

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021



CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	I Bruce T Davies C Green J Whetter
Trustees	M Hosking, Chair of Trustees T Briant-Evans N Lake K Tipler J Whetter K Brokenshire (appointed 24 March 2021) N Butcher (appointed 14 September 2021)
Company registered number	10354924
Company name	Crofty Multi Academy Trust
Principal and registered office	No 2 The Seatons Tolvaddon Energy Park Tolvaddon Camborne TR14 0HX
Company secretary	J Alder
Chief executive officer	S Hague
Senior management team	S Hague, Chief Executive Officer T Lamb, Director of Education S Eva, Estates Manager C Thomas, Finance Officer M Post, IT Strategy Manager
Independent auditors	Griffin Chartered Accountants Silverdown Office Park Exeter Airport Business Park Exeter EX5 2UX

CROFTY MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates 9 academies for primary aged pupils in Camborne, Pool and Redruth. Its academies have a combined pupil capacity of 2597 and had a roll of 2501 pupils on September 5th 2021.

Structure, governance and management

a. Constitution

The Academy Trust is a Charitable Company limited by guarantee and an exempt charity.

The Charitable Company's Memorandum of Association is the primary governing document of the Academy Trust.

The Trustees of Crofty Multi Academy Trust are also the Directors of the Charitable Company for the purposes of company law.

The Charitable Company is known as Crofty Multi Academy Trust.

Details of the Trustees who served during the , and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

.On 1st September 2016 the Members appointed the Trustees of the newly formed Multi Academy Trust.

At present the Board has six Member-appointed Trustees and one co-opted Trustee. The CEO of the Trust is not a Trustee.

The Board regularly updates and reviews the skills register to assist with identifying future recruitment requirements.

Vacancies/new posts may be advertised within the Trust and externally, as well as with the Academy Ambassador's programme. Potential candidates provide a CV and complete a skills audit and have an informal meeting with the Chair and CEO.

Recommendations for appointment are shared with the Trustees and the final decision is made by the Members (Member-appointed Trustee) or the full Board (Co-opted Trustee).

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

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their knowledge of governance and education and previous experience but may include any of the following:

- Visit to the Trust office and opportunity to meet the central team
- Visit to one or more of the Trust's schools
- Documentation pack including Articles of Association, Academy Trust Handbook, Governance Scheme of Delegation, Charity Commission guidance on being a Trustee, Trust policies
- Presentations by lead officers to Board meetings
- Trust's internal governance training programme

e. Organisational structure

The Trust Board has developed an overall framework for the governance of the Trust which includes a scheme of delegation, Audit and Risk committee, Lead Trustee roles, Local Governance Committees at each school, terms of reference and procedures, and a clerking team.

It monitors activity by reviewing minutes and holding regular meetings with committee chairs. It may from time to time establish working groups to perform specific tasks over a limited timescale.

The functions of Finance and Resources, School Improvement, Personnel and Governance are monitored and overseen by named Lead Trustees who work with relevant officers to oversee the progress and improvements of the Trust, challenging and supporting as required.

The Trust Board operates the principle of 'reporting by exception' for its committees and Lead Trustees in order to ensure appropriate time and energy is spent on the most relevant strategic areas.

There is currently one committee as follows;

- Audit and Risk - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to compliance with reporting and regulatory requirements. The committee receive reports from internal and external audit and any external reports. It regularly reviews risk management arrangements

The Trust comprises of nine primary schools each with its own Local Governance Committee (LGC). The Trustees have devolved responsibility for day to day operations of every school to the CEO.

The Trust CEO holds to account the Headteachers in the Trust for the performance and outcomes of their school via the Director of Education's reporting systems. The LGC and SLT implement the policies set out by the Trustees and report back to them on performance. The aim of the leadership and governance structure is to devolve responsibility and facilitate involvement in decision making at all levels. Details of this are set out in the Governance Scheme of Delegation.

The term of office for any Trustee or Local Governor is four years. Trustees and Local Governors may be reappointed or re-elected.

The Chief Executive Officer is the Accounting Officer.

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

Structure, governance and management (continued)

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

The Trustees consider the key management personnel of the Trust and its academies to be those in charge of directing and controlling, running and operating the Trust on a day to day basis.

The Trustees benchmark against pay levels in other trusts of a similar size and consider pay scales in Local Authority maintained schools when setting the pay of key management personnel.

All Trustees give their time freely and no Trustee received remuneration in the year for their role as a Trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

g. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	-	
Total pay bill	-	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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h. Related parties and other connected charities and organisations

The Trust has a shared site arrangement between one of its academies, Illogan School, and Curnow Special School from the Special Partnership Trust. Illogan School and Curnow School share a purpose built facility that promotes the integration of children from mainstream and special schools. For this purpose, there is a shared use agreement.

There are no related parties which either control or significantly influence the decisions and operations of the Trust.

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

Structure, governance and management (continued)

i. Engagement with employees (including disabled persons)

Crofty Multi Academy Trust is committed to maintaining good industrial relations and actively seeks to maintain good working relationships with staff and trade unions.

The Trust operates a JCNC (Joint Consultative and Negotiating Committee) attended by teaching and support staff union representatives which has met termly. Typically, the JCNC support the Trust in implementing changes to policies related to pay and conditions.

The usual timetable of meetings has been disrupted by the Covid 19 pandemic, however there has been constructive dialogue between unions and the Trust with respect to schools operating plans and health and safety arrangements relating to the reopening of schools under the Covid 19 restrictions.

In all its employee relations activities the Trust is fully committed to its duties under the equalities act. The Trust aims to meet its obligations by having due regard to the need to:

- Eliminate discrimination and other conduct that is prohibited by the Equality Act 2010
- Advance equality of opportunity between people who share a protected characteristic and people who do not share it.
- Foster good relations across all characteristics – between people who share a protected characteristic and people who do not share it.

Objectives and activities

a. Objects and aims

The objects of the Trust are 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 schools offering a broad and balanced curriculum.

The aims of the Trust are to be a group of schools

- To give our children the best possible start in life, unlocking possibilities and enabling them to make choices about their future.
- Create the highest quality learning for staff and children alike.
- Created a culture of shared responsibility for all children in our schools; Sharing resources to maximise opportunities, innovate and pursue equity for our learners.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Key priorities for the year are contained in our Trust Development Plan which is available from the Trust Office. Development focuses identified for this year include:

Pupil Outcomes - Further develop systems of monitoring and support to ensure the continued improvement in key outcomes for pupils.

- Implement and refine a clear pathway of continuous personal and professional development that improves the quality of teaching.
- Implement and refine a system of continuous performance management based on Trust values that recognises and promotes a wide range of indicators of effective practice.
- Continuous review of curriculum implementation to ensure challenge and the progressive development of skills across the full range of NC subjects for all pupils (especially pupils with SEND and disadvantaged).
- Monitor, review and maintain effective Trust oversight of and procedures for Safeguarding.

Operations - Refine and improve the Trust's operational effectiveness and sustainability.

Continually review and improve systems and procedures for:

- Finance - Strategic planning and management leads to greater efficiency and improved outcomes – Payroll / HR systems are increasingly effective and efficient
- Business and procurement – Contracts, tendering and management, internal processes and use of reserves ensure all schools get quality service and value for money
- HR - Recruitment and induction that is increasingly effective and efficient
- Coherent, unified ICT and communications
- A coherent estates maintenance strategy that ensures compliance and effectively invests in premises to ensure safe, high quality learning environments and long-term value for money
- The trust grows at a sustainable rate, securing a long-term future

Culture - Further develop Culture: Purpose & Values, Communication to stakeholders

- To develop and refine the Purpose and Values of the Trust.
- To further strengthen the sense of coherence and belonging for Trust staff and governors through effective communication and improve workforce engagement.
- To further develop and promote culture through effective professional networks.

Governance – Further develop effective governance structures and systems across the Trust

- Further develop effectiveness of Trust Board and LGCs.
- To ensure continued Trust governance compliance with ESFA and DfE requirements.

c. Public benefit

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

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

Strategic report

a. Achievements and performance

The Trust is in its fifth year of operation. The National testing and assessment timetable was significantly disrupted for the second year in a row as a result of Covid-19.

The priority areas for development of teaching and learning across the Trust were:

- The implementation of a sequenced and progressive curriculum.
- Delivery of targeted teaching and interventions to address gaps in learning due to the disruptions of Covid-19.
- A particular focus on teaching of reading and early language acquisition.
- The continued professional development of teaching staff across all schools.

Outcomes:

Develop a sequenced and progressive curriculum:

Despite the severe restrictions to normal school improvement practices, leaders were able to conduct an amount of peer and external review, monitoring the impact of the new curriculum through remote and Covid safe approaches. Evidence shows that the sequenced curriculum approach has ensured learners have made progress across the year, despite Covid disruption.

Teaching of reading:

Schools have rightly prioritized the teaching of reading due to the disruption to learning across the year. This sequence of learning has been implemented in every school alongside a canon of quality literature which the pupils learn through. The teaching of phonics has remained a priority with several schools, maintaining the structured approach of Read Write Inc as a strategy. This proved effective in accelerating progress and closing gaps in reading across the Autumn Term 2020. Unfortunately, the disruptions of lockdowns in the Spring of 2021 prevented schools from consolidating these gains. Despite this, leaders remain optimistic that children will make accelerated progress when learning is no longer disrupted.

Continued professional development:

The Trust has co created with teachers an approach to CPD and Performance Management that rewards staff for their commitment to personal and professional development. The training and support is designed to be bespoke to the individual whilst supporting the school's development priorities. The approach is based in an Incremental Coaching strategy, refining classroom practice for all.

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Strategic report (continued)

(continued)

One school was subject to an interim Ofsted inspection as part of the inspectorate's evidence gathering of schools' responses to Covid 19. The inspection acknowledged the safe and effective measures being used by the school.

The support and challenge provided by the Trust continues to be focused on the established principles of peer review and bespoke provision based on a needs analysis. The bespoke provision enables us to prioritise support and resources to the schools where the need is greatest.

The Trust has effective working relationship with other schools locally including welcoming the local non-member primary and secondary schools to be part of the network meetings run by the Trust. We have established a partnership with the Cornwall Early Years Teaching school and One Cornwall Teaching School Hub.

b. Going Concern

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

Financial review

a. Reserves policy

The Academy's Trustees aim to control reserves to an agreed level to ensure excessive balances are not held at any one time. The Trust Board will ensure that delegated funds are spent appropriately on the pupils of each Crofty School so that the Trust can adhere to ESFA balances policies.

Trustees are also conscious of their responsibilities to ensure sufficient reserves are kept as good financial practice and to maintain a secure financial future for schools in the Trust. The basis is recognition of "risk" to each school, with future funding uncertainty, the variable timings of some funding streams to schools and the need to protect fixed payroll costs. Good financial planning and monitoring by finance staff and the Trust Board ensures that any future financial needs are identified early.

The Trust now pools reserves into one fund to ensure it can support each school individually with larger projects when required. The minimum reserve is set as one calendar month's payroll and overheads costs. Any addition to this would represent provision for unforeseen future costs.

Total Trust "Unrestricted Reserves" currently meet the requirements of this policy.

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

The value of unrestricted reserves as at the 31st August 2021 were £1,632,570 which complied with minimum reserves position.

The defined benefit pension scheme reserve has a negative balance as at the 31st August 2021 of £9,114,000. The effect of the deficit position of the pension scheme is that the Trust will be paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust's budgeted annual income. However due to a change in investment growth assumptions contribution rates will not change from current rates until the next valuation.

b. Investment policy

The aim of the Investment Policy is to ensure the maximum return on the Trust's funds from the management of cash flow. As the Trust would be in breach of the Funding Agreement if it planned for a deficit in its annual budget or became overdrawn on its bank account(s) without prior approval (for example as a matter of short-term borrowing), then it follows that, in normal circumstances, there will be opportunities to deposit cash in an account(s) paying a higher interest rate.

An annual review will be held with the bank to assess whether, for its main transactions, the Trust has access to the most cost effective bank account(s) and is taking advantage of any special arrangements. The factors and constraints checklist to be taken into account when planning an investment will include:-

- The extent to which cash will be required to meet specific obligations in the short-term, i.e. statutory deductions, and in the longer-term, i.e. project costs.
- The likely future cash flow position if the investment may overlap into a new financial year.
- The possibility that cash may be needed to settle an urgent liability neither foreseen nor referred to in the annual accounts.
- The potential for the repayment of grant-aid where this is deemed not to have been properly applied.
- The possibility that grant-aid profiled in the accounts is not received at the planned time.

This is to ensure that once an investment is made it does not have to be withdrawn prior to the maturity date thus avoiding any potential penalties including loss of interest arising from the termination of the agreement. As the Trust is in charge of public funds, advice will be taken as to security and tenure from the school's bank and auditors as appropriate when any investment is planned. This will preclude any investment in an account deemed to be a potential risk even though the rate of return may be higher. Normally the Trust will consider facilities offered by the main clearing banks such as the money market deposit accounts and bonds. Unless the cash flow assessment determines otherwise it will be unusual for any investment to span more than a year and beyond the current financial year. The policy will be reviewed as part of the audit process.

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

c. Principal risks and uncertainties

The Board of Trustees has reviewed the major risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

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

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year almost 94.5% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring the appraisal and pay review process is fair and equitable.

Fraud and mismanagement of funds - The Trust has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area. The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

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

Whilst the Trust's schools are currently at or close to PAN in all year groups risks to revenue funding from a falling roll are small. However, the uncertainty over funding levels, the uncertainty of the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. The Chair of the Trust receives monthly reports and Trustees review performance against budgets and overall expenditure by means of regular update reports at Board meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

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

d. Review of performance

The Trusts main funding stream is from the DFE in the form of GAG funding. Other significant funding includes CIF funding, Nursery funding, Pupil premium, Sports premium, and DFC.

All funding is carefully budgeted and planned for to ensure it can support the Trusts objectives and strategies. These spending plans are monitored monthly with key Senior Leaders and Trustees.

The total in year income is £14,994,216 (2020: £14,318,987) the total in year expenditure is £15,562,392 (2020: £15,182,979) with a net deficit for the year of £568,176 (2020: £863,992). Excluding movements on the pension deficit reserve and the restricted fixed asset fund, the Trust made a surplus in the year of £213,528 (2020: deficit of £165,340). The reserves at the year end includes £270,264 amount of earmarked reserves for specific future projects significantly around Covid Catch up, PE premium, ICT upgrades and enhancing the Trust Estate. The Trust Board is keen to ensure that funding is carefully planned to enable every pupil to succeed and ensure investment in key areas such as Estates and ICT. Revenue reserve levels at 31st August 2021 are £1,820,949 (2020: £1,607,421) and are detailed in the funds analysis in note 22.

The Trust has implemented a new Reserves Policy during the year with one pooled reserve for revenue funds. This will ensure that the Trust can support each school individually with larger projects and not be limited by the capacity of individual School reserves. The significant upgrades of Estates at a cost of £273k, including LED for 8 schools, is an example of being able to ensure all pupils and staff within the Trust can access the benefits of shared funds and investments. The overall reserve level is reviewed and determined annually by the Trust Board which considers the longer-term financial plans as well as the risks. The current minimum reserve is one month's payroll and overheads. Additional unrestricted funds can be sought from budget holders via the Reserves Investment Panel with a business plan that meets both the school's and trusts strategic aims and objectives to ensure that spending is wise and in line with future strategic aims.

The Trust has successfully bid for £460k worth of CIF funding to upgrade roofs, fire doors and external safeguarding. This has been added to the fixed asset fund and reported in the Statement of Financial Activities along with the DFC spend. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Cashflow is carefully monitored on a rolling 12-month basis and the Trust invests cash to generate income from interest. The Investment policy has been updated this year and due diligence undertaken for the banks the investments are placed with. The policy ensures that decisions are made by Trustees and key finance personnel cooperatively which ensure that funds are invested in a way which maximises return whilst minimising risk. The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its support staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity. The current deficit as at 31st August 2021 is £9,114,000.

The Covid-19 Pandemic has had some financial implications for the Trust. The Trust has found that self-generated income has been lower during Covid pandemic due to opportunities for lettings and private use of the facilities. There have been additional overhead costs (cleaning and hygiene materials) and staffing costs (increased need to provide cover for absence)..

The Trust has continued to support suppliers as much as reasonably possible. The Trust has not furloughed any staff during the pandemic and all schools remained open for key worker and vulnerable children during the January – March 2021 lockdown. The Trust successfully provided meal vouchers for Free School Meal children isolating due to the pandemic.

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

The Trust's key performance indicators and their results for 2021 are as follows:

- Staff costs as a % of income - 75.7% (2020: 78.8%)
- Teacher costs as a % of income - 46.3% (2020: 45.4%)
- Staff costs as a % of overheads - 78.4% (2020: 78.6%)
- Surplus as a % of revenue - 1.5% (2020: -1.2%)

Fundraising

The Academy Trust's schools participate in fundraising activities for certain charities where income received is paid in full to the charity, for example Sport Relief and Children in Need. The recipient of the donations is made clear to parents in advance and all contributions are voluntary. During the last year however, there has been little opportunity to engage in fundraising activities due to the impact of Covid 19.

Where a school has a 'friends of the school' or 'parent teacher association' which actively raises funds on its behalf, the association's fundraising standards are defined in its constitution and it works closely with the Headteacher of the school to ensure its approach is consistent with the school's values. Associations with an income of more than £5,000 are required to register as a charity with the Charity Commission. The Academy Trust does not work with, or have oversight of, any commercial participators or professional fundraisers. No complaints have been received the year regarding fundraising activities.

Plans for future periods

The trust remains strategically focused both in the medium and long term. It remains committed to being proactive in its response to changing government policy and the local educational landscape. It will seek to engage with other like minded educators and partners to bring about a coherent and effective school system both locally and nationally.

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The central oversight and management of the Trust's finances will be monitored in order to ensure they remain efficient and effective. Following a number of successful CIF bids in the first five years of operation the Trust plans to submit further bids in the future to help address maintenance issues in those schools meeting the requirements of the funding.

The success of the Trust in its first five years has led to informal and formal talks with other schools considering conversion to academy. The Trust is currently working with two schools, providing school improvement advice and guidance.

The schools in the Trust will continue to develop and embed a culture of collaboration and shared accountability both within the Trust and with schools outside who are interested in benefiting from shared working.

Governance will be continually reviewed to ensure effectiveness as the number of schools within the Trust increases.

Full details of our plans for the future are given in our Development Plan, which is available from the Trust office.

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TRUSTEES' REPORT (CONTINUED)
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Funds held as custodian on behalf of others

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2021 and signed on its behalf by:



M Hosking
Chair of Trustees

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GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

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GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 9 times during the year.

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

Trustee	Meetings attended	Out of a possible
M Hosking, Chair of Trustees	9	9
T Briant-Evans	9	9
N Lake	9	9
K Tipler	9	9
J Whetter	9	9
K Brokenshire	4	4

The Board recruited one new Trustee in spring 2021 and a second at the start of the new academic year.

The continued impact of Covid-19 saw the Trust continue to follow national guidance and narrowed the focus of local governance to supporting the Headteacher and monitoring stakeholder wellbeing.

The Board made extensive use of video conferencing technology to meet more frequently than before and provide their full support to the Chief Executive Officer and his team in dealing with the pandemic, and continue to meet a wide range of governance responsibilities.

The Delegated Decision making group continued to meet into the first half of the spring term. Comprising the Chair and Vice Chair together with the Chief Executive Officer and the Director of Education it had the authority to make decisions on behalf of the Board. The Director of Finance also attended to receive updates on operations, plans and external guidance and support. Notes from these meetings were shared with Trustees, Members and Chairs of Local Governing Bodies. Any Delegated Decisions taken were recorded in Board minutes.

The Board is confident the information they receive is timely, well presented, in sufficient detail and comprehensive in coverage. This allows them to meet their key responsibilities of monitoring the performance of the whole Trust, ensuring sound financial management and strategic planning. This information includes:

- Verbal and written reports by the CEO to Board meetings
- Budget monitoring reports to every Board presented by the Finance Director
- Verbal and written reports by the Director of Education including data and analysis of the Trust's academic outcomes
- Regular meetings between Lead Trustees and the appropriate officer to receive updates on priority areas including finance, safeguarding, curriculum and school improvement, disadvantaged children, premises, Health & Safety
- Updates on statutory guidance and policy from Trust specialists eg Safeguarding
- All external reports including Ofsted, safeguarding, external and internal audit reports
- Results of stakeholder surveys
- Updates and advice from the governance lead on changes to governance requirements.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Audit and Risk Committee is a committee of the Board of Trustees. Its delegated responsibilities include:

- Internal controls and scrutiny – monitoring and reporting
- Review risk management arrangements
- Procurement and value for money
- Monitor compliance including the Academies Financial Handbook

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Hosking	5	5
N Lake	5	5
K Tipler	5	5

The Board conducted a detailed bespoke skills audit of both Trustees and Governors in the second half of the academic year. The results of this will be analysed and used to inform not just future recruitment needs but identifying the priorities for governance training for the whole Trust.

Following self-review additional changes were agreed in readiness of implementation for the 2021/22 academic year including:

- Renamed Local Governing Bodies to 'Local Governance Committees' (LGCs) – to help emphasise collective governance and their relationship to the Board of Trustees
- Revised priorities for local governance monitoring
- Introduction of regular reporting from LGCs to the Board.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- Aligning catering contact to one supplier – creating a reduction in costs, simplifying contract management ensuring improved provision of meals.
- CIF funding applications securing £460,600 worth of funding to upgrade external safeguarding, fire systems and roofing.
- Waste contract realigned to one supplier – creating a reduction in costs and improved rates of recycling.
- New Payroll provider leading to a reduction in costs, significant reduction in errors and subsequent increase in efficiencies

Impact of Covid 19

The Trust has acknowledged its responsibility to suppliers and organisations reliant on the trust for business and continued to pay suppliers in line with contracts throughout Covid. For example:

- The Catering supplier has been paid on a reduced rate to cover their costs, due to their ability to claim furlough for staff.
- Cleaning contactors have been paid in full as per the agreed contact throughout lockdowns
- The Trusts finance team has continued to work through the pandemic ensuring usual payment times for suppliers in order to support their cashflow.

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 Crofty Multi Academy Trust for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

The Trustees have decided to retain all the normal responsibilities of a separate Finance Committee at Board level – financial reporting and monitoring is on their agenda for every half termly meeting. Additional review and monitoring is carried out by the Lead Trustee for Finance who meets monthly with officers.

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

Internal financial control

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

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

The Board of Trustees has decided to employ the Cornwall Council LFS team as internal auditor.

The internal auditor's role includes giving advice on financial and other 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 the testing of payroll and purchase systems, along with control account reconciliations.

Every term the internal auditor reports to the Board of Trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities and annually prepares a short 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.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the discharge of the Board of Trustees financial decisions to help the committee consider actions and assess year on year progress
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 7 December 2021 and signed on their behalf by:



M Hosking
Chair of Trustees



S Hague
Accounting Officer

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Crofty Multi Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2020.

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



S Hague
Accounting Officer
Date: 7 December 2021

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2021 and signed on its behalf by:



M Hosking
Chair of Trustees

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROFTY MULTI ACADEMY TRUST**

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROFTY MULTI ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- 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.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROFTY MULTI ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Our audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as an ongoing consideration of fraud and irregularities during the whole audit process.

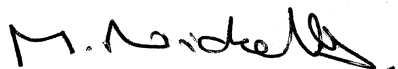
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

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

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CROFTY MULTI ACADEMY TRUST (CONTINUED)**



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of
Statutory Auditor
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

20 December 2021

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 30 March 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Crofty Multi Academy Trust during the year 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Crofty Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Crofty Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2016 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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.

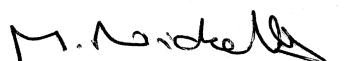
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Academy Trust's income and expenditure.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Misty Nickells FCA (Senior statutory auditor)

Chartered Accountants
Registered Auditors
Silverdown Office Park
Exeter Airport Business Park
Exeter
EX5 2UX

Date: 20 December 2021

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants	3	-	25,470	877,845	903,315	1,029,968
Charitable activities	4	683,882	13,373,750	-	14,057,632	13,239,720
Other trading activities		32,680	-	-	32,680	33,907
Investments	7	589	-	-	589	15,392
Total income		717,151	13,399,220	877,845	14,994,216	14,318,987
Expenditure on:						
Raising funds		1,801	-	-	1,801	1,108
Charitable activities	9	651,270	13,893,442	1,015,879	15,560,591	15,181,871
Total expenditure		653,071	13,893,442	1,015,879	15,562,392	15,182,979
Net income/(expenditure)		64,080	(494,222)	(138,034)	(568,176)	(863,992)
Transfers between funds	21	-	(280,330)	280,330	-	-
Net movement in funds before other recognised gains/(losses)		64,080	(774,552)	142,296	(568,176)	(863,992)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	28	-	(2,219,000)	-	(2,219,000)	(1,122,000)
Net movement in funds		64,080	(2,993,552)	142,296	(2,787,176)	(1,985,992)
Reconciliation of funds:						
Total funds brought forward		1,568,490	(5,932,069)	32,724,409	28,360,830	30,346,822
Net movement in funds		64,080	(2,993,552)	142,296	(2,787,176)	(1,985,992)
Total funds carried forward		1,632,570	(8,925,621)	32,866,705	25,573,654	28,360,830

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 33 to 67 form part of these financial statements.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	16	32,626,576	32,628,383
Investments	17	-	1
		<u>32,626,576</u>	<u>32,628,384</u>
Current assets			
Debtors	18	871,903	929,324
Investments	19	1,262,607	1,370,190
Cash at bank and in hand		1,496,474	812,208
		<u>3,630,984</u>	<u>3,111,722</u>
Creditors: amounts falling due within one year	20	(1,569,906)	(1,408,276)
Net current assets		<u>2,061,078</u>	<u>1,703,446</u>
Total assets less current liabilities		<u>34,687,654</u>	<u>34,331,830</u>
Net assets excluding pension liability		<u>34,687,654</u>	<u>34,331,830</u>
Defined benefit pension scheme liability	28	(9,114,000)	(5,971,000)
Total net assets		<u><u>25,573,654</u></u>	<u><u>28,360,830</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	21	32,866,705	32,724,409
Restricted income funds	21	188,379	38,931
		<u>33,055,084</u>	<u>32,763,340</u>
Restricted funds excluding pension asset	21	33,055,084	32,763,340
Pension reserve	21	(9,114,000)	(5,971,000)
Total restricted funds	21	<u>23,941,084</u>	<u>26,792,340</u>
Unrestricted income funds	21	<u>1,632,570</u>	<u>1,568,490</u>
Total funds		<u><u>25,573,654</u></u>	<u><u>28,360,830</u></u>

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

The financial statements on pages 28 to 67 were approved by the Trustees, and authorised for issue on 07 December 2021 and are signed on their behalf, by:



M Hosking
Chair of Trustees



S Hague
Accounting Officer

The notes on pages 33 to 67 form part of these financial statements.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by operating activities	23	253,398	662,993
Cash flows from investing activities	24	323,285	(520,997)
Change in cash and cash equivalents in the year		576,683	141,996
Cash and cash equivalents at the beginning of the year		2,182,398	2,040,402
Cash and cash equivalents at the end of the year	25, 26	<u>2,759,081</u>	<u>2,182,398</u>

The notes on pages 33 to 67 form part of these financial statements

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Board of Trustees has a reasonable expectation that the trust has adequate resources to continue to operate for the foreseeable future. The Trustees have considered a number of factors in arriving at this conclusion. The academy had a strong reserves position at the 31 August 2021 of £1,820,949, with £1,496,474 held of cash at this date and a further £1,262,607 in deposit accounts. A detailed budget for 2021/22 has been prepared and updated to include the impact of Covid, such as additional cleaning costs and a provision for supply if existing staff are unable to cover for colleagues needing to isolate. This budget for 2021/22 is forecasting a small surplus after taking these additional costs into account. A 3-year budget has also been prepared which shows surpluses in later years as the academy is no longer impacted by lagged funding. This will leave the trust in a strong position to continue to investment in the site and still continue to operate within the Reserves policy.

1.3 Income

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

- **Legacies**

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the Academy Trust has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the Academy Trust, can be reliably measured.

- **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.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **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.

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 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.

CROFTY MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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

Freehold property	-	2% straight line
Furniture and equipment	-	20% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	20% straight line

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

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

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

1.9 Debtors

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

1.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

1. Accounting policies (continued)

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 20. 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.

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1. Accounting policies (continued)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated 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.

1.14 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

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3. Income from donations and capital grants

	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	25,470	74,623	100,093
Capital Grants	-	803,222	803,222
	<u>25,470</u>	<u>877,845</u>	<u>903,315</u>
	<u><u>25,470</u></u>	<u><u>877,845</u></u>	<u><u>903,315</u></u>
	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	64,983	-	64,983
Capital Grants	-	964,985	964,985
	<u>64,983</u>	<u>964,985</u>	<u>1,029,968</u>
	<u><u>64,983</u></u>	<u><u>964,985</u></u>	<u><u>1,029,968</u></u>

4. Income from charitable activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Income from charitable activities - Educational operations	286,127	13,373,750	13,659,877
Income from charitable activities - Nursery	397,755	-	397,755
	<u>683,882</u>	<u>13,373,750</u>	<u>14,057,632</u>
	<u><u>683,882</u></u>	<u><u>13,373,750</u></u>	<u><u>14,057,632</u></u>

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

4. Income from charitable activities (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from charitable activities - Educational operations	362,388	12,453,699	12,816,087
Income from charitable activities - Nursery	423,633	-	423,633
	<u>786,021</u>	<u>12,453,699</u>	<u>13,239,720</u>

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

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
DfE/ESFA grants			
General Annual Grant	-	10,416,714	10,416,714
Other DfE/ESFA grants			
Pupil Premium	-	1,036,926	1,036,926
UFSM	-	328,342	328,342
Teachers Pay/Pension Grant	-	475,189	475,189
Other DfE/ESFA Grants	-	278,431	278,431
	-	12,535,602	12,535,602
Other Government grants			
Higher Needs	-	519,441	519,441
Other Government Grants	-	54,690	54,690
	-	574,131	574,131
Other income from the Academy Trust's educational operations	286,127	-	286,127
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	195,760	195,760
Other DfE/ESFA COVID-19 funding	-	6,157	6,157
	-	201,917	201,917
COVID-19 additional funding (non-DfE/ESFA)			
Other COVID-19 funding	-	62,100	62,100
	-	62,100	62,100
	286,127	13,373,750	13,659,877

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

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

The Trust has been able to claim additional funding in the year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under 'COVID-19 additional funding (DfE/ESFA)' and 'COVID-19 additional funding (non-DfE/ESFA)'.

The Trust received £195,760 of funding for catch up premium and costs incurred in respect of this funding totaled £133,985. Costs incurred were spent on educational resources and training. £61,775 remained unspent at the year-end.

The Trust received £6,157 from the ESFA to cover additional free school meals costs.

Other COVID-19 funding relates to £62,100 received from the Local Authority to cover additional free school meals over the Summer.

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
DfE/ESFA grants			
General Annual Grant	-	9,915,841	9,915,841
Other DfE/ESFA grants			
Pupil Premium	-	1,001,130	1,001,130
UIFSM	-	346,170	346,170
Teachers Pay/Pension Grant	-	473,496	473,496
Other DfE/ESFA Grants	-	273,641	273,641
	-	12,010,278	12,010,278
Other Government grants			
Higher Needs	-	426,338	426,338
Other Government Grants	-	17,083	17,083
	-	443,421	443,421
Other income from the Academy Trust's educational operations	362,388	-	362,388
	362,388	12,453,699	12,816,087

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

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

	Unrestricted funds 2021 £	Total funds 2021 £
Lettings	32,680	32,680
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Lettings	33,907	33,907

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest	589	589
	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Bank interest	15,392	15,392

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NOTES TO THE FINANCIAL STATEMENTS
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8. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £
Expenditure on fundraising trading activities:				
Direct costs	-	-	1,801	1,801
Educational operations:				
Direct costs	9,497,008	575,672	603,434	10,676,114
Allocated support costs	1,946,045	992,130	1,693,217	4,631,392
Nursery:				
Direct costs	167,057	-	50,368	217,425
Allocated support costs	-	8,008	27,652	35,660
Total 2021	11,610,110	1,575,810	2,376,472	15,562,392
	<i>Staff Costs 2020 £</i>	<i>Premises 2020 £</i>	<i>Other 2020 £</i>	<i>Total 2020 £</i>
Expenditure on fundraising trading activities:				
Direct costs	-	-	1,108	1,108
Educational operations:				
Direct costs	9,094,816	-	1,172,296	10,267,112
Allocated support costs	2,072,529	973,623	1,613,305	4,659,457
Nursery:				
Direct costs	177,926	-	48,109	226,035
Allocated support costs	-	7,295	21,972	29,267
<i>Total 2020</i>	<i>11,345,271</i>	<i>980,918</i>	<i>2,856,790</i>	<i>15,182,979</i>

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Educational operations	471,511	14,835,995	15,307,506
Nursery	179,759	73,326	253,085
	<u>651,270</u>	<u>14,909,321</u>	<u>15,560,591</u>

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Educational operations	853,072	14,073,497	14,926,569
Nursery	185,411	69,891	255,302
	<u>1,038,483</u>	<u>14,143,388</u>	<u>15,181,871</u>

10. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational operations	10,676,114	4,631,392	15,307,506
Nursery	217,425	35,660	253,085
	<u>10,893,539</u>	<u>4,667,052</u>	<u>15,560,591</u>

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10. Analysis of expenditure by activities (continued)

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Educational operations	10,267,112	4,659,457	14,926,569
Nursery	226,035	29,267	255,302
	<u>10,493,147</u>	<u>4,688,724</u>	<u>15,181,871</u>

Analysis of direct costs

	Educational operations 2021 £	Nursery 2021 £	Total funds 2021 £
Staff costs	9,447,499	167,057	9,614,556
Depreciation	865,256	43,695	908,951
Educational supplies	284,953	6,673	291,626
Other costs	28,897	-	28,897
Supply teachers	49,509	-	49,509
	<u>10,676,114</u>	<u>217,425</u>	<u>10,893,539</u>

	<i>Educational operations 2020 £</i>	<i>Nursery 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	8,910,658	177,926	9,088,584
Depreciation	753,425	41,852	795,277
Educational supplies	283,356	6,257	289,613
Examination fees	378	-	378
Other costs	135,137	-	135,137
Supply teachers	184,158	-	184,158
	<u>10,267,112</u>	<u>226,035</u>	<u>10,493,147</u>

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

10. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £	Nursery 2021 £	Total funds 2021 £
Pension finance costs	109,000	-	109,000
Staff costs	1,946,045	-	1,946,045
Depreciation	106,928	-	106,928
Recruitment and other staff costs	3,936	-	3,936
Maintenance of premises and equipment	344,639	8,008	352,647
Cleaning	229,647	-	229,647
Rent and rates	164,952	-	164,952
Heat and light	185,171	-	185,171
Insurance	215,917	-	215,917
Security and transport	21,278	-	21,278
Catering	552,593	12,702	565,295
Technology costs	43,291	-	43,291
Office overheads	157,136	-	157,136
Legal and professional	533,228	14,950	548,178
Bank interest and charges	1,703	-	1,703
Governance costs	15,928	-	15,928
	<u>4,631,392</u>	<u>35,660</u>	<u>4,667,052</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Educational operations 2020 £</i>	<i>Nursery 2020 £</i>	<i>Total funds 2020 £</i>
Pension finance costs	84,000	-	84,000
Staff costs	2,072,529	-	2,072,529
Depreciation	177,750	-	177,750
Recruitment and other staff costs	6,880	-	6,880
Maintenance of premises and equipment	369,321	7,295	376,616
Cleaning	172,137	-	172,137
Rent and rates	134,217	-	134,217
Heat and light	176,351	-	176,351
Insurance	184,466	-	184,466
Security and transport	18,320	-	18,320
Catering	397,389	7,485	404,874
Technology costs	28,764	-	28,764
Office overheads	143,858	-	143,858
Legal and professional	677,612	14,487	692,099
Bank interest and charges	1,002	-	1,002
Governance costs	14,861	-	14,861
	<u>4,659,457</u>	<u>29,267</u>	<u>4,688,724</u>

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	39,698	42,085
Depreciation of tangible fixed assets	1,015,879	973,027
Fees paid to auditors for:		
- audit	7,350	7,350
- other services	7,200	7,200
	<u>7,200</u>	<u>7,200</u>

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

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	8,316,149	8,042,041
Social security costs	649,452	641,523
Pension costs	2,585,000	2,438,426
	<u>11,550,601</u>	<u>11,121,990</u>
Agency staff costs	49,509	184,158
Staff restructuring costs	10,000	39,123
	<u>11,610,110</u>	<u>11,345,271</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Severance payments	10,000	39,123
	<u>10,000</u>	<u>39,123</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £10,000 (2020 - £39,123). This was one individual payment for £10,000.

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	120	108
Administration and educational support	341	354
Management	7	6
	<u>468</u>	<u>468</u>

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NOTES TO THE FINANCIAL STATEMENTS
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12. Staff (continued)

d. Higher paid staff

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

	2021	2020
	No.	No.
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	1

e. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £431,870 (2020 - £373,692).

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NOTES TO THE FINANCIAL STATEMENTS
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13. Central services

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

- Finance and administration
- Premises management and compliance
- School improvement advice
- Human resources
- IT licenses

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

The cost of the provision of central services is recharged to the academies based on 5% of General Annual Grant income.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Pencoys Primary School	43,196	38,753
Rosemellin Primary School	77,738	72,691
Portreath Primary School	30,562	28,816
Illogan Primary school	45,289	43,449
Weeth Primary School	42,976	42,557
Treloweth Primary School	91,232	88,180
Roskear Primary School	96,603	93,341
Lanner Primary School	43,280	44,347
Pennoweth Primary School	72,746	67,253
Total	543,622	519,387

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 August 2021, expenses totalling £1,757 were reimbursed or paid directly to 1 Trustee (2020 - £1,735 to 1 Trustee). These were for a combination of mileage and telephone expenses.

15. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £475 (2020 - £2,325). The cost of this insurance is included in the total insurance cost.

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16. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2020	34,423,038	1,000,236	1,014,223	71,700	36,509,197
Additions	815,352	44,636	154,084	-	1,014,072
At 31 August 2021	<u>35,238,390</u>	<u>1,044,872</u>	<u>1,168,307</u>	<u>71,700</u>	<u>37,523,269</u>
Depreciation					
At 1 September 2020	2,267,876	682,786	872,792	57,360	3,880,814
Charge for the year	643,394	208,974	149,171	14,340	1,015,879
At 31 August 2021	<u>2,911,270</u>	<u>891,760</u>	<u>1,021,963</u>	<u>71,700</u>	<u>4,896,693</u>
Net book value					
At 31 August 2021	<u>32,327,120</u>	<u>153,112</u>	<u>146,344</u>	<u>-</u>	<u>32,626,576</u>
At 31 August 2020	<u>32,155,162</u>	<u>317,450</u>	<u>141,431</u>	<u>14,340</u>	<u>32,628,383</u>

17. Fixed asset investments

	Investments in subsidiary companies £
At 1 September 2020	1
Disposals	(1)
Net book value	
At 31 August 2020	<u>1</u>

Crofty Multi Academy Trust had a £1 share holding in a dormant company, Crofty Support Services Limited. The subsidiary was dissolved on 26 January 2021.

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18. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	20,729	19,794
Other debtors	8,622	5,215
Prepayments and accrued income	742,527	779,003
Tax recoverable	100,025	125,312
	871,903	929,324

19. Current asset investments

	2021 £	2020 £
Notice deposits	1,262,607	1,370,190
	1,262,607	1,370,190

20. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	364,989	457,409
Other taxation and social security	172,204	155,941
Other creditors	201,881	187,570
Accruals and deferred income	830,832	607,356
	1,569,906	1,408,276
	2021	2020
	£	£
Deferred income at 1 September 2020	252,003	198,157
Resources deferred during the year	221,804	252,003
Amounts released from previous periods	(252,003)	(198,157)
	221,804	252,003

At the balance sheet date, the Academy Trust was holding funds received in advance for Universal Infant Free School Meals and Rates Relief income relating to the 2021/22 academic year of £221,804 (2020 - £252,003).

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

21. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
ICT and other commitments	-	-	-	53,266	-	53,266
MAT contribution to CIF projects	-	-	-	28,619	-	28,619
	-	-	-	81,885	-	81,885
General funds						
General funds	1,568,490	717,151	(653,071)	(81,885)	-	1,550,685
Total Unrestricted funds	1,568,490	717,151	(653,071)	-	-	1,632,570
Restricted general funds						
General Annual Grant	-	10,416,714	(10,064,615)	(280,330)	-	71,769
UIFSM	-	328,342	(328,342)	-	-	-
Pupil Premium	-	1,036,926	(1,036,426)	-	-	500
Catch-up premium	-	195,760	(133,985)	-	-	61,775
Other DfE/ESFA COVID-19 funding	-	6,157	(6,157)	-	-	-
Other COVID-19 funding	-	62,100	(62,100)	-	-	-
Other grants	38,931	1,353,221	(1,337,817)	-	-	54,335
Pension reserve	(5,971,000)	-	(924,000)	-	(2,219,000)	(9,114,000)
	(5,932,069)	13,399,220	(13,893,442)	(280,330)	(2,219,000)	(8,925,621)

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

21. Statement of funds (continued)

Restricted fixed asset funds

Transfer on conversion	28,584,887	-	(714,849)	-	-	27,870,038
DfE Group capital grants	2,874,054	525,400	(136,819)	-	-	3,262,635
Capital expenditure from GAG	296,428	-	(67,143)	280,330	-	509,615
Other capital grants	969,040	277,822	(72,442)	-	-	1,174,420
Capital donation	-	74,623	(24,626)	-	-	49,997
	<u>32,724,409</u>	<u>877,845</u>	<u>(1,015,879)</u>	<u>280,330</u>	<u>-</u>	<u>32,866,705</u>
Total Restricted funds	<u>26,792,340</u>	<u>14,277,065</u>	<u>(14,909,321)</u>	<u>-</u>	<u>(2,219,000)</u>	<u>23,941,084</u>
Total funds	<u>28,360,830</u>	<u>14,994,216</u>	<u>(15,562,392)</u>	<u>-</u>	<u>(2,219,000)</u>	<u>25,573,654</u>

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

ICT and other commitments

These funds have been specifically earmarked to deliver strategic ICT and curriculum plans which were delayed due to Covid.

Trust contribution to CIF

These funds have been specifically earmarked by the Trust as a contribution to CIF projects which funding has been granted by the ESFA.

General Annual Grant (GAG)

Income from the ESFA which is to be used for the normal running costs of the academy, including education and support costs.

Universal Infant Free School Meals (UIFSM)

Universal Infant Free School Meals income provided by the ESFA to fund a free school meal to every pupil in reception and years 1 and 2.

Pupil Premium

Funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Other DfE/ESFA grants

These are split between PE and Sports funding, rates relief and Teacher's pay and pension grants.

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

21. Statement of funds (continued)

Catch-up Premium

Catch-up premium received from the ESFA in response to the COVID-19 pandemic.

Other COVID-19 funding

Free schools meal cost funding received in response to the COVID-19 pandemic.

Higher Needs

Income received from the Local Authority to fund further support for pupils with additional needs.

Other Local Authority grants

Grants received from the Local Authority, excluding the higher needs and capital funding received from the Local Authority.

Pension Reserve

The academy's share of the assets and liabilities in the Local Government Pension Scheme. This is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to academy.

Fixed assets transferred on conversion

This represents the buildings and equipment donated to the school on conversion to an Academy Trust.

Fixed assets purchased from GAG and other restricted funds

Funds transferred from the restricted GAG fund to purchase fixed assets.

DfE/ESFA capital grants

Funding received from the DfE/ESFA to cover the maintenance and purchase of fixed asset additions.

Capital donation

This represents laptops (fixed assets) that were donated to the schools to support children from low income families during lockdown.

Other capital grants

Included within other capital grants are PFI grants from the Local Council, as well as grants from the Big Lottery and the Belling Trust.

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

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

21. Statement of funds (continued)

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
Unrestricted funds						
General funds	1,772,761	835,320	(1,039,591)	-	-	1,568,490
Restricted general funds						
General Annual Grant	-	9,915,841	(9,789,451)	(126,390)	-	-
UIFSM	-	383,130	(383,130)	-	-	-
Pupil Premium	-	1,001,130	(1,001,130)	-	-	-
Other grants	-	1,218,581	(1,179,650)	-	-	38,931
Pension reserve	(4,032,000)	-	(817,000)	-	(1,122,000)	(5,971,000)
	<u>(4,032,000)</u>	<u>12,518,682</u>	<u>(13,170,361)</u>	<u>(126,390)</u>	<u>(1,122,000)</u>	<u>(5,932,069)</u>
Restricted fixed asset funds						
Transfer on conversion	29,320,617	-	(735,730)	-	-	28,584,887
DfE Group capital grants	2,454,978	531,347	(112,271)	-	-	2,874,054
Capital expenditure from GAG	242,455	-	(72,417)	126,390	-	296,428
Other capital grants	588,011	433,638	(52,609)	-	-	969,040
	<u>32,606,061</u>	<u>964,985</u>	<u>(973,027)</u>	<u>126,390</u>	<u>-</u>	<u>32,724,409</u>
Total Restricted funds	<u>28,574,061</u>	<u>13,483,667</u>	<u>(14,143,388)</u>	<u>-</u>	<u>(1,122,000)</u>	<u>26,792,340</u>
Total funds	<u><u>30,346,822</u></u>	<u><u>14,318,987</u></u>	<u><u>(15,182,979)</u></u>	<u><u>-</u></u>	<u><u>(1,122,000)</u></u>	<u><u>28,360,830</u></u>

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

21. Statement of funds (continued)

Total funds analysis by academy

During the year, it was decided that Crofty MAT would use GAG pooling for this academic year and going forwards. Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£	£
Pencoys Primary School	-	50,113
Rosemellin Primary school	-	190,492
Portreath Primary School	-	76,917
Illogan Primary School	-	138,347
Weeth Primary School	-	68,260
Treloweth Primary School	-	351,193
Roskear Primary School	-	316,387
Lanner Primary School	-	81,980
Pennoweth Primary School	-	252,262
Central services	-	81,470
Crofty Multi Academy Trust	1,820,949	-
Total before fixed asset funds and pension reserve	1,820,949	1,607,421
Restricted fixed asset fund	32,866,705	32,724,409
Pension reserve	(9,114,000)	(5,971,000)
Total	25,573,654	28,360,830

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

21. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £
Pencoys Primary School	687,093	59,192	30,257	189,393	965,935
Rosemellin Primary school	1,352,175	144,404	24,482	303,683	1,824,744
Portreath Primary School	468,542	34,475	22,662	161,161	686,840
Illogan Primary School	825,964	47,199	30,345	234,262	1,137,770
Weeth Primary School	760,788	46,693	21,586	223,799	1,052,866
Treloweth Primary School	1,619,205	136,181	57,413	399,896	2,212,695
Roskear Primary School	1,713,188	201,358	52,714	359,609	2,326,869
Lanner Primary School	731,719	70,205	22,280	155,789	979,993
Pennoweth Primary School	1,244,362	110,681	38,994	334,458	1,728,495
Central services	261,029	280,657	19,790	144,830	706,306
Academy Trust	9,664,065	1,131,045	320,523	2,506,880	13,622,513

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

21. Statement of funds (continued)

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

	<i>Teaching and educational support staff costs</i> £	<i>Other support staff costs</i> £	<i>Educational supplies</i> £	<i>Other costs excluding depreciation</i> £	<i>Total 2020</i> £
Pencoys Primary School	660,219	74,750	26,426	203,845	965,240
Rosemellin Primary school	1,242,542	248,536	43,957	240,941	1,775,976
Portreath Primary School	466,134	47,772	22,933	155,854	692,693
Illogan Primary School	821,172	32,633	38,423	230,392	1,122,620
Weeth Primary School	776,438	48,775	50,574	229,318	1,105,105
Treloweth Primary School	1,462,839	132,194	80,935	360,852	2,036,820
Roskear Primary School	1,648,456	246,020	68,594	300,624	2,263,694
Lanner Primary School	676,258	70,704	21,412	201,460	969,834
Pennoweth Primary School	1,273,694	142,294	55,268	308,088	1,779,344
Central services	244,990	295,851	16,606	124,179	681,626
Academy Trust	<u>9,272,742</u>	<u>1,339,529</u>	<u>425,128</u>	<u>2,355,553</u>	<u>13,392,952</u>

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

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	32,626,576	32,626,576
Current assets	3,202,476	188,379	240,129	3,630,984
Creditors due within one year	(1,569,906)	-	-	(1,569,906)
Provisions for liabilities and charges	-	(9,114,000)	-	(9,114,000)
Total	1,632,570	(8,925,621)	32,866,705	25,573,654

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Restricted fixed asset funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	-	-	32,628,383	32,628,383
Fixed asset investments	1	-	-	1
Current assets	2,976,765	38,931	96,026	3,111,722
Creditors due within one year	(1,408,276)	-	-	(1,408,276)
Provisions for liabilities and charges	-	(5,971,000)	-	(5,971,000)
Total	1,568,490	(5,932,069)	32,724,409	28,360,830

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

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

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(568,176)	(863,992)
Adjustments for:		
Depreciation	1,015,879	973,027
Capital grants from DfE and other capital income	(877,845)	(964,985)
Interest receivable	(589)	(15,392)
Defined benefit pension scheme cost less contributions payable	815,000	733,000
Defined benefit pension scheme finance cost	109,000	84,000
Decrease in debtors	45,560	617,083
(Decrease)/increase in creditors	(285,432)	100,252
Write off of investment	1	-
Net cash provided by operating activities	253,398	662,993

24. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	589	15,392
Purchase of tangible fixed assets	(492,387)	(959,613)
Capital grants from DfE Group	815,083	423,224
Net cash provided by/(used in) investing activities	323,285	(520,997)

25. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	1,496,474	812,208
Notice deposits	1,262,607	1,370,190
Total cash and cash equivalents	2,759,081	2,182,398

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

26. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	812,208	684,266	1,496,474
Liquid investments	1,370,190	(107,583)	1,262,607
	<u>2,182,398</u>	<u>576,683</u>	<u>2,759,081</u>

27. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>351,088</u>	<u>-</u>

28. Pension commitments

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

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

Contributions amounting to £200,665 were payable to the schemes at 31 August 2021 (2020 - £186,350) and are included within creditors.

Teachers' Pension Scheme

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

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

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

28. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,142,533 (2020 - £1,054,295).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £791,293 (2020 - £798,769), of which employer's contributions totalled £617,293 (2020 - £650,169) and employees' contributions totalled £ 174,000 (2020 - £175,800). The agreed contribution rates for future years are 19.2 per cent for employers and 5.5 to 12.5 per cent for employees.

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

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

28. Pension commitments (continued)

Principal actuarial assumptions

	2021	2020
	%	%
Rate of increase in salaries	2.9	2.2
Discount rate for scheme liabilities	1.7	1.7
Inflation assumption (CPI)	2.9	2.2

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

	2021	2020
	Years	Years
<i>Retiring today</i>		
Males	21.5	21.4
Females	24.1	23.6
<i>Retiring in 20 years</i>		
Males	22.8	22.3
Females	25.8	25.1

Sensitivity analysis

	2021	2020
	£000	£000
Discount rate +0.1%	(459)	(347)
Discount rate -0.1%	459	347
Mortality assumption - 1 year increase	702	-
Mortality assumption - 1 year decrease	(702)	-
CPI rate +0.1%	415	309
CPI rate -0.1%	(415)	(309)

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

Share of scheme assets

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

	2021 £	2020 £
Equities	4,893,000	3,772,000
Corporate bonds	2,953,000	2,425,000
Property	506,000	404,000
Cash and other liquid assets	84,000	135,000
Total market value of assets	8,436,000	6,736,000

The actual return on scheme assets was £1,181,040 (2020 - £943,040).

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(1,432,000)	(1,356,000)
Interest income	120,000	130,000
Interest cost	(229,000)	(214,000)
Total amount recognised in the Statement of financial activities	(1,541,000)	(1,440,000)

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

	2021 £	2020 £
At 1 September	12,707,000	10,507,000
Current service cost	1,432,000	1,356,000
Interest cost	229,000	214,000
Employee contributions	174,000	176,000
Actuarial losses	3,088,000	530,000
Benefits paid	(80,000)	(76,000)
At 31 August	17,550,000	12,707,000

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

28. Pension commitments (continued)

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

	2021 £	2020 £
At 1 September	6,736,000	6,475,000
Interest income	120,000	130,000
Actuarial gains/(losses)	869,000	(592,000)
Employer contributions	617,000	623,000
Employee contributions	174,000	176,000
Benefits paid	(80,000)	(76,000)
At 31 August	8,436,000	6,736,000

29. Operating lease commitments

At 31 August 2021 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Not later than 1 year	21,484	39,698
Later than 1 year and not later than 5 years	13,324	34,808
	34,808	74,506

30. Members' liability

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

31. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14.