

Registration number: 10817580

1EXCELLENCE MULTI ACADEMY TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

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1Excellence Multi Academy Trust

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Reference and administrative details

Members	P Rickeard (resigned 20 June 2022) M Stand Archdeacon S Bain (resigned 1 November 2021) D Bowes S Pickering (appointed 21 June 2022) P Ottley-O'Connor (appointed 11 July 2022) G Booth (appointed 21 June 2022)
Trustees (Directors)	D Bowes F Williams H Smith K Smith M Fryer (resigned 26 April 2022) S Hauxwell T Cunningham (appointed 1 September 2021) M Bloomfield (appointed 1 December 2021) M McCarthy (appointed 11 July 2022) L Vollans (appointed 6 June 2022, Accounting Officer)
Company Secretary	N White
Senior Management Team	L Vollans, CEO K Frazer, CFO D Dacombe, Headteacher B Dawson, Head of School S Rand, Head of School J Paley, Acting Head of School S Robinson, Acting Headteacher
Principal and Registered Office	Pentland Primary School Pentland Avenue Billingham TS23 2RG
Company Name	1Excellence Multi Academy Trust
Company Registration Number	10817580
Auditors	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS
Bankers	Lloyds Bank plc 83/85 Linthorpe Road Middlesbrough TS1 3DX
Solicitors	Womble Bond Dickinson (UK) LLP St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX

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Trustees Report for the Year Ended 31 August 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates 4 primary schools in the Stockton and Durham area's. Its academies have a combined pupil capacity of 1,118 and had a roll of (including nursery) in the 4 schools on the census on the 6th October 2022 of 973. The Trust was incorporated on 1 July 2017 with the conversion of Pentland Primary and St Marks COE Primary School. St Michaels C of E Primary School and Evenwood C of E Primary School joined the Trust on the 1st December 2021

Structure, Governance and Management

Constitution

The Academy Trust was incorporated on 1st July 2017 and is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Directors of 1Excellence Multi Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as 1Excellence Multi Academy Trust.

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

Members Liability

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

Governors Indemnities

In accordance with normal commercial practice, the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides unlimited cover.

Method of Recruitment and Appointment or Election of Directors

Recruitment and Appointment of Directors was carried out as set out in the Memorandum and Articles of Association for 1Excellence Multi Academy Trust. The Memorandum of Association allows the following:-

- No fewer than 5 directors appointed under article 50
- Chief Executive Officer
- Up to 2 Co-opted directors

The number of Directors shall not be less than 5 but shall not be subjected to any maximum.

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Trustees Report for the Year Ended 31 August 2022 (continued)

The term of office for any Director shall be 4 years or a shorter period if specified at the time of appointment by the person or body appointing. This time limit does not apply to the Co-opted Directors, head teachers appointed as directors or any post which is held ex-officio. Co-opted directors are appointed for a period of one year. Subject to remaining eligible to be a particular type of directors, any directors may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Directors

Induction is done informally and is tailored to meet the specific needs of the individual governors / Directors. Training is provided and signposted through the Head of Compliance and all governors are required to complete annual safeguarding training.

Directors and governors annually completed a Skills Audit to determine their level of experience and expertise and their required training needs.

Organisational structure

The members are the guardians of the governance of the Trust.

The role of Members is prescribed under Company Law and the Trust's Articles of Association. Company Law provides that Members can alter the Articles of Association, appoint the auditors and remove Director's.

Directors are appointed based upon their skill sets as well as the expertise and support they can bring to the trust.

The Directors are responsible for, and oversee, the management and administration of the Trust. The Directors are accountable to external government agencies including the Charity Commission and the Department for Education.

There are different levels of leadership and management within the trust with clear divisions of accountability and responsibility.

The Board of Directors at incorporation agreed to set up a Local Advisory Board (LAB) for each individual academy. The Board delegated to the LAB's responsibility for the day to day management of each academy and setting local policy where required in line with the agreed Scheme of Delegation.

The Board agreed to establish 4 committees and committee terms of reference outlined below

Finance Audit Resource and Risk Committee

The Finance Audit Risk and Resource Committee is a Committee of the Board and is authorised to:

- Finance – Review the management of the financial operation of the Academy Trust through Committee meetings and recommend an annual budget to the Board of Directors.
- Audit – To review outcomes of audits and monitor remedial actions through to completion.

Standards Committee

The Standards Committee is a committee of the Board and is authorised to:

- Determine the overall educational vision of the Trust.

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Trustees Report for the Year Ended 31 August 2022 (continued)

- To define school improvement planning and the target setting process and to determine the targets to be recommended to the Trust on an annual basis.

Safeguarding Committee

The Safeguarding Committee is authorised to:

- To define safeguarding policies and procedures in line with guidance
- Continually review Trust safeguarding concerns
- Continually review Trust Academy practices and procedures

Pay Review Committee

The Pay Review Committee is tasked with:

- Ensuring compliance with Trust pay policy
- Making recommendation to the Board of Directors pay increments for all Teachers
- Performance Management and Pay review of Senior Trust Appointments

Admissions

The Admissions Committee is tasked with the setting of Academy Admissions.

Leadership Posts

- Chief Executive Officer – The CEO has delegated operational for the leadership and management of the Trust.
- CFO – The CFO provides Financial Support and Guidance across the Trust.
- Headteacher/Head of School – The Headteacher/Head of School is the most senior teacher and leader of the school, responsible for the education of all pupils, management of staff, and for school policy making.

All Directors are provided with copies of the strategic risk register, policies, procedures, minutes, accounts, budgets, plans and other documents that they need to undertake their role. As part of their responsibility to undertake due diligence, they are on occasion part of operational processes and verbally report back to the Trust Board.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel are defined as those persons of the Trust having authority and responsibility for planning, directing and controlling the activities of the Trust, directly or indirectly and including all Directors. Directors who are not employees of the Trust receive no remuneration for the roles they undertake. The Trust's key management personnel are therefore defined to be the CEO, the CFO and the Head Teachers.

Pay and remuneration of key management personnel is determined by a variety of contributory factors, such as, the size of the Trust, the school group size, ISR, the pay scales for each role e.g. Head teacher, Assistant Head teacher, the level of experience of the staff member.

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Trustees Report for the Year Ended 31 August 2022 (continued)

In addition to this, levels of pay may be affected by any nationally agreed pay awards, the ability to recruit key management personnel and retain them in post, which all coincides with the school's appointment and pay policies.

The leadership structure of each individual school within the MAT is tailored to meet the needs of the specific school in line with overall aims and objectives of the trust and key performance indicators.

Trade Union Facility Time

The Trust paid the Local Authority £970.90 for Trade Union Facility time – yet despite this fact none of our employees undertook this role personally.

Related Parties and Other Connected charities and Organisations

The Directors do not have any related party transactions or relationships with other connected charities to report, other than as reported in the financial statements.

English Hub

St Michaels C of E Primary School currently run St. Michael's English Hub in partnership with the DfE. There is a significant benefit to the trust from this partnership as standards have risen as a result. This runs alongside accelerator funding, where schools continue to be supported to improve standards.

Objectives and Activities

Objects and Aims

The Company's objects ("the Objects") are specifically restricted to the following:

- (a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:
 - Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education)
 - Other Academies whether with or without a designated religious character to recognise and support their individual ethos, whether or not designated Church of England.
- (b) to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants, subject to any restrictions on the land the Trust occupies.

Objectives, Strategies and Activities

The principle areas for improvement have been identified below:

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Trustees Report for the Year Ended 31 August 2022 (continued)

- To improve standards in Reading, Writing and Mathematics so that year-on-year more pupils achieve and exceed age-related expectations, making good or better progress, by in school and national measure.
- To secure high quality teaching and learning of a rich and broad curriculum in each academy.
- To ensure that groups at risk of underachieving make good or better progress, against in school or national measures.
- To ensure that there is a strong focus on mental well-being for both pupils and staff across the trust.
- To secure an accurate and robust self- evaluation and school improvement process that benefits everyone in the trust.
- To develop school-to-school support, using the improvement framework, alongside robust external validation
- Ensure there are high degrees of trust and challenge between all partners at all levels.
- To develop a fully-functioning, high-level Trust Board that represents the full range of skills required.
- To embed high quality governance at the Local Advisory Board level, focused clearly on raising standards, with accountability, alongside the head teacher, to directors.
- To embed existing leadership so that staff are supported and challenged in schools and across the trust where needed or requested.
- To encourage and develop new leadership so that confidence grows and mutual leadership benefit emerges.
- To develop trust wide leadership roles so that there is consistency and ensure that leaders have access to best practice from every school in the trust.
- To maintain measured and systematic growth without compromising standards
- To develop the structure of the organisation to avoid overlap and overload.
- To deliver a strong financial plan and that includes meeting trust priorities

To enable us achieve the above we have recognised that the key benefits of being part of our Trust are:

- a shared ethos and vision;
- opportunities to share best practice through facilitating high quality Continued Professional Development (CPD) across the Trust; commonality of policies and procedures; provision of ongoing professional development and training to ensure effective recruitment and retention of high quality staff;
- Sharing expertise and best practice at all levels across the Trust; and
- Economies of scale – driving efficiencies through ensuring best value for money when procuring services and resource.

The criteria and measures used to assess success / Key Performance Indicators

- Outcomes and progress at Foundation Stage, Phonics Standard, Key Stage 1 and Key Stage 2 across the Trust and in each academy are either:
 - A) above national standards; or
 - B) above national levels of progress.

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Trustees Report for the Year Ended 31 August 2022 (continued)

- All teaching is regarded as good or better across each academy.
- Groups at risk of underachieving, are progressing at least in line with their peers and achievement gaps are narrowing.
- All academies are judged to be good or outstanding in OFSTED and good or excellent in SIAMS for church schools.
- All schools within the trust benefit from frequent monitoring and evaluation visits from a trained reviewer within the trust and also have access to external reviews to give 360 degree evaluation. School to school support.
- On-going support and development work is delivered increasingly by trust colleagues.
- There is a range of opportunity for joint practice development and sharing good practice across the Trust.
- The Trust Board is recognised as being high-performing and has the full trust of the Regional Schools Commissioner and its schools to lead the organisation forward.
- Leadership, including governance, is judged through our own systems and by inspectors to be good and outstanding in each school.
- Substantive leadership at senior level and well-developed middle leaders, are demonstrating clear progress in each academy as evidenced by project board meeting reports.
- School Leaders and Local Advisory Boards demonstrate clearly through their minutes and monitoring role, that they provide appropriate challenge and are clearly focused on raising standards in teaching and learning.
- Standards, practice and provision improves across the trust leading to an uplift in pupil numbers at both schools and improved standards.
- The staffing structure is clearly developed to manage school improvement, finance and human resources effectively.
- The Trust Board is able to effectively deliver growth and improved services across the Trust
- New CEO and development of robust financial staffing and admin structure to improve budget situation over 3- 5 years and to sustain trust growth.

Public Benefit

The Academies provide educational services to children in the local area. The Directors confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to the public benefit guidance provided by the Charity Commission. The Academy Trust aims to advance for the public benefit, managing and developing schools, offering a broad curriculum set within an inclusive context.

The Academies in the Trust also provide opportunities for children, their parents, and the local community that they serve through a range of extra-curricular activities and opportunities. In the case of Church schools within the trust to the benefit of the parish in which they are situated and other parishes that may wish to be involved. Parents are involved in a number of activities, Covid restrictions permitting, ranging from major festivals to performances, community and environmental activities as well as fund raising activities all planned in order to increase families involvement in their child's education to the benefit of all.

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Trustees Report for the Year Ended 31 August 2022 (continued)

The Directors and Committee Members for each Academy recognise that equal opportunities should be an integral part of the practice within the workplace. The Trust actively aims to ensure equal opportunities in all aspects of its work, including creating a working environment and culture in which contributions and needs are fully valued.

Strategic Report

Achievements and Performance

Children across the Trust generally performed well in comparison to national and local in all statutory outcomes. The trust has ensured that clear plans have been put in place supporting the lowest performing school.

Individual school and trust performance 2021 -2022

2021-2022 - KS1 SATS % Pupils Expected or Above- Pupils in Year 2

School	Reading	Writing	Maths
St Marks COE Primary School	74%	70%	77%
Pentland Primary School	44%	41%	44%
St Michaels Primary School	79%	79%	86%
Evenwood Primary School	71%	71%	71%
National Averages	75%	69%	76%

2021-2022 end of KS1 Combined RWM

School	Combined EXS+	Attainment	Combined EXS+	Attainment
St Marks COE Primary School	69		18	
Pentland Primary School	39		5	
St Michaels Primary School	79		7	
Evenwood Primary School	71		0	

2021-2022 KS2 SATs % pupils at/above expected - Pupils in Year 6

School	Reading	Writing	Maths
St Marks COE Primary School	86%	86%	82%
Pentland Primary School	62%	62%	73%
St Michaels Primary School	82%	94%	94%
Evenwood Primary School	67%	92%	92%
National Averages	67%	58%	68%

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Trustees Report for the Year Ended 31 August 2022 (continued)

2021-2022 - End of KS2 Combined RWN

School	Combined EXS+	Attainment	Combined EXS+	Attainment
St Marks COE Primary School	77		11	
Pentland Primary School	51		2	
St Michaels Primary School	82		12	
Evenwood Primary School	67		0	

The Standards Committee and Local Governing Bodies continue to monitor each schools performance. This is done through the use of data to benchmark academic performance. Documented analysis through school self-evaluation and school improvement planning ensure that rigorous systems and effective target setting promotes achievement and standards across the schools in the Trust. All schools produce gap to target analysis which informs directors and LABs about relative progress of all groups.

Going Concern

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

Directors have promoted the success of the company under section 172 by challenging the CEO and school leaders to ensure the financial health of the trust and each individual school.

Heads are challenged about appointments and their validity and ensuring that resources are allocated in schools to ensure standards remain high. Directors see all staffing structures in July before they are approved so that robust discussion can take place.

Financial Review

The Finance Audit Resource and Risk Committee has delegated responsibility for ensuring the sound financial management of the Trust's resources including appropriate planning, monitoring and probity.

The Trust has commissioned Internal auditors, Clive Owen, to carry out termly internal assurance tests, including an analysis of risks and recommendations for improvement. This enables the Finance Audit Resources and Risk Committee to monitor the adequacy and effectiveness of the Trusts policies and systems of internal control.

The total reserves position at the year end was £4,430,000 an increase of £3,069,000 from the brought forward figures of £1,361,000.

The Trusts restricted and unrestricted reserves (prior to Pensions and Fixed asset reserves) as at 31 August 2022 was £1,154,000. The brought forward position as at 1 September 2021 was £912,000 – an increase of £242,000. Of this £203,000 amounted to restricted fund reserves and £951,000 amounted to unrestricted reserves .

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Trustees Report for the Year Ended 31 August 2022 (continued)

The fixed asset reserve at the year-end was £3,675,000 an increase of £803,000 on the brought forward figure of £2,872,000 and the LGPS pension reserve was £(399,000) a decrease on £nil from the previous years liability of £2,024,000.

Under accounting standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the restricted fund. This resulted in the pension fund showing a deficit of which has been carried forward to 2022. It should be noted that this does not present a liquidity problem for the Trust and that we are continually monitoring contributions to the pension scheme in order to see a reduction in the pension deficit in future periods.

The majority of the Trusts' income for the period of account was obtained from either the ESFA (Education and Skills Funding Agency).

St Michaels COE Primary School and Evenwood Primary School both joined the Trust on 1 December 2022. On Conversion the reserves brought into the Trust were £338,000 and £162,000.

St Michaels operates and English Hub and this year also operated the Accelerator Fund this funding amounted to circa £750,000.

As a very inclusive Trust significant income is also received across our Academies from the Local Authorities as commissioners of pupil places

St Marks runs a large successful Early Year Provision which also notably contributes to Funding. Pentland Early Years numbers have also increased since the opening of the nursery provision at 'Pentland Pre-School' on 1 November. Pentland also opened it's 2 year old provision on 1 December 2022.

During the period ending 31 August 2022 total expenditure of (excluding net inherited liabilities) was covered by the funding above with other incoming resources and the balances transferred in from St Michaels and Evenwood. The excess of income over expenditure for the period (excluding inherited assets and liabilities, restricted fixed asset funds and before pension transfer) was £242,000.

The Trust this year has made considerable capital investment across the schools. This included the remaining £123,000 of building costs at Pentland, £412,000 on a new roof at Evenwood, £179,000 on the new boiler at St Michaels, £85,000 on furniture and fixtures and £50,000 on computer equipment.

The Trust this year received a TCAF grant of £93,000 which was utilised in staffing costs across the trust to release all of our Assistant Head teachers and Subject Leaders to work on curriculum development and assessment. The funding was also utilised to develop the curriculum, to fund a new trust finance system, to update the trust website and to develop the Trusts marketing strategy.

The Trust's principle risks and uncertainty lie in future numbers at Pentland with a potential falling roll. However substantive work is currently being undertaken to address this with 2 year old provision and the development of Early Years.

Other risks lie around uncertainly of future funding and funding around SEN provision. This is being addressed by ensuring that rigorous financial planning is in place and working closely with the Local Authority re SEN funding.

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Trustees Report for the Year Ended 31 August 2022 (continued)

Reserves Policy

The level of reserves was reviewed by the Finance Audit Risk and Resources Committee in the period. The financial risks have been reviewed in terms of impact and likelihood as part of the strategic risk management process. To manage the cash flow effectively and ensuring long term financial sustainability the Resources Committee consider it prudent to hold restricted and unrestricted reserves in the general fund in the form of reserves (total funds less the amount held in fixed assets and pension funds) of the equivalent of 1month expenditure per school. The Finance Risk Resources Committee have reviewed the reserve levels of the individual schools. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Academies are implementing stringent financial controls to achieve the level of reserve outlined in the Reserves Policy. The Board have approved individual school plans to spend the majority of its revenue income each year on the students in its care; but also maintain a level of reserves that will be adequate to provide a stable base for the continuing operation of the Academy. This will ensure that reserves are held for any changes in pupil led funding and to provide for any unforeseen liabilities.

During the period to 31 August 2022 the Trust held sufficient reserves within the GAG restricted fund, and unrestricted fund of £1,154,000 (total funds less the amounts held in fixed assets and pension fund). £203,000 of this amount was in relation to restricted reserves and £951,000 was in unrestricted reserves.

Investment Policy

The Board of Directors are committed to ensuring that all funds under their control are rigorously administered under a risk adverse investment strategy. The Academy will look to implement an Investment Policy but do not consider the investment of surplus funds as a primary activity at this time.

Charitable Donations

St Mark's Church of England Primary school has a PTA registered: 1098458 TKXVLDMG

In 2021/22 funds raised amounted to: £1,247.

There was no expenditure this year and the closing balance was £1,617

Plans for future spending are to support educational visits.

Grateful thanks go the committee members and parents, who work so hard to raise funds for school.

Principal Risks and Uncertainties

The Academy Trust has agreed a Risk Management Policy. A Trust Risk Register has been compiled and each risk area has been evaluated. The Trust policy is to adopt best practice in the identification, evaluation and effective control of known risk to ensure they are managed to an acceptable level.

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Trustees Report for the Year Ended 31 August 2022 (continued)

The principle risks and uncertainties facing the Trust are:

Financial – the Trust has considerable reliance on continued Government funds through the ESFA. In the period to 31 August 2022, the majority of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is limited assurance that government policy will remain the same or that public funding will continue to increase at the same levels or on the same terms.

Other risks lie around uncertainty around SEN provision.

The Directors have assessed the other major risks to which the Academy is exposed, in particular those relating to Governance, IT and other operational areas. The Trust policy is to be risk averse and to adopt best practice in the identification, evaluation and effective control of known risks to ensure they are managed to an acceptable level.

Further potential risk may come as numbers fluctuate over time. This could affect the amount of funding available to school. There is a potential falling roll at Pentland.

Although this is not anticipated in the short term, long term issues which could affect pupil numbers could be poor OFSTED outcomes resulting in lack of parental confidence and declining academic performance also resulting in lack of confidence by parents in the school.

The trust is taking the following actions to address these issues and manage these risks

Operational

- Create outward-facing schools which work with other schools and organisations – in a climate of mutual challenge – to champion best practice and secure excellent achievements for all pupils;
- Strengthening school partnerships within the MAT with a focus on teaching and learning, utilising growing expertise and experience from existing and new schools.
- increasing the number of schools within the Trust

Financial

To maintain financial stability:

- Improving numbers on roll across the Trust;
- increasing the number of pupils in Early years at Pentland Primary.
- Promoting economies of scale driving efficiencies through ensuring best value for money when procuring services and resources.
- Increasing the number of schools within the Trust
- Ensuring rigorous 5 year financial planning to ensure the trust is in a position to address any financial fluctuations that occur.

How we aim to achieve our Vision for the future/ Plans for future periods

Plans for future periods include:

- Regular Headteacher meetings across the Trust;

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Trustees Report for the Year Ended 31 August 2022 (continued)

- Shared PD Days;
- Regular Peer review across all aspects of trust performance
- Implementation of a Trust Management System
- Further centralisation of administration systems across the Trust
- Networking of staff;
- Evidence of impact on systems within schools and outcomes in each school
- Challenge from the Directors of the Trust, associated committees, Local Advisory Boards and external agencies, evident in minutes of meetings.
- Regular Chairs Forum meetings between the Chair of LAB's and the Chair of Directors and CEO.
- Continue to drive economies through further development of Trust School Improvement Roles and secondment opportunities.

Auditor

Insofar as the Trustees are aware:

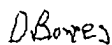
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Reappointment of auditor

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

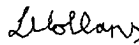
In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

The trustees report, incorporating a Strategic Report, was approved and authorised for issue by order of the members of the Governing Body on 19 December 2022 and signed on its behalf by:



David Bowes 20 Dec 2022 15:44:16 GMT (UTC +0)

D Bowes
Trustee



Lindsey Vollans 20 Dec 2022 18:10:34 GMT (UTC +0)

L Vollans
Trustee

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Governance Statement

Governance Report

Scope of Responsibility

As Directors we acknowledge we have overall responsibility for ensuring 1Excellence Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

As Directors we have read and taken account of the guidance in the DFE's governance handbook and competency framework for governors.

The Board of Directors has delegated the day-to-day responsibility to the CEO as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreements between 1Excellence Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors Report and in the Statement of Directors Responsibilities. Attendance during the period at meetings of the Board of Directors was as follows:

The information on governance included here supplements that described in the Directors Report and in the Statement of Directors Responsibilities. Attendance during the period at meetings of the Board of Directors was as follows:

Full Director Board Meetings

Director	Meetings attended	Out of a possible
David Bowes, Chair	20	20
Fiona Williams, Vice Chair	12	13
Harry Smith	14	17
Shelia Hauxwell	15	17
Mike Fryer	7	10
Keith Smith	11	14
Mike Bloomfield	3	8
Tom Cunningham	15	17
Michael McCarthy	0	0
Lindsey Vollans	4	4

A full external audit of governance is arranged for January 2023. This will include Local Advisory Boards.

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Governance Statement (continued)

The Directors annually review governance arrangements, committee structures, reporting, the scheme of delegation to ensure it reflects the trust current and future strategy. All Directors and governors complete an annual skills audit.

The Finance, Audit Resources and Risk Committee is a sub-committee of the main Board of Directors. Its purpose is to review the management of the financial operation of the Trust and recommend an annual budget to the Board for approval; to monitor the financial performance of the budget to review outcomes of audits and monitor remedial actions through to completion.

The Trust has an external review of Governance arranged for the spring term 2023.

Data provided to the board in order to make financial and academic decisions has been strong, timely accurate and efficient. This has allowed directors to challenge standards and bring about significant improvement in all schools in one year. Finance and audit directors have used their experience to request additional information and we are able to make appointments to bring about further improvements, such as a School Improvement Lead, Head of Governance and Finance Manager, shared SENCO and Early Years Lead, ensuring consistent compliance with legislation across the trust, as well as improved outcomes for pupils and their families.

The Standards Committees role is to review key performance indicators across the Trust for Academy and School Improvement, progress data and attainment outcomes, and to debate educational provision and curriculum across the Trust

The Safeguarding Committees role is to continually review and challenge academies safeguarding policies and procedures, review concerns and ensure best practice across the trust.

Conflicts of interest

All conflicts of interest are declared annually and checked at each Director meeting.

Review of Value for Money

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

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

- Reviewing and centralising all maintenance contracts resulting in considerable financial savings across the Trust
- Reviewing and centralising the staff insurance policy providing well-being services for all staff whilst also making a saving across the Trust.
- Implementing a new finance system on the 1 September 2021 – resulting in a streamlining of processes across the Trust.
- Development of a centralized Head of Governance and Compliance role allowing for centralisation and streamlining of processes across the Trust.
- Acquiring and implementing a consistent Trust MIS system.

1Excellence Multi Academy Trust

Governance Statement (continued)

We continue to maximize the use of resources and have a clear focus on securing best value for money. As contracts have become due for renewal the Trust has looked to achieve efficiency savings by joint procurement and seeking quotes from alternative suppliers.

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 1Excellence Multi Academy Trust 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is reviewed by the Board of Trustees on a half termly basis.

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:

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 Directors;
- regular reviews by the Finance Audit Resource and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programs;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

Following the revised FRC Ethical Standards which prohibited a firm providing external audit to an entity to also provide internal audit services, Clive Owen LLP were appointed as internal auditors from September 2020 for this and the forthcoming financial year.

The program of Internal Assurance includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- Review of financial reporting procedures
- Review of compliance across the Trust.

1Excellence Multi Academy Trust

Governance Statement (continued)

- testing of purchase systems and procurement procedures
- testing of Risk Assessment and Risk management procedures across the Trust

On a termly basis, Clive Owen LLP reports to the Board of Directors, through the Finance Audit Resources and Risk 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. Items identified as a result of the internal assurance visit have been added to the MAT's finance improvement plan, which was also presented to the Finance Resources and Risk Committee.

Review of Effectiveness

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

- the results of the internal assurance work undertaken in the period
- the work of the Head teachers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework, in conjunction with the CFO

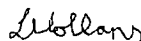
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance Audit Resources and Risk Committee and a plan to ensure continuous improvement of the system is in place.

Approved and authorised for issue by order of the members of the Governing Body on 19 December 2022 and signed on its behalf by:



David Bowes 20 Dec 2022 15:44:10 GMT (UTC +0)

D Bowes
Trustee



Lindsey Vollans 20 Dec 2022 16:10:34 GMT (UTC +0)

L Vollans
Trustee

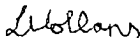
1Excellence Multi Academy Trust

Statement of regularity, propriety and compliance

As Accounting Officer of 1Excellence Multi Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the 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 Governing Body and ESFA.



Lindsey Vollans 20 Dec 2022 18:10:34 GMT (UTC +0)

L Vollans
Accounting officer

19 December 2022

1Excellence Multi Academy Trust

Statement of Trustees' Responsibilities

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 apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 and authorised for issue by order of the members of the Board on 19 December 2022 and signed on its behalf by:



David Bowes 20 Dec 2022 15:44:16 GMT (UTC +0)

D Bowes
Trustee

.....
L Vollans
Trustee

1Excellence Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of 1Excellence Multi Academy Trust

Opinion

We have audited the financial statements of 1Excellence Multi Academy Trust (the 'Academy') for the year ended 31 August 2022, which comprise the Statement of Financial Activities for the (including Income and Expenditure Account), Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

1Excellence Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of 1Excellence Multi Academy Trust (continued)

Other information (covers the Reference and administrative details, the Trustees Report and the Governance Statement)

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 19], the Trustees 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'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 or to cease operations, or have no realistic alternative but to do so.

1Excellence Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of 1Excellence Multi Academy Trust (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

- enquiries of management about any actual or potential litigation and claims;
- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;
- reading correspondence with regulators including the OFSTED;
- reviewing minutes of those charged with governance;
- reviewing internal assurance reports; and
- reading Health and Safety and other relevant reports;

We identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the Charities Act 2011 and UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

1Excellence Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of 1Excellence Multi Academy Trust (continued)

Use of our report

This report is made solely to the Academy's Trustees, 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's trustees 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 and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Brian Laidlaw 20 Dec 2022 18:38:47 GMT (UTC +0)

Brian Laidlaw BA CA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Statutory Auditor
Chartered Accountants
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 20 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

1Excellence Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to 1Excellence Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 30 June 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 1Excellence Multi Academy Trust during the period 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.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 July 2017 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 from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting our responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;
- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;

1Excellence Multi Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to 1Excellence Multi Academy Trust and the Education and Skills Funding Agency (continued)

- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.

This report is made solely to 1Excellence Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to 1Excellence Multi Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than 1Excellence Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Azets Audit Services

Brian Laidlaw 20 Dec 2022 18:38:47 GMT (UTC +0)

Azets Audit Services
Chartered Accountants
Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 20 December 2022

Azets Audit Services is a trading name of Azets Audit Services Limited

1Excellence Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	26	5	554	585
Transfer from local authority on conversion		500	(1,088)	87	(501)
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	226	6,220	-	6,446
Other trading activities	4	121	-	-	121
Total		873	5,137	641	6,651
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6	239	6,904	135	7,278
Net income/(expenditure)		634	(1,767)	506	(627)
Transfers between funds		-	(297)	297	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	22	-	3,696	-	3,696
Net movement in funds		634	1,632	803	3,069
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		317	(1,828)	2,872	1,361
Total funds/(deficit) carried forward at 31 August 2022		951	(196)	3,675	4,430

1Excellence Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2021 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2021 £ 000
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	36	-	50	86
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	15	4,336	-	4,351
Other trading activities	4	163	-	-	163
Total		214	4,336	50	4,600
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	6	169	4,321	97	4,587
Net income/(expenditure)		45	15	(47)	13
Transfers between funds		-	(338)	338	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	22	-	163	-	163
Net movement in funds/(deficit)		45	(160)	291	176
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		272	(1,668)	2,581	1,185
Total funds/(deficit) carried forward at 31 August 2021		317	(1,828)	2,872	1,361

1Excellence Multi Academy Trust

(Registration number: 10817580) Balance Sheet

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Tangible assets	11	3,673	2,872
Current assets			
Debtors	12	989	228
Cash at bank and in hand		<u>1,647</u>	<u>890</u>
		2,636	1,118
Creditors: Amounts falling due within one year	13	<u>(1,480)</u>	<u>(206)</u>
Net current assets		<u>1,156</u>	<u>912</u>
Total assets less current liabilities		<u>4,829</u>	<u>3,784</u>
Net assets excluding pension liability		4,829	3,784
Pension scheme liability	22	<u>(399)</u>	<u>(2,423)</u>
Net assets including pension liability		<u>4,430</u>	<u>1,361</u>
Funds of the Academy:			
Restricted funds			
Restricted income fund	14	203	595
Restricted fixed asset fund	14	3,675	2,872
Pension reserve	14	<u>(399)</u>	<u>(2,423)</u>
		3,479	1,044
Unrestricted funds			
Other unrestricted fund	14	<u>951</u>	<u>317</u>
Total funds		<u>4,430</u>	<u>1,361</u>

The financial statements on pages 26 to 55 were approved and authorised for issue by the Trustees, on 19 December 2022 and signed on their behalf by:

D Bowes

David Bowes 20 Dec 2022 15:44:16 GMT (UTC +0)

D Bowes
Trustee

L Vollans

Lindsey Vollans 20 Dec 2022 16:10:34 GMT (UTC +0)

L Vollans
Trustee

1Excellence Multi Academy Trust

Statement of Cash Flows

	Note	2022 £ 000	2021 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	17	1,052	425
Cash flows from investing activities	18	<u>(295)</u>	<u>(370)</u>
Change in cash and cash equivalents in the year		757	55
Cash and cash equivalents at 1 September		<u>890</u>	<u>835</u>
Cash and cash equivalents at 31 August	19	<u><u>1,647</u></u>	<u><u>890</u></u>

1Excellence Multi Academy Trust

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.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2019 (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

These financial statements are prepared in sterling which is the functional currency of the entity.

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.

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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Sponsorship income

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

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.

Investment income

Interest receivable is included in the statement of financial activities on an accruals basis.

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Asset class	Depreciation method and rate
Leasehold land and buildings	50 to 125 years straight line
Furniture and fixtures	7 years straight line
Computer equipment	3 years straight line

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.

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.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Leased assets

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

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 basis 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 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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 note 13. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

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 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 Education Skills and Funding Agency and the Department for Education Group.

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.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

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.

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

Depreciation

The academy trust has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £135,000 (2021 - £96,000).

Critical areas of judgement

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Assessing indicator of impairment.

In assessing whether there have been any indicators of impairment of assets the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

1 Accounting policies (continued)

Pension benefits

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 so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Other voluntary income					
Capital grants	-	-	554	554	17
Other donations	26	5	-	31	36
Donated fixed assets	-	-	-	-	33
	<u>26</u>	<u>5</u>	<u>554</u>	<u>585</u>	<u>86</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>36</u>	<u>-</u>	<u>50</u>	<u>86</u>	

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
DfE/ESFA revenue grants.					
General Annual Grant GAG	-	3,709	-	3,709	2,759
Start Up Grants	-	-	-	-	50
Other ESFA Group grants	-	1,459	-	1,459	579
	-	5,168	-	5,168	3,388
Other government grants					
Local authority grants	-	995	-	995	885
Other Government grants	-	21	-	21	-
	-	1,016	-	1,016	885
COVID-19 additional funding (DfE/ESFA)					
Catch-up Premium	-	-	-	-	63
Other DfE/ESFA COVID-19 funding	-	36	-	36	10
	-	36	-	36	73
Non-government grants and other income					
Other income from the academy trusts educational operations	226	-	-	226	5
Total grants	226	6,220	-	6,446	4,351
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	15	4,336	-	4,351	

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

3 Funding for the Academy Trust's educational operations (continued)

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under COVID-19 additional funding."

	2022 £ 000	2021 £ 000
Other DfE/ESFA Grants		
Rates reclaim	10	13
Pupil Premium and Service Premium	353	297
Universal Infant Free School Meals (UIFSM)	74	85
PE and Sports Grant	54	37
Other	945	5
Teachers' Pay Grant	23	142
	<u>1,459</u>	<u>579</u>

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Catering income	-	-	-	-	38
Recharges and reimbursements	20	-	-	20	53
Other sales	101	-	-	101	72
	<u>121</u>	<u>-</u>	<u>-</u>	<u>121</u>	<u>163</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>163</u>	<u>-</u>	<u>-</u>	<u>163</u>	

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

5 Expenditure

	Non Pay Expenditure			Total 2022 £ 000	Total 2021 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Academy's educational operations					
Direct costs	4,126	-	916	5,042	3,242
Allocated support costs	1,084	487	665	2,236	1,345
	<u>5,210</u>	<u>487</u>	<u>1,581</u>	<u>7,278</u>	<u>4,587</u>

	Non Pay Expenditure			Total Period ended 2021 £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000	
Total 2021	<u>3,684</u>	<u>320</u>	<u>583</u>	<u>4,587</u>

Net income/(expenditure) for the year includes:

	2022 £ 000	2021 £ 000
Depreciation	135	96
Fees payable to auditor - audit	9	6
Fees payable to auditor - other audit services	<u>2</u>	<u>2</u>

6 Charitable activities

	2022 £ 000	2021 £ 000
Direct costs - educational operations	5,042	3,242
Support costs - educational operations	<u>2,236</u>	<u>1,345</u>
	<u>7,278</u>	<u>4,587</u>

	Educational operations £ 000	Total 2022 £ 000	Total 2021 £ 000
Analysis of support costs			
Support staff costs	1,084	1,084	617
Depreciation	135	135	97
Premises costs	352	352	223
Legal costs	23	23	10
Other support costs	623	623	380
Governance costs	<u>19</u>	<u>19</u>	<u>18</u>
Total support costs	<u>2,236</u>	<u>2,236</u>	<u>1,345</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Staff

Staff costs

	2022 £ 000	2021 £ 000
Staff costs during the year were:		
Wages and salaries	3,516	2,502
Social security costs	324	220
Operating costs of defined benefit pension schemes	1,254	843
	<u>5,094</u>	<u>3,565</u>
Supply staff costs	95	112
Staff restructuring costs	21	7
	<u>5,210</u>	<u>3,684</u>
	2022 £ 000	2021 £ 000
Staff restructuring costs comprise:		
Severance payments	<u>22</u>	<u>7</u>

Staff numbers

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

	2022 No.	2021 No.
Charitable Activities		
Teachers	57	42
Administration and support	111	81
Management	8	4
	<u>176</u>	<u>127</u>

Higher paid staff

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

	2022 No.	2021 No.
£60,001 - £70,000	<u>1</u>	<u>1</u>

1 Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

7 Staff (continued)

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) received by key management personnel for their services to the academy trust was £461,263 (2021 - £242,893).

8 Central services

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

- Financial services
- Governance services
- School improvement

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

- A top slice based on the needs of each school

The actual amounts charged during the year were as follows:

	2022 £ 000	2021 £ 000
St. Mark's Church of England Primary School	102	279
Pentland Primary School	91	8
Evenwood Church of England Primary School	24	-
St Michael's Church of England Primary School	25	-
	<u>242</u>	<u>287</u>

9 Related party transactions - trustees' remuneration and expenses

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

L Vollans (CEO):

Remuneration: £55,000 - £60,000 (2021 - £Nil)

Employer's pension contributions: £10,000 - £15,000 (2021 - £Nil)

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

9 Related party transactions - trustees' remuneration and expenses (continued)

Other related party transactions involving the Trustees are set out in note 23.

10 Trustees' and officers' insurance

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

11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and fixtures £ 000	Computer equipment £ 000	Plant and equipment £ 000	Total £ 000
Cost					
At 1 September 2021	2,880	158	141	-	3,179
Additions	535	85	50	179	849
Inherited assets	43	31	13	-	87
At 31 August 2022	<u>3,458</u>	<u>274</u>	<u>204</u>	<u>179</u>	<u>4,115</u>
Depreciation					
At 1 September 2021	162	66	79	-	307
Charge for the year	55	30	50	-	135
At 31 August 2022	<u>217</u>	<u>96</u>	<u>129</u>	<u>-</u>	<u>442</u>
Net book value					
At 31 August 2022	<u>3,241</u>	<u>178</u>	<u>75</u>	<u>179</u>	<u>3,673</u>
At 31 August 2021	<u>2,718</u>	<u>92</u>	<u>62</u>	<u>-</u>	<u>2,872</u>

The Academy Trust occupies land, including buildings, which are owned by one of its Members; the Durham Diocesan Board of Finance. The Members are the providers of the academies on the same basis as when they were maintained schools. The Academy Trust therefore occupies the land and buildings under a licence. The continuing permission of the Members is pursuant to, and subject to, the Members' charitable objectives and is part of the Church's of England's contribution since 1847 to provide state funded education in partnership with the state. The licence delegates aspects of the management of the land and buildings to the Academy Trust, but does not vest any rights over the land in the Academy Trust. The Members have given an undertaking to the Secretary of State for Education that they will not give the Academy Trust less than two years notice to terminate the occupation of the land and buildings. Having therefore considered the basis of which the Academy Trust is occupying the land and buildings the Trustees have concluded that the value of these land and buildings will not be recognised on the Academy Trust's balance sheet.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

12 Debtors

	2022	2021
	£ 000	£ 000
Trade debtors	80	4
VAT recoverable	145	108
Prepayments	64	48
Accrued grant and other income	700	68
	<u>989</u>	<u>228</u>

13 Creditors: amounts falling due within one year

	2022	2021
	£ 000	£ 000
Trade creditors	520	-
Other taxation and social security	75	55
Accruals	739	48
Deferred income	67	82
Pension scheme creditor	79	21
	<u>1,480</u>	<u>206</u>

	2022	2021
	£ 000	£ 000
Deferred income		
Deferred income at 1 September 2021	82	53
Resources deferred in the period	67	82
Amounts released from previous periods	<u>(82)</u>	<u>(53)</u>
Deferred income at 31 August 2022	<u>67</u>	<u>82</u>

Deferred income is held in respect of Universal Infant Free School Meals, and early years income.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted general funds					
General Annual Grant (GAG)	572	3,709	(3,804)	(297)	180
Other DfE/ESFA	23	1,517	(1,517)	-	23
Other Government Grants	-	994	(994)	-	-
Other Income	-	5	(5)	-	-
	<u>595</u>	<u>6,225</u>	<u>(6,320)</u>	<u>(297)</u>	<u>203</u>
Restricted fixed asset funds					
Transfer on Conversion	1,857	87	(51)	-	1,893
DfE/ESFA Capital Grants	999	554	(56)	(46)	1,451
Capital Expenditure from GAG	16	-	(28)	343	331
	<u>2,872</u>	<u>641</u>	<u>(135)</u>	<u>297</u>	<u>3,675</u>
Pension Reserve					
Pension Reserve	<u>(2,423)</u>	<u>-</u>	<u>(1,672)</u>	<u>3,696</u>	<u>(399)</u>
Total restricted funds	1,044	6,866	(8,127)	3,696	3,479
Unrestricted funds					
General Fund	<u>317</u>	<u>873</u>	<u>(239)</u>	<u>-</u>	<u>951</u>
Total funds	<u>1,361</u>	<u>7,739</u>	<u>(8,366)</u>	<u>3,696</u>	<u>4,430</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

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

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
General Annual Grant (GAG)	561	2,759	(2,410)	(338)	572
Other DfE/ESFA	-	629	(606)	-	23
Other Government Grants	-	885	(885)	-	-
COVID-19 Funds	-	63	(63)	-	-
	<u>561</u>	<u>4,336</u>	<u>(3,964)</u>	<u>(338)</u>	<u>595</u>
Restricted fixed asset funds					
Transfer on Conversion	1,900	-	(43)	-	1,857
DfE/ESFA Capital Grants	652	50	(41)	338	999
Capital Expenditure from GAG	29	-	(13)	-	16
	<u>2,581</u>	<u>50</u>	<u>(97)</u>	<u>338</u>	<u>2,872</u>
Pension Reserve					
Pension Reserve	<u>(2,229)</u>	<u>-</u>	<u>(357)</u>	<u>163</u>	<u>(2,423)</u>
Total restricted funds	913	4,386	(4,418)	163	1,044
Unrestricted funds					
General Fund	<u>272</u>	<u>214</u>	<u>(169)</u>	<u>-</u>	<u>317</u>
Total funds	<u>1,185</u>	<u>4,600</u>	<u>(4,587)</u>	<u>163</u>	<u>1,361</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at the balance sheet date.

A start up grant was received from the ESFA as a result of the conversion to academy status. The full grant was allocated.

Other DfE/ESFA grants include teachers pay and pension grants, pupil premium, PE and sports grant and other DfE/ESFA grants.

Other government grants comprise funding received from the Local Authority.

The costs and income associated with the defined benefit pension scheme have been recorded in the restricted fund. Staff costs are paid from this fund, including contributions to Local Government Pension Scheme ('LGPS') and the pension liability has therefore been aligned with these funds. The restricted funds are in deficit as a result of the deficit on the LGPS pension scheme alone.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

The inherited fixed asset fund reflects the fixed assets acquired from the Local Authority on conversion to academy status. Depreciation on these assets is charged against this fund.

DfE/ESFA capital grants received in year consist of capital grants received in the year which have been received for expenditure on acquisition and maintenance of fixed assets.

The transfer from the Local Authority reflects the fixed assets, the pension deficit, the surplus GAG and any surplus school funds acquired on conversion

Unrestricted funds can be used for any purpose at the discretion of the academy trust.

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022 £ 000	2021 £ 000
Pentland Primary School	230	400
St Mark's Church of England Primary School	441	463
Evenwood Church of England Primary School	194	-
St Michael's Church of England Primary School	234	-
1Excellence Multi Academy Trust	55	49
Total before fixed assets and pension reserve	1,154	912
Fixed asset reserve	3,675	2,872
Pension reserve	(399)	(2,423)
Total	4,430	1,361

Total cost analysis by academy

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2022 £ 000
St Mark's Church of England Primary School	1,746	196	28	390	2,360
Pentland Primary School	1,523	150	24	444	2,141
Evenwood Church of England Primary School	335	62	16	117	530
St Michael's Church of England Primary School	427	49	14	711	1,201
1Excellence Multi Academy Trust	105	101	-	121	327
Academy Trust	4,136	558	82	1,783	6,559

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

14 Funds (continued)

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2021 £ 000
St Mark's Church of England Primary School	1,466	142	34	262	1,904
Pentland Primary School	1,443	141	39	269	1,891
1Excellence Multi Academy Trust	158	87	-	92	338
Academy Trust	<u>3,067</u>	<u>370</u>	<u>73</u>	<u>623</u>	<u>4,133</u>

15 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	3,673	3,673
Current assets	951	1,683	2	2,636
Current liabilities	-	(1,480)	-	(1,480)
Pension scheme liability	-	(399)	-	(399)
Total net assets	<u>951</u>	<u>(196)</u>	<u>3,675</u>	<u>4,430</u>

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	2,872	2,872
Current assets	317	801	-	1,118
Current liabilities	-	(206)	-	(206)
Pension scheme liability	-	(2,423)	-	(2,423)
Total net assets	<u>317</u>	<u>(1,828)</u>	<u>2,872</u>	<u>1,361</u>

16 Capital commitments

	2022 £ 000	2021 £ 000
Contracted for, but not provided in the financial statements	<u>121</u>	<u>150</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

17 Reconciliation of net (expenditure)/income to net cash inflow/(outflow) from operating activities

		2022 £ 000	2021 £ 000
Net (expenditure)/income		(627)	13
Depreciation	5	135	96
Capital grants from DfE and other capital income		(554)	(17)
Assets transferred on conversion from Local Authority		(87)	-
Defined benefit pension scheme obligation inherited	22	1,088	-
Defined benefit pension scheme cost less contributions payable	22	525	321
Defined benefit pension scheme finance cost	22	59	36
(Increase)/decrease in debtors		(761)	30
Increase/(decrease) in creditors		1,274	(54)
Net cash provided by Operating Activities		<u>1,052</u>	<u>425</u>

18 Cash flows from investing activities

	2022 £ 000	2021 £ 000
Purchase of tangible fixed assets	(849)	(387)
Capital funding received from sponsors and others	554	17
Net cash used in investing activities	<u>(295)</u>	<u>(370)</u>

19 Analysis of cash and cash equivalents

	2022 £ 000	2021 £ 000
Cash at bank and in hand	<u>1,647</u>	<u>890</u>
Total cash and cash equivalents	<u>1,647</u>	<u>890</u>

20 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash	<u>890</u>	<u>757</u>	<u>1,647</u>
Total	<u>890</u>	<u>757</u>	<u>1,647</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

21 Member 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.

22 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by . 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 £79,011 (2021 - £21,063) were payable to the schemes at 31 August 2022 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 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 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.

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Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £468,902 (2021: £345,558).

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

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

Local government pension schemes

Teesside Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £282,000 (2021 - £242,000), of which employer's contributions totalled £212,000 (2021 - £182,000) and employees' contributions totalled £70,000 (2021 - £60,000). The agreed contribution rates for future years are 17.9 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by Middlesbrough Borough Council.

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.

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.10	3.60
Rate of increase for pensions in payment/inflation	3.10	2.60
Discount rate for scheme liabilities	4.30	1.70
Inflation assumptions (CPI)	<u>3.10</u>	<u>2.60</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

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

	2022	2021
Retiring today		
Males retiring today	21.70	21.90
Females retiring today	23.50	23.60
Retiring in 20 years		
Males retiring in 20 years	22.90	23.30
Females retiring in 20 years	<u>25.30</u>	<u>25.40</u>

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

	2022 £ 000	2021 £ 000
Equities	2,677	2,749
Property	708	254
Cash and other liquid assets	551	288
Other	-	184
Total market value of assets	<u>3,936</u>	<u>3,475</u>

The actual return on scheme assets was £220,000 (2021 - £591,000).

Amounts recognised in the statement of financial activities

	2022 £ 000	2021 £ 000
Current service cost	650	503
Interest income	(61)	(47)
Interest cost	106	83
Total amount recognised in the SOFA	<u>695</u>	<u>539</u>

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

	2022 £ 000	2021 £ 000
At start of period	5,898	4,887
Current service cost	650	503
Interest cost	106	83
Employee contributions	70	60
Actuarial (gain)/loss	(2,687)	381
Benefits paid	<u>(41)</u>	<u>(16)</u>
At 31 August	<u>3,996</u>	<u>5,898</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

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

	2022 £ 000	2021 £ 000
At start of period	3,475	2,658
Interest income	61	47
Actuarial gain/(loss)	159	544
Employer contributions	212	182
Employee contributions	70	60
Benefits paid	(41)	(16)
At 31 August	3,936	3,475

Durham Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £62,000 (2021 - £Nil), of which employer's contributions totalled £47,000 (2021 - £Nil) and employees' contributions totalled £15,000 (2021 - £Nil). The agreed contribution rates for future years are 17.9 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by Durham County Council.

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.

Due to the current level of high inflation we have instructed the actuary to make an allowance in the Defined Benefit Obligation of the expected impact of CPI inflation on the pension increase order for April 2023. This is a change in accounting policy from previous years. It is expected that the April 2023 pension increase order will reflect CPI inflation therefore an allowance has been included in the results presented for CPI between September 2021 and the accounting date. This is recognised in other comprehensive income and reflects the market expectations at the accounting date.

Principal actuarial assumptions

	2022 %
Rate of increase in salaries	3.70
Rate of increase for pensions in payment/inflation	2.70
Discount rate for scheme liabilities	4.10
Inflation assumptions (CPI)	2.70

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

	2022
Retiring today	
Males retiring today	22.10
Females retiring today	24.20
Retiring in 20 years	
Males retiring in 20 years	23.20
Females retiring in 20 years	25.70

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

Sensitivity analysis

	At 31 August 2022 £000
Discount rate +0.1%	934
Discount rate -0.1%	979
Mortality assumption – 1 year increase	929
Mortality assumption – 1 year decrease	983
CPI rate +0.1%	963
CPI rate -0.1%	<u>949</u>

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

	2022 £ 000
Equities	337
Corporate bonds	27
Government bonds	70
Property	52
Cash and other liquid assets	98
Other	<u>33</u>
Total market value of assets	<u>617</u>

The actual return on scheme assets was (£54,000) (2021 - £Nil).

Amounts recognised in the statement of financial activities

	2022 £ 000
Current service cost	134
Interest income	(8)
Interest cost	<u>22</u>
Total amount recognised in the SOFA	<u>148</u>

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

	2022 £ 000
Transferred in on existing academies joining the trust	1,701
Current service cost	134
Interest cost	22
Employee contributions	15
Actuarial (gain)/loss	(912)
Benefits paid	<u>(4)</u>
At 31 August	<u>956</u>

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

22 Pension and similar obligations (continued)

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

	2022 £ 000
Transferred in on existing academies joining the trust	613
Interest income	8
Actuarial gain/(loss)	(62)
Employer contributions	47
Employee contributions	15
Benefits paid	(4)
At 31 August	<u>617</u>

23 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. The following related party transactions took place in the financial period.

Expenditure related party transactions

During the year the academy trust made the following related party transactions:

D Carr

D Carr is an employee of the Trust and the sister and daughter of two separate Trustees. D Carr is employed by the Trust as an assistant headteacher and is remunerated at an appropriate salary scale point for the responsibilities relating to this role.

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

At the balance sheet date the amount due to D Carr was £Nil (2021 - £Nil).

S Fryer

S Fryer is an employee of the Trust and the wife of a Trustee. S Fryer is employed by the Trust as a teaching assistant and is remunerated at an appropriate salary scale point for the responsibilities relating to this role.

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

At the balance sheet date the amount due to S Fryer was £Nil (2021 - £Nil).

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

23 Related party transactions (continued)

Tudhoe Learning Trust

David Bowes (Member and Chair of Directors) is the Chair of Tudhoe Learning Trust. Tudhoe Learning Trust is a partnership school this was an arrangement that was in place when St Michael's Church of England School joined the Trust.

Tudhoe Learning Trust invoiced the Trust £1,388 (2021 - £nil) in respect of a recharge of training and support expenses that were wholly funded from the English Hub. Tudhoe Learning Trust had indicated their intention to be part of the English Hub prior to the conversion to academy of St Michael's Church of England School, being the lead school..

In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

At the balance sheet date the amount due to Tudhoe Learning Trust was £Nil (2021 - £Nil).

24 Conversion to an Academy Trust

On 1 December 2021 the Evenwood Church of England Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to 1Excellence Multi Academy Trust from the County Durham Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities and an analysis of their recognition in the SOFA.

	Unrestricted fund £000	Restricted general fund £000	Restricted fixed asset fund £000	Endowment fund £000	Total £000
Leasehold land and buildings	-	-	21	-	21
Other tangible fixed assets	-	-	17	-	17
On LA funds	162	-	-	-	162
LGPS pension surplus/(deficit)	-	(544)	-	-	(544)
Net liabilities	162	(544)	38	-	(344)

The above net liabilities include £162,137 that were transferred as cash.

1Excellence Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022 (continued)

24 Conversion to an Academy Trust (continued)

On 1 December 2021 the St Michael's Church of England Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to 1Excellence Multi Academy Trust from the County Durham Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities and an analysis of their recognition in the SOFA.

	Unrestricted fund £000	Restricted general fund £000	Restricted fixed asset fund £000	Endowment fund £000	Total £000
Leasehold land and buildings	-	-	22	-	22
Other tangible fixed assets	-	-	27	-	27
On LA funds	338	-	-	-	338
LGPS pension surplus/(deficit)	-	(544)	-	-	(544)
Net liabilities	<u>338</u>	<u>(544)</u>	<u>49</u>	<u>-</u>	<u>(157)</u>

The above net liabilities include £338,107 that were transferred as cash.