the Executive Headteacher for whom only 50% of the salary had been budgeted;
- the accrual for the estimated support staff pay increase for April – Aug 2022 following the update on the NJC pay negotiations over the summer, which was significantly higher than had been budgeted for.

Other expenditure was 14% over budget largely due to:

- increased expenditure to offset additional ring-fenced income on free school meals vouchers funded from the household support fund grant and support for Afghan pupils which had not been agreed at the time that the budget was set;
- increased expenditure for covid recovery due to an increase in funding that had not been included in the original budget;
- direct revenue financing for capital works funded from revenue reserves that had not been planned when the original budget was set.

The in-year surplus at the end of the year was 6.8% higher than budgeted largely due to the funds transferred on conversion.

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

a. Reserves policy

The Trustees have reviewed the reserves of the Trust. This review encompasses the nature of income and expenditure streams, the need to match them with commitments, the future cost of possible redundancies and the nature of reserves.

The Trustees keep the level of central reserves under review and it was agreed that from 1 September 2021 the recharge would be increased for supporting academies from 4% to 4.5%, for supported academies from 5% to 5.25% and for sponsored academies from 5% to 5.5%. The Trust aims to retain centrally held reserves to cover 3 months of central operating expenses plus a £50,000 allowance to enable the central MAT to assist any academy in difficulties and another £50,000 allowance to support MAT growth. This policy regarding central reserves continued in place during 2021-2022. The reserves policy also includes having a consolidated MAT revenue reserve of 5% of its total restricted and unrestricted income. The total revenue income for the consolidated MAT was £34,840,983, 5% of which would be £1,742,049.

The 2021-2022 in year revenue surplus of £518,647 increased the revenue reserves from £3,922,712 to £4,441,359. The £4,441,359 of restricted general funds (excluding pension fund) and unrestricted funds is 13% of the Trust's total income in 2021-2022 which exceeds the Trust's reserves policy. The reserves will be used to cover:

- The increased investment to raise standards in sponsored academies;
- The additional costs for moving all the pupils at the West Grantham Primary Academy onto a single site;
- Higher costs due to lagged funding for increasing pupil numbers at some academies;
- Reduced income due to dip in pupil numbers in some of the academies;
- The cost of any redundancies that may arise from any future restructure;
- Unsustainable staff costs prior to anticipated natural wastage;
- Growing central MAT staffing to build capacity as the SNMAT grows;
- Significant increases in costs due to higher than anticipated levels of inflation, particularly for energy
- The higher than budgeted for pay increases for teachers from 1 September 2022 and support staff backdated to April 2022.

A surplus or deficit position of the pension scheme generally results in a cash flow effect for the academy trust in the form of an increase or decrease in employers' pension contributions over a period of years. The pension deficit at 31 August 2022 was reduced significantly from £31,095,000 to £4,348,000.

The total funds balance at 31 August 2022 is £43,062,709 of which £42,969,350 is the restricted fixed asset fund not available for general purposes.

b. Investment policy

Following agreement by the Board in 2020-2021 the Trust now has a 32 day account and a 95 day account with the bank in order to maximise any possible interest from the increased levels surplus funds with as little risk as possible. The MAT does not hold any longer-term investments.

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

c. Principal risks and uncertainties

The Trustees have assessed the major risks to which the academies in the MAT are exposed, particularly those related to the operations and finances, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The MAT's exposure to financial risks is minimal because the financial instruments dealt with are largely bank balances, cash and trade creditors, with limited trade and other debtors. There is a deficit within the Local Government Pension Scheme, as described in note 28 to the financial statements but this is subject to periodic actuarial review and regulatory monitoring by Trustees and is not expected to crystallise in the accounts.

The principal risks and uncertainties relating to the MAT are as follows.

The future level of funding of education is uncertain in the current economic climate. This is mainly outside the control of the Trustees, but they engage with the Department for Education when opportunities arise. The Trustees also set prudent budgets and review staffing structures and curriculum models to ensure the Academies within the Trust are reactive to the changing funding levels.

The finances of the Trust are also highly sensitive to pupil numbers. At Magnus C of E Academy pupil numbers have now recovered but the pupil numbers at West Grantham C of E Secondary Academy are particularly low. Pupil numbers at St Peters Mansfield and Burnstump Seely are falling although pupil numbers at most of the primary academies are stable. The smallest of the primary schools in the Trust, Burnstump Seely, St Swithun's, St Mary's Edwinstowe and Haggonfields are particularly sensitive to any decrease in pupil numbers. Pupil number projections for Nottinghamshire produced by the County Council indicate a decline in the number of primary age pupils over the next 5 years which will impact on all schools in the region.

However, the greatest uncertainty in 2021-2022 has been created by the impact from the war in Ukraine and Brexit on the level of inflation which has increased by significantly more than was forecast. One aspect of this is the increase in energy costs which are likely to have a significant impact on budgets.

Fundraising

The academies in the Trust usually carry out very low levels of fundraising, which include activities for pupils to raise money for other charities and school fairs/fetes or other similar activities. Commercial participators/professional fundraisers are not involved with these activities. Fundraising activities conform to recognised standards, no one is put under undue pressure to donate and, as far as the Trust is aware, there have been no complaints regarding any of the fundraising activities carried out. Very few fundraising activities took place during 2021-2022 partly due to schools still recovering from the effects of the pandemic.

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

Fundraising (continued)

Streamlined energy and carbon reporting

UK Greenhouse Gas Emissions and Energy Use Data for the Period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy Consumption Used to Calculate Emissions (kWh)	5,915,173	4,517,454
Energy Consumption Breakdown (KWh)		
gas	3,515,138.00	3,143,865.60
electricity	2,341,130.76	2,158,078.00
transport fuel	49,684.93	23,797.10
Scope 1 emissions in metric tonnes CO2e		
Gas Consumption	646.33	578.06
Owned Transport - minibuses	10.74	3.61
Total Scope 1	657.07	581.67
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	545.81	503.13
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee owned vehicles	4.03	3.35
Total Gross emissions in metric tonnes CO2e	1206.91	1088.15
Intensity ration Tonnes CO2e per pupil	4.08	3.67

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environment Reporting Guidelines. We have also used the GHG Reporting Protocol; - Corporate Standard and have used the 2020 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.

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

Plans for future periods

Current changes in the educational landscape, which are driven by government policy, recovery from the pandemic, the effects of the war in Ukraine and the currently significantly increasing level of inflation (particularly for energy) make predicting the future difficult and future plans a challenge. However, the core business of improving teaching and learning will remain a constant and financial and institutional planning will remain firmly in focus for the coming year. There are plans to continue to grow the Multi Academy Trust in 2022-2023 with 6 small schools expected to join the Trust. This will take the total number of academies in the Trust to 23. The aim is for all academies in the MAT to be well-led and for all academies to become organisations that can drive their own continual improvement.

Funds held as custodian on behalf of others

The Trust holds the Post 16 Bursary grants from the DfE on behalf of eligible pupils at the two secondary academies with Post 16 provision in the Trust. These are segregated in the financial management system under a specific ledger code and cost centre. The total funds held as a custodian trustee on behalf of others totalled £28,833 in 2021-2022.

Auditor

Insofar as the trustees are aware:

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

The auditors, Mazars LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re appointing the auditors at a meeting of the Trustees.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on Dec 7, 2022 and signed on its behalf by:

P J Blinston
P J Blinston (Dec 7, 2022 18:58 GMT)

.....
Phillip Blinston
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The board of Trustees has delegated the day to day responsibility to the Chief Executive, 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 Diocese of Southwell and Nottingham Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Philip Blinston	7	7
Hilary Craik	7	7
Ian Griffiths	6	7
John Hunter	7	7
Chris Moodie	7	7
Angela Pae	6	7
Roger Periam	4	7
Nigel Frith	5	7

The small number of Trustees can present challenges in terms of the increasing level of commitment for all the Directors as the Trust increases in size, particularly as one of the Trustees is retiring at the end of 2021-2022. The Trust is looking to increase the number of directors by two for 2022/23 and has developed a job description and person specification to support this process.

The Trust continued to pursue its 're-thinking governance' project, designed to evaluate and structure governance in a simple and effective way across the MAT. This has seen strategic and operational changes to governance at both academy and board level. Part of 'rethinking governance' involves the completion of termly monitoring report forms which summarise findings and next steps on policy, safeguarding, sickness absence management, GDPR, Education Visits and Financial Compliance which ensures crucial information is fed back but enables the meeting on the major items on the agenda. The Board continues to find this helpful. Management accounts reports are uploaded to governor hub at the end of each month for all Governors to be able to access and are reviewed in detail by the Finance Task Group. Positive feedback is usually given regarding the quality of reports presented to the Board.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Conflict of Interest

Conflicts of interests are recorded in full, adhering to guidance and best practice. An up to date and complete register of interests is maintained and posted on the Trust website. Trustees are also given an opportunity to declare any interests in items on the agenda at the start of each meeting. Where a conflict of interest is identified the Trustee in question leaves the meeting during the discussion. Careful consideration is also given to the possibility of conflicts of interests when appointing Governors to the Local Governing Bodies of partner academies. The merits and demerits of appointing Governors related to each other and the proportion of staff governors on LGBs have been debated.

Meetings

In 2021-2022 the full Board continued to meet at least 6 times a year. Two of the meetings are held at the central office, 2 of the meetings are held on teams and 2 of the meetings are held at different partner academies and include a guided tour of the academy to enable the Trustees to get to know the individual academies at first hand. An Audit and Estates Committee and separate Finance Task Group have replaced the former finance committee. The Audit and Estates Committee has a tighter remit to review the effectiveness of financial internal controls, external audit, risk management, including reviewing the risk register and business continuity plan and estates management and proposed capital projects.

The Audit and Estates Committee met 3 times during the period and attendance at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Angela Pae	3	3
Roger Periam	1	3
Nigel Frith	3	3

The Business Director and CEO are in attendance at these meetings.

The Finance Task Group quality assures the management accounts when the focus of the Board is on matters other than finance. It met 5 times during the year and attendance at the meetings was as follows:

Trustee and CFO	Meetings attended	Out of a possible
Ian Griffiths	5	5
John Hunter	5	5
Sarah Perry	5	5

Governance Reviews

Work on establishing effective governance arrangements at local board level continued in line with the MAT's scheme of delegation at full Board level in 2021-2022. The structure for termly agendas is in place, key link governor roles are defined along with protocols for governor visits and a framework for Governor Accountability panels is established. The Trustees carried out a self-review of governance in July 2022 following the National Governance Association (NGA) 21 questions for MAT Boards. The outcome of the self-review was very positive and the partner academies in the Trust are now all members of the NGA. One of the outcomes of the self-evaluation was to look into the possibility of commissioning and external review of governance. The next self-evaluation will be carried out in July 2023.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Ensuring that school improvement solutions are appropriate and fit for purpose and, where possible brokered on a reciprocal school to school basis that reduces the cost and provides more effective solutions for the academies as for example with the support being provided to the Mount C of E Primary and Nursery School and the West Grantham academies by senior and middle leaders from other academies within the Trust;
- Reviewing the areas highlighted for investigation on the DfE View my Financial Insights tool to investigate ways in which the academies may be able to achieve better value for money;
- Ensuring that some supplies and services are procured centrally giving economies of scale in terms of costs. In 2021-2022 this included more academies joining the MAT photocopying contract as their operating leases came to an end, some of the academies moving onto the 3CX telephone contract arranged by the Trust and the procurement of the best possible energy contract renewal from 1 April 2022 through the NCC contract with Crown Commercial Services;

As other academies join the MAT and it grows in size it will become eligible for greater economies of scale for the purchase of some goods and services.

The purpose of the system of internal control

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

Capacity to handle risk

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

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The Trust has moved to a single bank account and centralised invoicing to increase control now that the Trust has grown.

The Board of Trustees has decided to buy in an internal audit service from Forrester Boyd chartered accountants. This option has been chosen because under the revised FRC ethical standard the firm providing the external audit is no longer able to provide internal audit services to the same entity. Therefore, the Board tendered the internal audit service to other firms of accountants.

Forrester Boyd's role includes giving advice on financial and other matters and performing a range of checks on the academy's financial and other systems. In particular, the checks carried out in the current period included a focused programme of internal control testing, based on the "Responsible Officer" testing programmes from the 2006 Academies Financial Handbook including testing of purchasing procedures and high-level governance controls.

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

The Audit committee has agreed a 3 year rolling programme for the internal auditors covering both financial and non-financial matters covering a group of partner academies in the Trust each year. In 2021-2022 reviews took place at Magnus, St John's, St Peters Mansfield, St Peters Crosskeys and Burntstump Seely.

The internal auditor delivered the schedule of work as planned. Across the 5 academies there were a several orders raised on the financial management system retrospectively and it was recommended that that orders are raised prior to the goods being received and invoice to ensure that no commitment is made for inappropriate expenditure. There were no written procedures for the control of non-government income at some of the academies and it was recommended that these were put in place.

At 4 of the academies it was recommended that the potential risks of another pandemic are reviewed and assessed during the next update of the risk register which will help to show that the academy has considered the potential risks of another pandemic. It was noted that the possibility of another pandemic was not referenced in the business continuity plans of 2 of the academies. These matters have been addressed.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As Accounting Officer, the Chief Executive 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 auditor;
- the financial management and governance self-assessment process and the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

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

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

P J Blinston
P J Blinston (Dec 7, 2022 18:58 GMT)

.....
Phillip Blinston
Chair of Trustees

Date: Dec 7, 2022

C Moodie
C Moodie (Dec 7, 2022 17:30 GMT)

.....
Chris Moodie
Accounting Officer

Date: Dec 7, 2022

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Diocese of Southwell and Nottingham Multi-Academy Trust, 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 Academy Trust Handbook 2021.

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

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

C Moodie
C Moodie (Dec 7, 2022 17:30 GMT)

.....
Chris Moodie -
Accounting Officer

Date: Dec 7, 2022

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

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

P J Blinston
P J Blinston (Dec 7, 2022 18:58 GMT)

.....
Phillip Blinston
Chair of Trustees

Date: Dec 7, 2022

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST**

Opinion

We have audited the financial statements of Diocese of Southwell and Nottingham Multi-Academy Trust (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet and 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, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company 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.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST**

Other information

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

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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

Matters on which we are required to report by exception

In 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 including the incorporated Strategic Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST**

Responsibilities of Trustees'

As explained more fully in the Trustees' Responsibilities Statement set out on page 30, the Trustees (who are also the directors 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.

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 the financial statements.

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

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.

Based on our understanding of the Academy Trust and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, 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 Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST**

Auditor's responsibilities for the audit of the financial statements (continued)

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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 the audit report

This report is made solely to the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.


David Hoose (Dec 8, 2022 07:35 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 8, 2022

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 2 August 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Diocese of Southwell and Nottingham Multi-Academy Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Diocese of Southwell and Nottingham Multi-Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Diocese of Southwell and Nottingham Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 29 January 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

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

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

Conclusion

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


Mazars LLP (Dec 8, 2022 07:36 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 8, 2022

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion	26	280,980	(1,162,000)	33,500	(847,520)	(1,964,509)
Transfer from existing academies		-	-	-	-	(1,653,541)
Other donations and capital grants		49,689	64,413	1,485,952	1,600,054	1,305,914
Other trading activities	5	451,771	359,027	-	810,798	830,478
Investments	6	2,789	-	-	2,789	672
Charitable activities	4	-	33,274,862	-	33,274,862	29,208,389
Total income		785,229	32,536,302	1,519,452	34,840,983	27,727,403
Expenditure on:						
Charitable activities	8	45,672	36,823,030	1,249,080	38,117,782	32,488,552
Improvements to diocesan property occupied by the Academy Trust	7	-	-	185,935	185,935	179,694
Total expenditure		45,672	36,823,030	1,435,015	38,303,717	32,668,246
Net expenditure carried forward		739,557	(4,286,728)	84,437	(3,462,734)	(4,940,843)

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Net expenditure brought forward		739,557	(4,286,728)	84,437	(3,462,734)	(4,940,843)
Transfers between funds	19	(730,247)	240,065	490,182	-	-
Net movement in funds before other recognised gains/(losses)		9,310	(4,046,663)	574,619	(3,462,734)	(4,940,843)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	28	-	31,303,000	-	31,303,000	(2,352,000)
Net movement in funds		9,310	27,256,337	574,619	27,840,266	(7,292,843)
Reconciliation of funds:						
Total funds brought forward		434,091	(27,606,379)	42,394,731	15,222,443	22,515,286
Net movement in funds		9,310	27,256,337	574,619	27,840,266	(7,292,843)
Total funds carried forward		443,401	(350,042)	42,969,350	43,062,709	15,222,443

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08738949

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	14	41,110,146	41,281,055
		<u>41,110,146</u>	<u>41,281,055</u>
Current assets			
Stocks	15	24,200	40,791
Debtors	16	1,167,442	833,142
Investments		2,002,190	2,000,137
Cash at bank and in hand	24	5,794,252	4,895,594
		<u>8,988,084</u>	<u>7,769,664</u>
Liabilities			
Creditors: Amounts falling due within one year	17	(2,616,877)	(2,642,448)
		<u>6,371,207</u>	<u>5,127,216</u>
Net current assets			
Creditors: Amounts falling due after more than one year	18	(70,644)	(90,828)
		<u>47,410,709</u>	<u>46,317,443</u>
Net assets excluding pension liability			
Defined benefit pension scheme liability	28	(4,348,000)	(31,095,000)
		<u>43,062,709</u>	<u>15,222,443</u>
Total net assets		<u>43,062,709</u>	<u>15,222,443</u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	42,969,350	42,394,731
Restricted income funds	19	3,997,958	3,488,621
		<u>46,967,308</u>	<u>45,883,352</u>
Restricted funds excluding pension liability	19	46,967,308	45,883,352
Pension reserve	19	(4,348,000)	(31,095,000)
		<u>42,619,308</u>	<u>14,788,352</u>
Total restricted funds	19	42,619,308	14,788,352
Unrestricted income funds	19	443,401	434,091
		<u>43,062,709</u>	<u>15,222,443</u>
Total funds		<u>43,062,709</u>	<u>15,222,443</u>

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 37 to 77 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

P J Blinston
P J Blinston (Dec 7, 2022 18:58 GMT)

.....
Phillip Blinston
Chair of Trustees

Date: Dec 7, 2022

The notes on pages 42 to 77 form part of these financial statements.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	21	196,682	2,105,279
Cash flows provided by/(used in) investing activities	23	724,213	1,479,972
Cash flows (used in)/provided financing activities	22	(20,184)	111,012
Change in cash and cash equivalents in the year		900,711	3,696,263
Cash and cash equivalents at the beginning of the year		6,895,731	3,199,468
Cash and cash equivalents at the end of the year	24, 25	<u>7,796,442</u>	<u>6,895,731</u>

The notes on pages 42 to 77 form part of these financial statements.

DIOCESE OF SOUTHWELL AND NOTTINGHAM MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

- **Transfer of existing academies into the Academy Trust**

Where assets and liabilities are received on the transfer of an existing academy into the Academy Trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised for the transfer of an existing academy into the Academy Trust within donations and capital grant income to the net assets acquired.

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

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

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Leasehold buildings	- over 50 years
Leasehold land	- over the term of the lease
Multi use games area	- over 8 years, being residual life on conversion
Computer equipment	- over 3 years
Fixtures, fittings and equipment	- over 5 years
Longer life fixtures and fittings	- over 10 years

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

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

Land and buildings held by the Diocesan Trust & Board of Finance Limited on trust and made available to the academies are not included on the balance sheet. The Multi Academy Trust does not own any of these premises. The land and buildings are made available to the schools by a Church Supplemental Agreement. The site Trustees can withdraw the land and buildings at any time on two years notice. The Multi Academy Trust cannot sell the land and buildings or mortgage it as security for any borrowing. The economic benefit to the Multi Academy Trust is that it does have the use of the site for £NIL consideration, but only for the use as a church school. The risks and rewards of ownership have not been passed to the Multi Academy Trust and therefore no value has been attributed to the land and buildings at 31 August 2022.

Land leased to the academies by the Local Authority is included under 'long leasehold property' at the value attributed to them by the Education Funding Agency, net of depreciation.

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

1. Accounting policies (continued)

1.6 Liabilities

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

1.7 Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.8 Leased assets

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

1.9 Financial instruments

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

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

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

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

1.10 Taxation

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.12 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statements of financial activities as the Academy Trust does not have control over the charitable application of the funds. The Funds received and paid and any balances held are disclosed in note 31.

1.13 Fund accounting

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

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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2. 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

When new schools convert to academy status and join the Academy Trust, the Academy Trust makes an initial estimate in respect of the valuation of the land and buildings (where buildings are not occupied under Church Supplemental Agreement) being recognised upon conversion. These estimates are calculated using available valuation information from previous conversions of similar locations and calculated on a depreciated replacement cost basis. Subsequently, formal ESFA valuations are obtained and the asset valuations are updated accordingly.

Critical areas of judgement:

At 13 of the trust's academies, the charitable company occupies the buildings under a Church Supplemental Agreement which includes a two year break clause, thus judgement has been applied in determining that these buildings should not be recognised on the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
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3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Transfer from local authority on conversion	280,980	(1,162,000)	33,500	(847,520)	(1,964,509)
Transfer from existing academies	-	-	-	-	(1,653,541)
Other donations	49,689	64,413	-	114,102	177,489
Donated fixed assets	-	-	-	-	152,720
Capital grants	-	-	1,485,952	1,485,952	975,705
Total 2022	330,669	(1,097,587)	1,519,452	752,534	(2,312,136)
Total 2021	584,691	(6,050,514)	3,153,687	(2,312,136)	

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NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the Academy Trust's educational operations

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant (GAG)	26,350,687	26,350,687	22,813,147
Other DfE/ESFA grants			
Pupil Premium	1,844,360	1,844,360	1,587,335
Schools Supplementary Grant	323,265	323,265	-
UFSM	342,372	342,372	321,449
PE and Sports Grant	319,088	319,088	163,195
Rates Relief	143,926	143,926	129,886
Trust Capacity Grant	-	-	150,000
Teachers' Pay/Pension Grant	87,085	87,085	1,052,980
Other DfE/ESFA grants	195,461	195,461	337,279
	<u>29,606,244</u>	<u>29,606,244</u>	<u>26,555,271</u>
Other Government grants			
Local authority grants	2,360,118	2,360,118	1,919,303
Other income from the Academy Trust's educational operations	719,240	719,240	-
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	272,419	272,419	309,048
Other DfE/ESFA COVID-19 funding	316,841	316,841	93,380
	<u>589,260</u>	<u>589,260</u>	<u>402,428</u>
COVID-19 additional funding (non-DfE/ESFA)			
Coronavirus Job Retention Scheme Grant	-	-	33,912
Other COVID-19 funding	-	-	297,475
	<u>-</u>	<u>-</u>	<u>331,387</u>
Total 2022	<u><u>33,274,862</u></u>	<u><u>33,274,862</u></u>	<u><u>29,208,389</u></u>
Total 2021	<u><u>29,208,389</u></u>	<u><u>29,208,389</u></u>	

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	106,970	-	106,970	48,797
Income from other charities activities	234,179	359,027	593,206	669,523
Income from ancillary trading activities	110,622	-	110,622	112,158
Total 2022	451,771	359,027	810,798	830,478
Total 2021	763,924	66,554	830,478	

6. Investment Income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment income	2,789	2,789	672
Total 2021	672	672	

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NOTES TO THE FINANCIAL STATEMENTS
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7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Academy Trust's educational operations:					
Direct costs	22,589,290	-	2,329,533	24,918,823	21,654,761
Allocated support costs	7,745,291	1,854,419	3,599,249	13,198,959	10,833,791
Improvements to diocesan property occupied by the Academy Trust	-	185,935	-	185,935	179,694
Total 2022	30,334,581	2,040,354	5,928,782	38,303,717	32,668,246
Total 2021	25,937,223	1,510,024	5,220,999	32,668,246	

8. Charitable activities

	2022 £	2021 £
Direct costs - educational operations	24,918,823	21,654,761
Support costs - educational operations	13,198,959	10,833,791
Total	38,117,782	32,488,552

	2022 £	2021 £
Analysis of support costs		
Support staff costs	7,745,291	6,045,152
Depreciation	1,249,917	1,107,836
Technology costs	216,769	286,301
Premises costs	1,854,419	1,510,024
Legal costs - conversion	13,713	43,049
Legal costs - other	19,283	12,248
Other support costs	1,835,655	1,554,611
Governance costs	263,912	274,570
Total	13,198,959	10,833,791

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

9. Net expenditure

Net expenditure for the year includes:

	2022	2021
	£	£
Operating lease rentals	98,860	73,210
Depreciation of tangible fixed assets	1,249,917	1,107,836
Fees paid to auditor for:		
- audit	22,300	20,430
- other services	5,300	6,220
	<u>27,600</u>	<u>26,650</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	19,880,953	17,602,413
Social security costs	1,965,992	1,606,117
Pension costs	7,746,349	6,244,529
	<u>29,593,294</u>	<u>25,453,059</u>
Agency staff costs	691,246	405,250
Staff restructuring costs	50,041	78,914
	<u>30,334,581</u>	<u>25,937,223</u>

Staff restructuring costs comprise:

	2022	2021
	£	£
Redundancy payments	-	57,657
Severance payments	50,041	21,257
	<u>50,041</u>	<u>78,914</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

b. Severance payments

The Academy Trust paid 4 severance payments in the year (2021 - 2), disclosed in the following bands:

	2022 No.	2021 No.
£0 - £25,000	5	2

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2021 - £6,892). Individually, the payments were: £Nil (2021 - £2,144 and £4,748).

d. Staff numbers

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

	2022 No.	2021 No.
Teachers	264	259
Administration and support	522	486
Management	53	60
	839	805

e. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	13	14
In the band £70,001 - £80,000	5	4
In the band £90,001 - £100,000	2	2
In the band £110,001 - £120,000	1	1

f. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,916,670 (2021 - £1,859,654).

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NOTES TO THE FINANCIAL STATEMENTS
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11. Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;
- health and safety;
- facilities management support;
- contributions to the TU facilities fund;
- asset management; and
- capital project management and the De Ferrers Trust.

The Academy Trust charges for these services on the following basis:

Academies on supporting and supported schemes of delegation have been re-charged 4.5% and 5.25% of their GAG income not including Pupil Premium as their contribution to central services. Academies on the sponsored scheme of delegation have been recharged 5.5%. It has been agreed that newly converted academies and those just joining SNMAT will be charged 4% for their first year. The Central Reserves Policy is that there should be sufficient to cover at least 3 months operating expenses plus £50,000 for MAT growth (ie to cover the 0.5% reduction in the recharge in the first year) and £50,000 to be able to support an academy in difficulty.

The actual amounts charged during the year were as follows:

	2022 £	2021 £
Magnus Church of England Academy	185,632	155,137
Harworth Church of England Academy	36,238	32,345
St. Mary Magdalene Church of England Academy	37,216	31,802
St. John's Church of England Academy	70,000	60,000
St Peter's Crosskeys Church of England Academy	36,928	31,538
Worksop Priory Church of England Academy	43,913	36,833
Burntstump Seely Church of England Academy	22,757	21,531
The King's Church of England Primary Academy	74,264	70,155
St Peters Church of England Primary Academy Mansfield	58,352	54,789
St Swithun's Church of England Primary Academy	28,077	24,196
The Samworth Church Academy	225,000	225,000
St Mary's Church of England Primary School Edwinstowe	19,932	17,816
Haggonfields Primary School	25,920	22,815
Hucknall National Church of England Primary School	70,000	56,149
West Grantham Church of England Primary Academy	85,212	50,836
West Grantham Church of England Secondary Academy	130,408	80,682
Mount C of E Primary School	30,344	-
Total	1,180,193	971,624

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NOTES TO THE FINANCIAL STATEMENTS
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12. Related Party Transactions - 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. The value of Trustees' remuneration and other benefits was as follows:

		2022	2021
		£'000	£'000
Chris Moodie (Accounting Officer)	Remuneration	110 - 115	110 - 115
	Pension contributions paid	25 - 30	25 - 30

During the period ended 31 August 2022, travel and subsistence expenses totalling £2,701 were reimbursed or paid directly to 1 Trustee (2021 - £2,772 to 1 Trustee).

13. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS
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14. Tangible fixed assets

	Freehold property £	Leasehold property £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Assets under construction £	Total £
Cost							
At 1 September 2021	2,053,067	41,200,903	1,363,527	1,012,695	83,720	72,709	45,786,621
Additions	58,307	234,866	448,782	303,553	-	-	1,045,508
Acquisitions	-	33,500	-	-	-	-	33,500
Transfers between classes	-	72,967	(258)	-	-	(72,709)	-
At 31 August 2022	2,111,374	41,542,236	1,812,051	1,316,248	83,720	-	46,865,629
Depreciation							
At 1 September 2021	-	3,102,245	681,114	674,454	47,753	-	4,505,566
Charge for the year	1,944	796,881	234,937	204,654	11,501	-	1,249,917
Transfers between classes	-	20	(20)	-	-	-	-
At 31 August 2022	1,944	3,899,146	916,031	879,108	59,254	-	5,755,483
Net book value							
At 31 August 2022	2,109,430	37,643,090	896,020	437,140	24,466	-	41,110,146
At 31 August 2021	2,053,067	38,098,658	682,413	338,241	35,967	72,709	41,281,055

Included within land and buildings is leasehold land at valuation of £5,744,319 (2021 - £5,771,779).

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

15. Stocks

	2022	2021
	£	£
Finished goods and goods for resale	24,200	40,791

16. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	127,680	89,749
VAT recoverable	124,380	108,102
Other debtors	2,155	-
Prepayments and accrued income	913,227	635,291
	<u>1,167,442</u>	<u>833,142</u>

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NOTES TO THE FINANCIAL STATEMENTS
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17. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Other loans	20,184	20,184
Trade creditors	521,797	605,043
Other taxation and social security	441,987	413,422
Other creditors	669,481	464,073
Accruals and deferred income	963,428	1,139,726
	<u>2,616,877</u>	<u>2,642,448</u>
	2022	2021
	£	£
Deferred income		
Deferred income at 1 September	930,578	453,826
Resources deferred during the year	548,993	930,578
Amounts released from previous years	(921,834)	(453,826)
Deferred income at 31 August	<u>557,737</u>	<u>930,578</u>

At the balance sheet date the Academy Trust was holding funds received in advance as follows:

- £58,744 (2021 - £24,248) Conversion Grants
- £84,860 (2021 - £80,685) Rates Relief
- £94,672 (2021 - £135,229) SEN Funding
- £210,227 (2021 - £190,889) Universal Infant School Meals
- £20,761 (2021 - £10,212) Academy Visits
- £16,762 (2021 - £56,339) Other
- £Nil (2021 - £51,462) Other DfE Grants
- £Nil (2021 - £120,000) Environmental Improvement Grants
- £62,711 (2021 - £136,755) School Improvement Grants
- £Nil (2021 - £69,260) Primary Sports Grant
- £9,000 (2021 - £55,499) Other Income

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

	2022	2021
	£	£
Other loans	70,644	90,828

Included within other are four loans, which are as follows:

A loan of £32k from SALIX which is provided on the following terms of bi-annual repayments of £2k, over a period of 8 years which expires on 1st March 2026, with an annual interest rate of 0%. There is £4k (2021 - £4k) included within creditors: amounts falling due within one year and £14k (2021 - £16k) included within creditors: amounts falling due after more than one year.

A loan of £48k from SALIX which is provided on the following terms of bi-annual repayments of £3k, over a period of 8 years which expires on 1st March 2026, with an annual interest rate of 0%. There is £6k (2021 - £6k) included within creditors: amounts falling due within one year and £21k (2021 - £24k) included within creditors: amounts falling due after more than one year.

A loan of £20k from SALIX which is provided on the following terms of bi-annual repayments of £1k, over a period of 8 years which expires on 1st March 2026, with an annual interest rate of 0%. There is £2k (2021 - £2k) included within creditors: amounts falling due within one year and £9k (2021 - £12k) included within creditors: amounts falling due after more than one year.

A loan of £61k from SALIX which is provided on the following terms of bi-annual repayments of £8k, over a period of 8 years which expires on 1st March 2026, with an annual interest rate of 0%. There is £8k (2021 - £8k) included within creditors: amounts falling due within one year and £27k (2021 - £39k) included within creditors: amounts falling due after more than one year.

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19. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General funds	434,091	785,229	(45,672)	(730,247)	-	443,401
Restricted general funds						
General Annual Grant (GAG)	3,488,621	26,350,687	(26,081,415)	240,065	-	3,997,958
Pupil Premium	-	1,844,360	(1,844,360)	-	-	-
Schools supplementary grant	-	323,265	(323,265)	-	-	-
UIFSM	-	342,372	(342,372)	-	-	-
PE and Sports Grant	-	319,088	(319,088)	-	-	-
Rates Reclaim	-	143,926	(143,926)	-	-	-
Catch Up Premium	-	272,419	(272,419)	-	-	-
Other DfE/ESFA Covid-19 Funding	-	316,841	(316,841)	-	-	-
Other Grants	-	3,785,344	(3,785,344)	-	-	-
Pension reserve	(31,095,000)	(1,162,000)	(3,394,000)	-	31,303,000	(4,348,000)
	<u>(27,606,379)</u>	<u>32,536,302</u>	<u>(36,823,030)</u>	<u>240,065</u>	<u>31,303,000</u>	<u>(350,042)</u>

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19. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Transfer on conversion	38,716,249	33,500	(1,180,995)	-	-	37,568,754
DfE/ESFA capital grants	2,311,053	1,347,542	(208,126)	-	-	3,450,469
Devolved Formula Capital	724,929	138,410	(26,312)	-	-	837,027
Capital expenditure from GAG	642,500	-	(19,582)	490,182	-	1,113,100
	<u>42,394,731</u>	<u>1,519,452</u>	<u>(1,435,015)</u>	<u>490,182</u>	<u>-</u>	<u>42,969,350</u>
Total Restricted funds	<u>14,788,352</u>	<u>34,055,754</u>	<u>(38,258,045)</u>	<u>730,247</u>	<u>31,303,000</u>	<u>42,619,308</u>
Total funds	<u>15,222,443</u>	<u>34,840,983</u>	<u>(38,303,717)</u>	<u>-</u>	<u>31,303,000</u>	<u>43,062,709</u>

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the movements on the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Transfers from restricted funds to restricted fixed asset funds represent GAG funds used in relation to capital expenditure.

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19. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	387,020	1,349,287	(139,768)	(1,162,448)	-	434,091
Restricted general funds						
General Annual Grant (GAG)	1,377,309	22,813,147	(21,608,029)	906,194	-	3,488,621
Pupil Premium	-	1,587,335	(1,587,335)	-	-	-
Schools supplementary grant	-	778,706	(778,706)	-	-	-
UIFSM	-	321,449	(321,449)	-	-	-
PE and Sports Grant	-	163,195	(163,195)	-	-	-
Rates Reclaim	-	129,886	(129,886)	-	-	-
Trust Capacity Grant	-	150,000	(150,000)	-	-	-
Catch Up Premium	-	309,048	(309,048)	-	-	-
Other DfE/ESFA Covid-19 Funding	-	93,380	(93,380)	-	-	-
Coronavirus Job Retention Scheme Grant	-	33,912	(33,912)	-	-	-
Other Coronavirus Funding	-	297,475	(297,475)	-	-	-
Other Grants	-	3,376,896	(3,376,896)	-	-	-
Pension reserve	(19,529,000)	(6,830,000)	(2,384,000)	-	(2,352,000)	(31,095,000)
	<u>(18,151,691)</u>	<u>23,224,429</u>	<u>(31,233,311)</u>	<u>906,194</u>	<u>(2,352,000)</u>	<u>(27,606,379)</u>

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19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Transfer on conversion	37,753,831	2,025,262	(1,062,844)	-	-	38,716,249
DfE/ESFA capital grants	1,517,484	995,455	(201,886)	-	-	2,311,053
Devolved Formula Capital	607,282	132,970	(19,736)	4,413	-	724,929
Capital expenditure from GAG	401,360	-	(10,701)	251,841	-	642,500
	<u>40,279,957</u>	<u>3,153,687</u>	<u>(1,295,167)</u>	<u>256,254</u>	<u>-</u>	<u>42,394,731</u>
Total Restricted funds	<u>22,128,266</u>	<u>26,378,116</u>	<u>(32,528,478)</u>	<u>1,162,448</u>	<u>(2,352,000)</u>	<u>14,788,352</u>
Total funds	<u>22,515,286</u>	<u>27,727,403</u>	<u>(32,668,246)</u>	<u>-</u>	<u>(2,352,000)</u>	<u>15,222,443</u>

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19. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Magnus C of E Academy	143,947	223,615
Harworth C of E Academy	228,351	185,311
St Mary Magdalene C of E Primary School	199,529	176,207
St John's C of E Academy	103,907	158,225
St Peters Crosskeys C of E Academy	156,303	158,417
Worksop Priory C of E Primary Academy	46,371	76,212
Burntstump Seely C of E Primary Academy	56,336	39,897
The King's C of E Primary Academy	174,348	124,210
St Peters C of E Primary Academy Mansfield	340,729	283,836
St Swithun's C of E Primary Academy	20,573	114,650
The Samworth Church Academy	62,252	218,307
St Mary's C of E Primary School Edwinstowe	45,112	66,944
Haggonfields Primary School	24,252	14,525
Hucknall National C of E Primary School	372,360	296,487
West Grantham C of E Primary Academy	786,361	499,782
West Grantham C of E Secondary Academy	1,127,908	976,410
Mount C of E Primary School	265,233	-
Central MAT	287,487	309,677
Total before fixed asset funds and pension reserve	4,441,359	3,922,712
Restricted fixed asset fund	42,969,350	42,394,731
Pension reserve	(4,348,000)	(31,095,000)
Total	43,062,709	15,222,443

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19. 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 2022 £	Total 2021 £
Magnus C of E	3,560,366	1,316,948	466,716	573,274	5,917,304	5,266,757
Harworth C of E	687,779	201,973	57,254	131,802	1,078,808	993,342
St Mary Magdalene C of E	670,686	208,086	69,171	121,066	1,069,009	1,100,468
St John's C of E	1,446,499	635,502	201,514	216,787	2,500,302	2,154,121
St Peters Crosskeys C of E	680,902	218,329	83,396	155,016	1,137,643	1,051,065
Workshop Priory C of E	1,106,923	312,033	39,683	160,084	1,618,723	1,517,041
Burntstump Seely C of E	353,420	86,338	32,211	92,690	564,659	568,079
The King's C of E	1,122,487	389,949	90,871	193,189	1,796,496	1,619,568
St Peters C of E Mansfield	1,012,373	334,115	98,410	151,684	1,596,582	1,500,606
St Swithun's C of E	612,539	152,341	54,978	114,320	934,178	757,321
The Samworth Church Academy	4,983,434	1,428,488	403,031	783,404	7,598,357	7,210,915
St Mary's C of E Edwinstowe	437,089	161,658	28,622	88,683	716,052	630,833
Haggonfields	391,452	166,047	49,365	71,519	678,383	648,809
Hucknall National C of E Primary School	1,377,882	414,405	97,189	262,699	2,152,175	2,023,211
West Grantham C of E Primary	1,184,126	274,953	106,243	159,410	1,724,732	1,174,795
West Grantham C of E Secondary	1,807,353	900,451	111,046	335,853	3,154,703	1,915,663
Mount C of E Primary School	794,866	191,231	37,552	157,009	1,180,658	-
Central MAT	359,114	702,886	31,297	376,886	1,470,183	1,418,251
Academy Trust	22,589,290	8,095,733	2,058,549	4,145,375	36,888,947	31,550,845

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20. Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	41,110,146	41,110,146
Current assets	443,401	6,685,479	1,859,204	8,988,084
Creditors due within one year	-	(2,616,877)	-	(2,616,877)
Creditors due in more than one year	-	(70,644)	-	(70,644)
Pension scheme liabilities	-	(4,348,000)	-	(4,348,000)
Total	443,401	(350,042)	42,969,350	43,062,709

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	41,281,055	41,281,055
Current assets	434,091	6,221,897	1,113,676	7,769,664
Creditors due within one year	-	(2,642,448)	-	(2,642,448)
Creditors due in more than one year	-	(90,828)	-	(90,828)
Pension scheme liabilities	-	(31,095,000)	-	(31,095,000)
Total	434,091	(27,606,379)	42,394,731	15,222,443

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

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(3,462,734)	(4,940,843)
Adjustments for:		
Depreciation	1,249,917	1,107,836
Adjustment to opening cost of leasehold property	-	356,096
Capital grants from DfE and other capital income	(1,485,952)	(975,705)
Interest receivable	(2,789)	(672)
Decrease/(increase) in stocks	16,591	(14,254)
(Increase)/decrease in debtors	(334,300)	342,948
(Decrease)/increase in creditors	(25,571)	583,919
Defined benefit pension scheme obligation inherited	1,162,000	6,830,000
Defined benefit pension scheme cost less contributions payable	2,872,000	2,003,000
Defined benefit pension scheme finance cost	522,000	381,000
Surplus on conversion/transfer from existing academies	(280,980)	(1,186,688)
Donated assets	(33,500)	(2,381,358)
Net cash provided by operating activities	196,682	2,105,279

22. Cash flows from financing activities

	2022 £	2021 £
Cash inflows from new borrowing	-	111,012
Repayments of borrowing	(20,184)	-
Net cash (used in)/provided by financing activities	(20,184)	111,012

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

23. Cash flows from investing activities

	2022	2021
	£	£
Interest receivable	2,789	672
Purchase of tangible fixed assets	(1,045,508)	(683,093)
Capital grants from DfE Group	1,485,952	975,705
Cash transferred on conversion to an Academy Trust	280,980	1,186,688
Net cash provided by investing activities	724,213	1,479,972

24. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand and at bank	5,794,252	4,895,594
Notice deposits (less than 3 months)	2,002,190	2,000,137
Total cash and cash equivalents	7,796,442	6,895,731

25. Analysis of changes in net debt

	At 1	Cash flows	Cash transferred on conversion to an Academy Trust	At 31
	September 2021	£	£	August 2022
	£			£
Cash at bank and in hand	4,895,594	617,678	280,980	5,794,252
Cash equivalents	2,000,137	2,053	-	2,002,190
Debt due within 1 year	(20,184)	-	-	(20,184)
Debt due after 1 year	(90,828)	20,184	-	(70,644)
	6,784,719	639,915	280,980	7,705,614

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NOTES TO THE FINANCIAL STATEMENTS
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26. Conversion to an Academy Trust

On 1 November 2021 Mount C of E Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Diocese of Southwell and Nottingham Multi-Academy Trust from Nottinghamshire County Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net loss in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	33,500	33,500
Current assets				
Cash - representing budget surplus/(deficit) on LA funds	280,980	-	-	280,980
Non-current liabilities				
LGPS pension surplus / (deficit)	-	(1,162,000)	-	(1,162,000)
Net liabilities	<u>280,980</u>	<u>(1,162,000)</u>	<u>33,500</u>	<u>(847,520)</u>

27. Capital commitments

	2022 £	2021 £
Contracted for but not provided in these financial statements	-	290,141

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28. Pension commitments

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

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

Contributions amounting to £496,656 were payable to the schemes at 31 August 2022 (2021 - £458,388) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £3,809,973 (2021 - £2,294,729).

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

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

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NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £2,065,000 (2021 - £1,724,000), of which employer's contributions totalled £1,619,000 (2021 - £1,342,000) and employees' contributions totalled £446,000 (2021 - £382,000). The agreed contribution rates for future years are 18 per cent for employers and 13 per cent for employees.

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

CPI assumption

Pension Increase Orders are used to set the level of pension increases with effect from 1 April of each year, with reference to the change in CPI inflation over the 12 months to the previous September, which was announced in October. This was 10.1% and was considerably higher than the CPI assumption set by employers as at 31 August 2022. Although Pension Increase orders have always been set with reference to the September CPI for the last 10 years and the September RPI for the preceding 20 years, they are not automatically set and they are only known with absolute certainty when the Pension Increase Order is enacted by Parliament, which is usually in April of the following year. Similarly, the likely level of the forthcoming Pension Increase Order 2023 was not known at 31 August. Consequently, no adjustment has been made to recognise the possible 2023 Pension Increase Order within the CPI assumption.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	2.90 - 4.05	3.85 - 3.90
Rate of increase for pensions in payment/inflation	2.90 - 4.20	2.85 - 2.90
Discount rate for scheme liabilities	3.90 - 4.25	1.65 - 1.70
Inflation assumption (CPI)	2.90 - 4.20	2.85 - 2.90

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NOTES TO THE FINANCIAL STATEMENTS
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28. 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:

	2022 Years	2021 Years
Retiring today		
Males	21.7	21.6
Females	24.4	24.3
Retiring in 20 years		
Males	23.0	22.8
Females	25.8	25.7

Sensitivity analysis on the defined benefit obligations

	2022 £	2021 £
Discount rate +0.1%	(847,000)	(1,532,000)
Discount rate -0.1%	869,000	1,567,000
Mortality assumption - 1 year increase	923,000	2,405,000
Mortality assumption - 1 year decrease	(896,000)	(2,307,000)
CPI rate +0.1%	792,000	1,381,000
CPI rate -0.1%	(769,000)	(1,342,000)

Share of scheme assets

The Academy Trust's share of the assets in the scheme was:

	2022 £	2021 £
Equities	17,323,000	17,179,000
Gilts	487,000	615,000
Corporate bonds	2,268,000	2,173,000
Property	3,901,000	2,646,000
Cash and other liquid assets	1,350,000	1,032,000
Other	2,467,000	2,101,000
Total market value of assets	27,796,000	25,746,000

The actual return on scheme assets was £(128k) (2021 - £3,049k).

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28. Pension commitments (continued)

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

	2022 £	2021 £
Current service cost	(4,479,000)	(3,278,000)
Past service cost	-	(59,000)
Interest income	453,000	312,000
Interest cost	(975,000)	(693,000)
Administrative expenses	(12,000)	(8,000)
Total amount recognised in the Statement of Financial Activities	(5,013,000)	(3,726,000)

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

	2022 £	2021 £
At 1 September	56,841,000	33,507,000
Conversion of Academy Trusts	1,826,000	2,999,000
Transferred in on existing academies joining the Academy Trust	-	11,106,000
Current service cost	4,479,000	3,278,000
Interest cost	975,000	693,000
Employee contributions	446,000	382,000
Actuarial (gains)/losses	(31,884,000)	5,089,000
Past service costs	-	59,000
Benefits paid	(539,000)	(272,000)
At 31 August	32,144,000	56,841,000

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28. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	25,746,000	13,978,000
Conversion of Academy Trusts	664,000	1,224,000
Transferred out on existing academies leaving the Academy Trust	-	6,051,000
Interest income	453,000	312,000
Actuarial (losses)/gains	(581,000)	2,737,000
Employer contributions	1,619,000	1,342,000
Employee contributions	446,000	382,000
Benefits paid	(539,000)	(272,000)
Administrative expenses	(12,000)	(8,000)
At 31 August	<u>27,796,000</u>	<u>25,746,000</u>

29. Operating lease commitments

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

	2022 £	2021 £
Land and buildings		
Not later than 1 year	26,600	18,600
Later than 1 year and not later than 5 years	32,000	-
	<u>58,600</u>	<u>18,600</u>
Other		
Not later than 1 year	62,544	47,279
Later than 1 year and not later than 5 years	71,002	66,488
	<u>133,546</u>	<u>113,767</u>

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30. 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.

31. Post balance sheet events

Cotgrave CofE Primary School joined DSNMAT on 1 October 2022.

Selston CofE Infant and Nursery School and Huthwaite CofE Infant and Nursery School joined DSNMAT on 1 December 2022.

32. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2022 the Academy Trust received £28,833 (2021 - £13,481) and disbursed £28,833 (2021 - £13,481) from the fund. An amount of £Nil (2021 - £Nil) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

33. Related party transactions

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

Expenditure related party transactions

RPS Business Healthcare - an organisation of which the sister of Lisa McVeigh (a member of the senior leadership team of the Trust) is the proprietor:

- RPS Business Healthcare charged the DSNMAT a total of £13,617 (2021 - £7,797) for the provision of occupational health services to the Trust during the period. There was a balance of £Nil outstanding at 31 August 2022 (2021 - £Nil)

Southwell & Nottingham Diocesan Board of Finance - an organisation of which is a member of the Trust.

- Southwell & Nottingham Diocesan Board of Finance charged DSNMAT a total of £85,949 (2021 - £89,920) for the provision of staff and training courses to the Trust during the period. There was a balance of £Nil outstanding at 31 August 2022 (2021 - £Nil).

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33. Related party transactions (continued)

Sarah Abbott, spouse of Phil Abbott, a member of the senior management team, is employed by the Academy Trust as a Teacher and received remuneration, including employer pension contributions and employer national insurance contributions of £27k (2021 - £27k). Sarah Abbott was paid within the normal pay scales for her role and received no special treatment as a result of her relationship with Phil Abbott.

The wife of Nigel Frith, a Trustee, is employed by the Academy Trust as a Teacher and received remuneration, including employer pension contributions and employer national insurance contributions of £8k (2021 - £Nil). They were paid within the normal pay scales for thier role and received no special treatment as a result of her relationship with Nigel Frith.