

Orchard Community Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2023



Orchard Community Trust
(A Company Limited by Guarantee)

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Reference and Administrative Details

Members The Lichfield Diocesan Board of Education
Church of England Central Education Trust (nominated representative is Mr A Smith)
Mr P Kidman
Mr C Tarr
Ms G Howell (appointed 7 July 2022)
Mrs L Riley (resigned 21 March 2023)
Mrs L Whitehead (appointed 7 July 2022)

Trustees Mr R W Johnstone, Accounting Officer¹
Ms S Thomas, Vice Chair¹
Mrs M A S Tatton
Mrs L E Maden¹
Mrs V Cotton
Mr N C Carter¹
Ms R Fagan¹
Ms G Howell, Chair of Trustees¹
Mr S Lawley¹
Ms C Higgs
Mrs R Vaughan-Calkin (appointed 8 December 2022)¹

¹ Audit, Risk & Resource Committee

Company registered number 11620282

Company name Orchard Community Trust

Principal and registered office Genesis Centre
North Staffs Business Park
Innovation Way
Stoke-On-Trent
Staffordshire
ST6 4BF

Company secretary Mr K Lawton

Chief executive officer Mr R Johnstone

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Reference and Administrative Details (continued)
For the Year Ended 31 August 2023

Senior management team

Mr R W Johnstone, Senior Executive Leader
Mrs L Brookes, Headteacher Abbey Hulton Primary School
Mrs L Irving, Headteacher Forest Park Primary
Mrs L Hughes, Headteacher Kemball School
Mrs J Leach, Headteacher Oakhill Primary School
Mr J May, Headteacher Watermill School
Mrs S Clarke, Headteacher Etruscan Primary School (until 31 August 2023)
Mr C Crook, Headteacher Etruscan Primary School (from 01 September 2023)
Mr L Nicholls, Headteacher St. Mark's CE Primary School
Mrs M Johnstone, Lead for School Improvement
K Lawton, Governance & Compliance Officer
A Deaville, Trust Office Manager
M Nixon, Trust Business Manager (until 26 September 2022) &
Chief Finance Officer (from 26 September 2022)
Mr T Williams, Trust Business Manager (from 28 November 2022)
H Sutton, SEND Strategic Lead
Mr A J Smallwood, Chief Finance Officer (until 26 September 2022)

Independent auditors

Dains Audit Limited
Statutory Auditor
Chartered Accountants
Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ

Bankers

Lloyds Bank Plc
Fountain Square
Stoke on Trent
Staffordshire
ST1 1LE

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Trustees' Report
For the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Academy Trust now operates 5 primary and 2 special academies in Stoke on Trent. Its academies have a combined pupil capacity of 2557 and had a roll of 2498 (Excluding Nursery) in the school census in October 2022.

All 7 of our academies were in the Trust at the start of this reporting period, these are –

- Abbey Hulton Primary School
- Etruscan Primary School
- Forest Park Primary School
- Kemball School
- Oakhill Primary School
- St. Mark's CE Primary School
- Watermill School

Structure, governance and management

a. Constitution

The charitable company was incorporated on 12 October 2018. The Academy Trust is a charitable company limited by guarantee and an exempt charity.

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

The Trustees of Orchard Community Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Orchard Community Trust.

Details of the Trustees who served during the year, 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. Trustees' indemnities

The Trustees' benefit from indemnity insurance that covers the liability of the Trustees which by virtue of the rule of law would otherwise attach to them in respect of negligence, default or breach of duty which they may be found guilty in relation to the Academy Trust. The Trust and individual academies are members of the Risk Protection Arrangement (RPA) which provides indemnity cover for Trustees to a maximum aggregated loss of £10,000,000 in the membership year.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

As laid out in our articles of association, the following method for appointing Trustees is in place:

Appointment of Directors

- The Members shall appoint up to nine Directors.
- CECET shall appoint Directors provided that the total number of Directors appointed under this Article would not thereby exceed 40% of the total number of Directors.
- The Members may appoint Staff Directors adopting the process set out in Article 50B but shall ensure that the total number of Directors including the Senior Executive Leader who are employees of the Company does not exceed one third of the total number of Directors.
- In appointing the Staff Directors, the Directors shall, on behalf of the Members, hold a secret ballot of all staff employed under a contract of employment or a contract for services or otherwise engaged to provide services to the Company (excluding the Senior Executive Leader and the Principal) at the relevant Academy. All arrangements for the calling and the conduct of the election and resolution of questions as to whether any person is an eligible candidate shall be determined by the Directors. If a Staff Director ceases to work for the Company then he shall be deemed to have resigned and shall cease to be a Director automatically on termination of his work for the Company. Any election of a Staff Director which is contested shall be held by secret ballot.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

Orchard Community Trust (MAT) continues to believe that it is essential that all new Trustees receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that all new Trustees are given the necessary information and support to fulfil their roles with confidence. The process is seen as an investment, leading to more effective governance and retention. The Trust has in place an agreed policy for the induction of Trustees which is regularly reviewed. The MAT Governance and Compliance Officer supports with the recruitment, induction, training and development of new Trustees.

Our policy states that:

New Trustees will be

- Welcomed by the Chair of Trustees and the Senior Executive Leader
- Be invited by the Senior Executive Leader to visit the MAT central office
- Have the opportunity to tour the schools and meet staff and children
- Receive an informal briefing on the MAT from the Senior Executive Leader and Chair of Trustees
- Be invited to attend MAT events

New Trustees will receive:

- The minutes of previous meetings and the Orchard Community Trust Vision document
- A Trustee skills audit form for completion
- Governance responsibilities document (scheme of delegation)
- Details on how to obtain DBS clearance
- Board of Trustees meeting dates
- A calendar of OCT events
- A copy of the Trust's 'What it means to be a Trustee' document
- A copy of the Governance Terms of Reference
- A pack of additional information, documents and policies is also given to all new Trustees, to outline the work, functions and responsibilities of the Trust. These documents are regularly reviewed and updated in line with our cycle for document and policy review.

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Trustees' Report (continued)
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Structure, governance and management (continued)

f. Organisational structure

The Senior Executive Leader of the Trust has once again continued to work very closely with the leadership teams in each Academy. Each Academy has an Executive Headteacher, Headteacher and/or Head of School, together with Deputy Headteachers and Assistant Headteachers all of whom have key responsibilities in their Academies.

The aim of this leadership structure continues to be to devolve responsibility, increase accountability and to encourage high levels of involvement in decision making at all levels, together with the Trustees and local Governors in each academy. The Senior Executive Leader of the Trust is the Accounting Officer. This has been particularly important during the post Covid-19 pandemic period, where the focus on pupils returning to school in a safe way was essential, together with leaders also wishing to focus on continued whole school and MAT development at all levels to further raise standards in all schools in the Trust.

The Trust Board Audit and Resources Committee continues to be responsible for finance, operations and sustainability and risk management related to the Trust. It also carries out tasks delegated to it by the full Board of Trustees on strategic and capital spending projects.

The Senior Executive Leader of the Trust, together with the senior leadership teams in the Academies, are responsible for monitoring and evaluating the performance of the academies in terms of standards, quality of education, OFSTED inspection outcomes, people, leadership and Trust governance. This has continued during this reporting period.

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

All key leadership and management staff have annual appraisals and pay progression is awarded in line with either the managing support staff performance policy or the teacher's appraisal policy. Setting pay of the Accounting Officer and Chief Finance Officer is decided by a subcommittee of the Trustees' Board in accordance with the guidance contained in the Academy Trust Handbook.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	7,644
Total pay bill	16,399,990
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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i.

Related parties and other connected charities and organisations

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

No related party transactions took place in the period of accounts, other than certain trustees' remuneration and expenses already disclosed in the notes to the financial statements.

Mrs M Johnstone, spouse of Mr R Johnstone, a trustee and Senior Executive Leader, is employed by the Academy Trust as Lead for School Improvement. Mr M Johnstone is paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a trustee.

Trade Union facility time

The Academy Trust has entered into a local agreement with Stoke on Trent City Council for the delivery of Trade Union facility time.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The Trust engages a number of channels to ensure that matters of concern to employees are communicated to them. Action taken this period includes development of a SharePoint site, electronic communications and online staff meetings to disseminate important considerations that affect staff.

When looking at employee-related policies the Trust will, through a local arrangement with Stoke on Trent City Council, consult with union officials to ensure views of employees are represented.

Employees are encouraged to be involved in the Trust's performance through active engagement in internal network groups. Furthermore, the Trust is active in raising awareness of factors that affect the performance of the Trust through the Headteachers' Executive Board.

The Trust has introduced an Equality and Diversity policy where we recognise that, by valuing and promoting equality and diversity for all employees and job applicants, and avoiding unlawful discrimination in employment and delivery of services, we will be able to deliver a better quality of education. The policy states that the Trust will not discriminate against employees on the basis of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, religion or belief, sex or sexual orientation (the protected characteristics).

The principles of non-discrimination also apply to how we expect our employees to treat other employees, pupils, parents and carers, visitors, clients, customers, suppliers and former employees regardless of whether the legal protection of having a protected characteristic applies.

k. Engagement with suppliers, customers and others in a business relationship with the Academy Trust

As a Trust we recognise the value of our business relationships which underpin the business ecosystem we operate in. The Trust engages with suppliers and customers in an open and transparent way to develop relationships based on trust and mutual understanding. In engaging with suppliers, the Trust follows its procurement policy, aligned to public procurement regulations and the Academy Trust Handbook.

Objectives and activities

a. Objects and aims

Orchard Community Trust continues to have the following moral purpose, vision and key aims:

Our vision

Our vision was revised in May 2023 to ensure that we fully reflect the needs of all our school communities and is now as follows:

As a Trust, we strive to create an inclusive environment that values diversity and equality, where all beliefs are respected. We are committed to providing our children with an exceptional education, inspiring them to cultivate a love of learning and empowering them with a strong foundation to thrive and accomplish their goals in life.

Moral Purpose

Orchard Community Trust continues to be fully committed to improving the life chances of all children, wherever they may be. This moral obligation, our mission, does not end at the school gates, within our own Local Authorities, or even within our own country. Where we have the capacity to make a difference, we are morally bound to do so.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Objectives and activities (continued)

Our moral purpose and our focus and determination are centered on the following:

TRUST	RESPECT	INTEGRITY
LEARNING	OPENNESS	EXCITEMENT
DIVERSITY	COOPERATION	FUN
RELIABILITY	REPUTATION	ACHIEVEMENT

We continue to work in partnership as a group of schools in order to ensure that all of the learning needs of the diverse range of children and young people we serve are effectively met via high quality provision, great leadership and outward facing developments.

At the centre of our vision for children and young people in the MAT is the word 'crafts'. This was developed by the MAT Headteachers and is a reference to and reminder of the history of the City of Stoke on Trent and the wide range of crafts and skills that have been seen in the City throughout history. It also relates to the craft of teaching, which is integral to all we do to improve outcomes for children and young people.

In order for us to achieve our vision, the following will be integral to our success with children, young people, staff, governors, parents and our members and Trustees:

- C Curiosity, creativity, courage, character, confidence, challenge
- R Resilience, rigor, reflection, respect, rehearsal, relationships
- A Adventure, aspiration, achievement, ambition, accountable
- F Families, freedom, fearlessness, fairness, fame for our quality future proofing
- T Togetherness, tirelessness, teamwork, trust, the next best thing (research)
- S Success, sharing, sensational learning, support, shining examples, safety

We expect all members of Orchard Community Trust to respect and model all of the above vision and values at all times.

These values form the basis of initial discussions with all prospective Orchard Community Trust schools and with potential employees of Orchard Community Trust.

All staff, Members, Trustees, Governors, volunteers, parents and carers have a duty and responsibility to be encouraging and supportive of each other. All our schools have a "can do" culture and fully collaborative ethos.

Everyone associated with the Trust and its schools is expected to aim for excellence in their individual professional roles.

In the best traditions of the profession all staff are prepared to go the extra mile to provide the best possible education for their pupils. The interests, opinions and voices of the children are paramount and guide all that we seek to do and achieve.

We have a responsibility to ensure that every moment a child is in an Orchard Community Trust school that they enjoy learning and strive hard to achieve well and fulfil their maximum potential.

Staff at our academies have the opportunity to participate in our full range of training programmes and to work with each other via networks and groups across the MAT. These are effectively led by both Headteachers, Deputy Headteachers and Assistant Headteachers from our schools. Opportunities are given to all staff to engage in a range of high quality CPD and career development programmes. We also fully recognise the talents

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Trustees' Report (continued)
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Objectives and activities (continued)

and skills of staff and volunteers in our schools and are fully committed to the development of all staff in the MAT. Our range of staff expertise is shared across our schools via collaborative working to ensure best practice is celebrated and made available to all. The philosophy of school-to-school support, challenge and collaboration is at the heart of the way the Orchard Community Trust will operate and succeed.

Working in partnership with Orchard Community Trust has a number of key benefits for children, staff, governors and school communities and these are shared on our Trust website so that potential new schools can see the benefits of joining our Trust.

Orchard Community Trust continues to believe that education is a preparation for life and, in the spirit of inclusion, respect and safeguarding, we seek to prepare each child to face life beyond the school with confidence, skill and ability to be resilient, to cope and thus to succeed.

Within our Trust Primary and Special Schools:

- We aim to set high standards for personal behaviour and self-regulation, and to promote courtesy, cooperation, consideration and respect for other people of all ages, gender, races, cultures, abilities and backgrounds.
- We aspire to deliver exciting and quality learning experiences in safe, secure and happy environments.
- We endeavour to achieve the very highest standards in every aspect of school life, by making the most efficient use of all the resources available.

b. Objectives, strategies and activities

The Trust currently has the following Strategic Priorities for 2022-2024:

1. Vision and values
2. Pupil progress and academic achievement
3. Improving social mobility and aspirations
4. Student and staff well being

These key priorities are contained within the Trust Strategic Development Plan which continues to be underpinned by 4 action plans and a School Improvement Strategy, a Business Plan, a Governance Strategy, a People Strategy and Staff Charter, a Growth Strategy, a SEND Strategy and Action Plan and relevant policies. Trustees are currently working on a Trust wide Disadvantaged Strategy to support better progress for all pupils, especially our most vulnerable.

Responding to the Covid-19 pandemic and education recovery continue to be priorities for the Trust and its schools, with a focus on pupil attainment, closing the learning gap and making up for lost learning time. Improving pupil attendance (particularly for persistent absentees), together with raising aspirations and social mobility and focusing on the health and well-being and our staff and pupils are also key priorities. Our schools have education recovery and closing the gap as a priority within their school improvement plans and use their knowledge of pupils, assessment and quality first teaching to support all pupils to do well, with a particular focus on reading, writing and maths and on helping pupils catch up and keep up.

This includes targeted support and intervention for those pupils who have fallen behind as a result of the pandemic and/or those who are deemed by the school as vulnerable.

The MAT action plans continue to be evaluated for progress at the end of each year by the Trustees and school development plans are evaluated by Local Governing Boards throughout the year and by the Senior Executive Leader and the link Trustees. Local Governing Boards also approve each new school development plan and the school self-review, together with an effective monitoring and evaluation cycle and staff CPD plan. The Senior Executive leader also holds leaders and Governors to account via advice regarding Headteacher performance management.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Objectives and activities (continued)

The Trust priorities are based on our vision, our aims and an analysis of what our schools need based on data, internal and external reviews and context. Expectations of what schools need to do is set out in the action plans, with an outline of activities that will be developed to ensure all schools make good progress year on year.

The Trust will review its priorities again next year in consultation with all stakeholders, to ensure that priorities are appropriate for the Trust and if needed. The current set of Trust priorities is based on our intelligence gathering, consultation and all available information related to the Trust. These are now contained within updated plans for each priority and have been approved by the Trustees.

The Trust also has a business plan for the year focusing on finance, business structures, value for money and other aspects of the work of schools and the Trust as a whole. Terms of Reference have been agreed by Trustees for the business reviews that took place in each of our schools in the first half of the Autumn term 2023.

As previously outlined each school must have in place a school development plan which is reviewed each year and outlines how the school will address the priorities it has identified, together with our MAT wide priorities. The impact of each school development plan is carefully monitored each year as part of our school improvement cycle of visits to each school.

The school development plans are focused on the following areas, linked to the Ofsted framework:

- Leadership and Management
- Quality of Education
- Behaviour and Attitudes
- Personal development
- Early Years Foundation stage

For 2023/24 these plans will once again contain information on each school's key development and evidence-based priorities and also on their post Covid19/post recovery plans and how they will each address the lost learning for pupils during lockdown and how they plan to effectively use the catch up/recovery/tutoring and other related funding made available by central Government, including Pupil Premium. The Trustees will hold Headteachers and each of the Local Governing Boards accountable for the spending of these monies and an overall Trust wide recovery statement will be agreed and published.

School based education provision continues to be the subject of Trust organised internal and external reviews focusing on the quality of provision, standards, health and well-being and the impact of any money spent. A report will be produced at the end of the year for Trustees which outlines how pupil premium, catch-up, recovery and tutoring funding has been spent to ensure pupils "catch up and keep up". Where impact is not seen, spend and interventions will be reviewed by the Trust and modifications made to provision to ensure greatest impact is achieved.

The Trust and its schools continue to focus on pupil attendance, inclusion, SEND provision and practice, safeguarding, learning environment, building development, efficient financial management/business planning, governance and working with parents and pupils to ensure they have a voice related to school and Trust development. The Trust now has a full-time Lead for Inclusion and Safeguarding as part of the central team. This is integral in dealing with the challenges our schools face currently.

The OCT Parent and Pupil Councils were reinstated in the Autumn Term of 2022 and facilitated by Sue Thomas (Vice Chair of Trustees). These will continue to meet next year and focus on pupil and parent voice, quality of education, aspiration and wider opportunities for all.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Objectives and activities (continued)

c. Public benefit

The Trustees have carefully considered the Charity Commission's guidance on Public Benefit. The key public benefit that is agreed and delivered by the Trust is the continuous provision of a high-quality education for all its children and young people so that every individual person has their needs effectively met by the Trust and its schools. Part of the Trust's vision and aims is to offer a complete package of educational experiences to every child to support both academic and personal development. This will include cultural, spiritual, sporting and creative experiences for all pupils via both the core curriculum and extra-curricular activities provided by the schools through trips, visits, clubs and projects both in and out of schools and community support and work via groups and appropriate organisations close to and distant to each school. These are integral to the way our academies operate and have a huge impact on the development of our children and young people.

St. Mark's CE Primary School have also been working alongside a local Pioneer Minister to begin to develop the implementation of the Peacemakers project at the school and across the Trust. This focuses on helping pupils to resolve issues and promote peace and will continue in to 2023/24.

Strategic report

Achievements and performance

The Senior Executive Leader, together with Trustees, has carefully monitored and evaluated the implementation and impact of each school's development plan for 2022/23. This includes an evaluation of the impact of the work done against each priority and progress each school has made towards any targets set. Each school has its own self-evaluation and a review of the quality of its provision is carried out at least once per year, more frequently if the school is causing any concern. These reviews are carried out by an external education professional commissioned by the Trustees.

There has been a continued focus in relevant reviews on attendance, safeguarding and vulnerable provision, looking into how the school supports all pupils and how they help those in greatest need both academically, personally and socially. These internal reviews have supported several areas in school including Reading, Maths, PSHE, Safeguarding, SEND, Early Years, and Foundation subjects. Reviews by the lead for school improvement have also focused on aspects of the OfSTED framework and have supported our schools to know themselves well and be ready for their next inspection.

There is a rigorous monitoring and evaluation programme which uses lesson observations, learning walks, book and planning scrutiny, discussions with pupils, staff and parents. Staff are further developed via well planned CPD opportunities which motivate them to excel. Early career teachers and other new teachers and staff are supported via robust induction processes and support during their first year (first 2 years for ECTs) in our schools. Leadership capacity development is also a key priority for the Trust, with several high-quality leadership development programmes running across all our schools.

All senior leadership teams in each of the 7 schools have taken part in the internal development programmes called Top Class Teams. This has helped to develop senior leadership capacity in schools and teachers have attended the Learning to Lead sessions over the past 2 years led by an external consultant and our lead for school improvement.

Academy staff have had performance management reviews within this period and this was used to inform any pay progression. Impact statements were completed for staff showing progress towards their agreed performance management targets. The majority of staff have met their targets for 2022/23. A new cycle of performance management has now started for staff in all our schools for 2023/24 and targets will be linked to whole school and individual staff priorities and needs.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

Our key performance indicators (KPIs) remain as:

- OfSTED inspection outcomes
- Quality of Trust and school leadership and Governance
- Trust annual review outcomes
- Key stage pupil performance results
- Pupil attendance/exclusion data
- Pupil recruitment data
- Staffing turnover/attendance data
- External and internal audit outcomes

A complete list of the Trust's agreed KPIs is contained within the Trust's strategic plan for 2021-2024 and in the termly scorecard presented to Trustees. These are reviewed by Trustees on a regular basis.

In addition to the above KPIs, the main financial KPIs are:

- Budget planning and setting based on using all available funds enables schools to be solvent
- Staffing costs as a percentage of the total income
- Levels of cash held and projected to be held
- The efficiency of the Trust's business function
- Compliance with national and Trust policy

Our detailed analysis of pupil data, test outcomes, attendance data and any relevant OfSTED outcomes show that funds have been used in our schools appropriately to meet the needs of the children and young people during the reporting period. These include pupil premium and sport premium funding. School improvement plans in each school have had an appropriate allocation of funds to support each priority within them. All the agreed and approved Trust financial policies and procedures have been adopted by each academy and adhered to.

Trustees have adopted a number of updated and new finance policies during the reporting year. These include the scheme of financial delegation, the budget manual, reserves policy. The Trust has also moved all schools to a cashless payment system and has agreed that the Trust will move to a single bank account from the 1st January 2024.

Capital funds have also been allocated to projects across the Trust, including support for the Early Years outdoor area at Abbey Hulton Primary School and the car park at Oakhill Primary School.

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Trustees' Report (continued)
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Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Pupil outcomes in each of our primary schools in 2023 are as follows:

	Abbey Hulton Primary	Etruscan Primary	Forest Park Primary	Oakhill Primary	St. Mark's CE Primary
	%	%	%	%	%
EYFS GLD	52	47	47	62	48
Y1 Phonics Wa	39	88	85	81	51
Y2 Phonics Wa	69	68	70	91	70
KS1 Reading Exp	55	49	51	56	50
KS1 Writing Exp	38	40	37	49	48
KS1 Maths Exp	45	49	53	54	64
KS1 Reading GD	7	4	7	16	5
KS1 Writing GD	0	4	2	2	2
KS1 Maths GD	7	5	2	7	13
Multiplication Check - %	57	12	13	40	31
Average Score	22	16.8	16.9	22.6	19.8
KS2 Reading Exp	47	60	61	75	46
KS2 Writing Exp	57	43	71	67	55
KS2 Maths Exp	47	67	61	75	29
KS2 GPS Exp	57	74	71	70	53
KS2 Reading GD	10	14	12	20	3
KS2 Writing GD	3	17	7	8	5
KS2 Maths GD	3	12	5	18	8
KS2 GPS GD	23	40	24	31	5
KS2 R,W and M Exp	40	40	47	62	22
KS2 R,W and M GD	3	5	0	5	2

Due to the Covid19 crisis which saw society go into lockdown again for periods in 2020/21, with huge disruption to schools, there were no national tests or assessments administered in 2020 or 2021 for Primary School pupils. This includes the EYFS assessment, Year 1 and Year 2 Phonics Screening Assessment, Key Stage 1 SATS and Key Stage 2 SATS. This means that there is no-school based nor national pupil outcome data for 2021 again and thus no end of year results/outcomes will be published. In 2022 and 2023 we saw the return of statutory assessments for pupils in our schools and the outcomes for our 5 Primary Schools are seen above. The 2023 outcomes for pupils reflect some pleasing results for some schools, with some aspects above the national averages.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

Some results in 2023 were as can be seen disappointing, but do reflect the challenges our schools face, particularly with pupil mobility. An example is needed here about mobility, with some schools experiencing over 100 pupils coming and going each year. Plans are being developed as previously outlined to further raise standards. There is no national data for these assessments for our 2 Special Schools due to the nature of the pupil needs in each school. Trustees have access to a range of internal data for all 7 schools which they discuss and challenge at the OCT Curriculum, Standards and Quality Committee. The OCT data group has also done some significant work regarding data tracking, moderation and consistent. This work continues.

There, as in previous years, remains much work to be done, as outlined later, to improve outcomes in all our schools if we are to close the outcome gaps, particularly for our most vulnerable children and young people. The focus of the Trust and its policies and strategies is to ensure that all we do and all we invest in has a direct impact on education outcomes. There continues to be a focus across all schools on the quality of education provided and the coherence, consistency and structure of the curriculum. This remains a focus for challenge and support provided to each school by the Trust, and by schools to and for each other.

Attendance:

Attendance in each school for academic year 2022/23 was as follows:

School	Attendance %	Persistent absence %	Authorised absence %	Unauthorised absence %	Suspensions- number of pupils	Permanent exclusions
Abbey Hulton Primary	93.2%	23.2%	4.0%	3.2%	3	0
Etruscan Primary	91.8%	30%	4.8%	3.4%	6	0
Forest Park Primary	91.9%	31.5%	5.7%	2.4%	7	0
Oakhill Primary	93.6%	18.3%	3.7%	2%	5	0
St. Mark's CE Primary	92.5%	21%	4.6%	3%	1	0
Kemball School	86.4%	31%	10.6%	2.9%	7	0
Watermill School	88.4%	21.5%	8.8%	2.8%	1	0

Attendance in our schools for the year 2022/23 has been partly disrupted again by Covid-19 , with a number of pupils and staff not attending school for periods both during the school year due to Covid-19 cases in the class or their family. Holidays in term time are also a challenge for our school as is persistent absence.

Our school used a range of successful strategies in 2022/23 to improve attendance. These include using the Education Welfare Officer Service, 1st day calling, attendance reviews, attendance rewards, letters to parents, working with pupils on the importance of attendance, collecting pupils from home, use of school-based welfare and attendance teams and fining parents. This has helped to improve attendance.

We continue as before as a Trust to recognise that improving pupil attendance in our schools is a key priority for all our academies. Updated and developed plans are in place, with timescales for those academies where attendance has historically fallen below the national average and where persistent absence is high. Schools will monitor attendance very carefully once again from 1 September 2024 in order to ensure that all pupils continue

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

attend school regularly.

This will include the use of the commissioned education welfare officers, use of home school link workers and work with children and families to ensure education is a priority and that new pupils who start in our schools continue to attend schools regularly and fining parents. We remain focused and relentless with these actions.

The Trust has in place a Trust Board Committee for safeguarding which meets each term to discuss safeguarding priorities and issues and school-based safeguarding leads also meet regularly to discuss safeguarding and to work together to resolve the many challenges where possible. The Trust Central Team has employed a full time Lead for Inclusion and Safeguarding who challenges and supports schools, and each school has an annual safeguarding review carried out by members of the Central Team, A report is produced after each review. These reviews include a discussion with the Chair of Trustees and also a compliance check on the single central record and other aspects of safeguarding. The Trust has also introduced supervision for our SENDCO's and safeguarding leads delivered by Purple Moon. This is proving valuable to the staff concerned.

Our 7 schools have again worked very hard during this period to ensure that schools continued to be safe and accessible to all pupils during the year and continue put into place detailed plans and risk assessments in each school, details of which were shared with staff, Governors and Trustees.

The schools all had and continue to have in place robust plans and risk assessments which will be reapplied should the virus become more prevalent in our schools once again.

Once again, this has been a very challenging time for our schools but all have led and managed very effectively and ensured that, where possible, provision has continued for all identified groups of pupils. There will no doubt be challenges further for our schools from September 2023. These, as in the previous report, are likely to focus on helping pupils to continue to catch up with their learning and ensuring that all pupils attend school regularly. There will be a continued major focus on ensuring that the needs of all pupils are fully met and that the curriculum is fit for purpose, exciting and challenging. The introduction of the OCT guarantee for all pupils will see them experience a set wide range of opportunities by the age of 11 or 16.

Support and overall provision are well matched to pupil need, with a key focus on catch up and keep up, education recovery and regaining lost ground. Schools have also worked hard to ensure learning is challenging for all pupils and extends their embedded knowledge and understanding. Our schools have worked relentlessly on this and this can be seen in some of the outcomes in 2023.

As above, Orchard Community Trust is again fully aware of the continued challenges it faces in its schools with improving outcomes for children and young people and will again continue to plan and put in place a number of strategies to accelerate progress. We continue to have a strong and focused school improvement strategy in place and a robust performance management policy and process to challenge and support schools in the MAT. The schools have shown some improvements in performance in 2023, but raising standards via high quality leadership in schools and the provision of a high-quality education remain the main priorities for the Trust. The focus on raising standards is clearly linked to the MAT development and action plans and is at the heart of the work all our schools do.

Ofsted inspections:

None of the 7 schools who have converted to academies within Orchard Community Trust have yet been inspected as, when they converted, they are categorised as new schools by Ofsted. They will be inspected in their 4th or 5th year after opening.

Each school again has had both internal and external reviews of provision in 2022/23, carried out by internal staff or an external educational professional. Each school received a written report as a result of this which has been shared with staff, Governors and Trustees. A great number of strengths across all 7 schools were once again

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

identified during these reviews as well as areas for improvement. Schools will include the areas for improvement in their updated school improvement plans for 2023/24. The plans will be regularly reviewed for impact on pupils by the Trust LGBs and the SEL.

A number of schools have also had a pupil premium review, a SEND review and subject review, with a clear report produced by the internal/external reviewer for each school and an action plan produced by school leaders to address issues identified. Internal subject peer reviews across all schools continue to be very effective and have led to sharing of expertise and ideas, as have the internal Headteacher peer to peer reviews, focusing on aspects of school provision.

The Trust has several networks for leaders and teachers and these continued to meet in 2022/23. These include networks for school-based Deputy and Assistant Headteachers, safeguarding leads, SENCOs, RE leaders and subject leaders. These are strong groups and continue to help to shape Trust wide activity and policies. The Deputy Headteacher and Assistant Headteacher network has also continued to meet and worked on a number of areas including the development of the OCT guarantee, data collection and analysis and organising the annual joint INSET day. They are currently continuing to focus on health and well-being good practice.

The Trust has also continued to commission in an external trainer to lead aspirant leader development sessions and the University of Worcester have also again been commissioned this year to carry out a series of quality assurance visits in relation to the Headteacher peer to peer review process. These will again continue in 2023/24 and the impact reported to Trustees in the 2022/23 review and reporting cycle. The Trust has established a group of both aspirant Headteachers and a group of aspirant Deputy/Assistant Headteachers who members of the Central Team are working with to develop their skills and knowledge ready for senior leadership roles.

Pupil mobility is also very high in a number of our schools and this is well monitored and pupils are well supported where this impacts on them. Attendance for these pupils is also a priority, together with support for those who do not speak English on arrival in the country or at the school. Trustees will be further monitoring the impact of pupil mobility on education outcomes during the year 2023/24.

Academy staff have had performance management reviews within this period and this was used to inform any pay progression. Impact statements were completed for staff showing progress towards their agreed performance management targets. Once again, a new cycle of performance management has now started for staff in all our schools for 2023/24 and targets will be linked to whole school and individual staff priorities and needs.

Our detailed analysis of pupil data, test outcomes, attendance data and any relevant Ofsted and external review outcomes show that funds have been used in our schools to appropriately meet the needs of the children and young people during the reporting period. These include pupil premium, sport premium funding, catch up and recovery funding. School improvement plans in each school have had an appropriate allocation of funds to support each priority within them. All the agreed and approved Trust financial policies and procedures have been adopted by each academy and adhered to. The Central Team supports and challenges the schools in relation to governance and compliance, financial planning, HR, estates management, health and safety and school improvement and safeguarding.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, 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.

c. Promoting the success of the trust

The Trust continues to be active in introducing measures to promote the success of the organisation, both with internal and external stakeholders. Though this year has been challenging in terms of the pandemic, the Trust has once again been successful in delivering education to children whether attending school or remote learning in periods of lockdown. The Trust has implemented strict safety regimes to protect children, parents/carers and staff in order to deliver the most effective means to educate our children.

Our schools continue to be recognised nationally for good practice, particularly in relation to pupil premium provision and Prevent.

The Trust has been mindful of the effect our business operations have on the wider community. Throughout the reporting period the Trust has supported children and families, particularly key worker families and those with vulnerable children, along with the Trust's supplier base with the aim of achieving its charitable objectives.

The successes of the Trust, its vision, mission and expertise will also be used as tool for growth and expansion in the forthcoming years, with Trustees and leaders developing a clear strategy for growth and a marketing plan for the Trust.

Decision making

Orchard Community Trust is fully committed to improving the life chances of all children, wherever they may be. This moral purpose underpins the mission, values and decision making of the Trust board. The structure of governance within the Trust is clear and facilitates decision making that gives regard to all stakeholders. Education, faith representation and business operations combine at board level for decision making that is congruent with the Trust vision.

The Trust Board has been active in developing both the student voice and parent voice to ensure stakeholders' views are considered in decision making processes. We have also engaged with staff in further development of the Trust's vision, recognising the importance of our staff in future developments.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Strategic report (continued)

Achievements and performance (continued)

d. Community and the environment

Orchard Community Trust schools operate at the heart of several local communities within the City of Stoke on Trent. Our commitment to improve the life chances of children goes beyond education in the classroom. Trust schools actively work with families to support them in a wide variety of matters, to include:

- facilitating food vouchers for families during holidays
- donations to food banks
- charity fundraising
- access to parental classes
- welfare support for families
- signposting families to support agencies

As an organisation, our impact on the environment is important to us. We have invested this year in our IT vision, with a greater emphasis on cloud-based technologies. The initiative will reduce consumption of physical resources, whilst promoting greater collaboration and communication with stakeholders.

Financial review

The main streams of funding during the year were grants from the Education and Skills funding agency (ESFA) and the Local Authority (LA).

All grants received from the ESFA and the LA during the period and the associated expenditure are shown as restricted general funds in the Statement of Financial Activities.

During the year ended 31 August 2023, the Academy Trust has restricted general funds income of £21,273,696 (excluding income transferred on conversion) and associated expenditure of £21,278,892 (excluding LGPS pension movements).

The Academy Trust has unrestricted income totals £705,063 for the year and related expenditure of £689,557.

At 31 August 2023 the net book value of fixed assets was £34,272,760 and the movement in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy Trust.

The Local Government Pension Scheme (LGPS) liability at the 31 August 2023 totalled £nil.

At 31 August 2023 the funds of the Academy Trust were as follows: £1,355,773 included in general restricted funds, £34,872,346 included in restricted fixed assets funds, deficit balance of £nil included in the restricted pension reserve and £1,154,426 included in unrestricted fund.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

a. Reserves policy

The Academy Trust has a Reserves Policy which states that the Trust target is to have one month's operating costs held in reserves. The purpose of the reserves is to ensure financial stability and allow the Trust to adjust quickly to changing financial circumstances when necessary.

The total value of funds held by the Trust at the end of the financial year is £37,382,545

The value of free reserves held (unrestricted funds) as at the 31 August 2023 is £1,154,426.

The value of restricted General funds as at the 31-August 2023 is £1,355,773.

At 31 August 2023 the restricted fixed asset fund amounted to £34,872,346, which included the net book value of fixed assets of £34,272,760 and £599,586 of unspent capital grant income.

The Local Government Pensions Scheme (LGPS) reserve at 31 August 2023 totalled £nil.

b. Investment policy

Investments will be made in accordance with the Financial Regulations policy. Currently, there are no investments.

c. Principal risks and uncertainties

With reference to the Trust's Board Assurance and Risk Register the principle ongoing risks to the Trust focus mainly on the uncertainty of schools' funding and the pressure on school budgets, particularly related to pupils with Special Educational Needs. The Trust continues to review its 3-year budget plan to ensure that finances are used efficiently and effectively and to ensure steps are taken to obtain value for money in the Trust. The other ongoing risks remain around vulnerability to adverse Ofsted outcomes in schools due to the challenges in the schools related to raising standards, particularly in our 5 Primary academies. All face challenging circumstances and face significant pupil mobility. This brings both a financial challenge to academies and also a challenge in terms of staff recruitment and capacity to continue to improve. Trustees are well informed in relation to the context of each academy. There are also ongoing risks related to the Covid-19 pandemic and the impact that this has had on pupils and staff in schools. All 7 schools will monitor this very carefully and take appropriate steps to ensure that staff and pupils are all supported effectively to enable them to teach and learn well. All these risks are contained within the Trust Board Assurance and Risk Register, which is reviewed and updated annually.

Fundraising

Fundraising within the Trust has been through the following means:

Within each academy schools have undertaken events whereby donations have been received from Parents/Carers and other relatives.

Streamlined energy and carbon reporting

As the Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

Plans for future periods

As a Trust we have again continued to work partly on the same priorities in the 5th year of our existence (listed below in detail), as the Trust needs to embed what it is doing and continue the focus on effective governance and raising standards in its academies, but we have also slightly revised our strategic plan and agreed 4 key priorities for the Trust for the next years. Currently, there are 7 academies in the Trust and work will continue to focus on ensuring that all are proficient in the academy requirements. The actions which will be taken to support the achievement of the continued priorities will be closely linked to support for schools to raise standards, continued activity to improve attendance in each school and ensuring via support and challenge that each school offers high quality of education to the children and young people, including local governance.

A robust business action plan will also be evaluated and updated to support the Trust's work on HR, finance, estates and health and safety. Work will also continue to be done on staff CPD and training to secure a highly skilled and effective workforce. This will include an annual staff survey and opportunities for staff and pupils to be involved in MAT-wide activities. The Trust is also looking over the next 2-3 years to expand the number of schools it has and discussions have begun to this effect, with 2 schools having an associate agreement with the Trust at present, these being St. John's CE(A) Primary School and St. Paul's CE(C) Primary school in Stoke on Trent. The Trust is also continuing to support a number of other primary schools beyond the Trust with school improvement, monitoring, evaluation and governance.

Strategic priorities for 2022-2024

1. Vision and values:

Ensure that the Trust's vision and values are communicated effectively and understood by all our stakeholders so that they feel part of an inclusive family where the culture of collaboration means all understand and are committed to what we want to achieve.

2. Pupil progress and academic achievement:

Ensure that each setting has a rich, inspiring and highly stimulating curriculum including extra-curricular provision that fully meets the needs of all pupils, equipping them for progression and their adult lives.

3. Improving social mobility and aspirations, with an emphasis on pupils' personal and social development and well-being:

- Build a community in which all our pupils flourish regardless of their starting point or background
- Ensure that all pupils have access to a wide and varied set of experiences
- Work with our communities to strengthen education for pupils

4. Student and staff well-being

- Support and improve the mental health and well-being of all stakeholders through the development of appropriate Trust wide strategies.
- Strive to create a physical and psychological environment where every individual feels welcomed and valued

These are supported by a robust set of business priorities and actions.

Funds held as custodian on behalf of others

The Trust and its Trustees did not act as a custodian trustee during the period.

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Trustees' Report (continued)
For the Year Ended 31 August 2023

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
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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 *20.12.23* and signed on its behalf by:

DocuSigned by:
Gillian Howell
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Mrs G Howell
Chair of Trustees

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Governance Statement

Scope of responsibility

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

The Board of Trustees are also responsible for keeping proper accounts for the Trust which disclose, with reasonable accuracy at any time, the financial position of the Trust and which enable the Trust's financial statements to be compliant with the Companies Act in internal control.

The Trust also acknowledge their responsibility for safeguarding the assets of the Trust and take their responsibilities for taking all reasonable steps to prevent fraud and other irregularities seriously. Assurance is given to Trustees via the board assurance and risk register that:

- The Trust is functioning efficiently and effectively
- Its assets are safeguarded against improper use
- The Trust is compliant with all relevant laws and regulations
- The correct records are maintained and financial information used within the Trust or which is published is reliable.

The Board of Trustees has delegated the day-to-day responsibility to the Senior Executive Leader, 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 Orchard Community Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

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

Trustee	Meetings attended	Out of a possible
Mr R W Johnstone, Accounting Officer	6	6
Ms S Thomas, Vice Chair	5	6
Mrs M A S Tatton	6	6
Mrs L E Maden	4	6
Mrs V Cotton	4	6
Mr N C Carter	6	6
Ms R Fagan	6	6
Ms G Howell, Chair of Trustees	6	6
Mr S Lawley	4	6
Ms C Higgs	6	6
Mrs R Vaughan-Calkin	3	4

The Orchard Community Trust Board of Trustees are accountable to the DfE for its outcomes and successes and the achievement of its aims and objectives and as such has ultimate decision making. The Board of Trustees delegates its management of the Trust to the Senior Executive Leader and the Chief Finance Officer on a day-to-day basis. They oversee the strategic direction of the Trust and its academies to ensure that all academies in the Trust are run effectively via the agreed scheme of delegation and to anticipate and manage risk to the Trust. The SEL is a key bridge between the Trust Board, the Headteachers' Executive Board and each of the academies.

The Trust has in place a scheme of delegation and each academy has its own Local Governing Board. The LGB

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Governance Statement (continued)

Governance (continued)

is responsible for key aspects of the scheme of delegation including: school improvement planning, monitoring and evaluating performance of staff and pupils, safeguarding, health and safety, budget planning and oversight. The LGB delegates these and other key responsibilities on a day-to-day basis to the Headteacher of the academy, who has control and responsibility of the academy regarding ensuring that all legal and statutory requirements are met.

The Board of Trustees and each LGB have completed a skills audit to ensure that the skill and knowledge set on each board is complete and appropriate to the ends of the Trust and its academies. The Trust Board have once again undertaken an internal annual review of effectiveness and are measuring themselves against the key indicators of high performing MATs and is looking at ways in which it can further develop and improve in the future. An action plan has been produced by the Trust Board in response to the internal self-review and is monitored and evaluated each term. The action plan governs the work of the Trustees and is helping to strengthen governance across the MAT. Due to the pandemic, the Trust Board have not been able to have an external review of governance this year. This is now planned for the academic year 2023/24 and will be commissioned from a suitable external source who has experience in carrying out such reviews.

Key activities currently for the Central Team continue as follows:

- Ensuring that the Trust Board have all the necessary information to monitor the work of the Trust and its academies effectively
- Supporting the Headteachers Executive Board, which meets every month
- Co leading the Chairs of Governors meeting with the Chair of Trustees, once per term
- Implementing with schools the agreed MAT development plans, policies and strategies which support the efficient and effective running of our schools and improved outcomes for all pupils
- Ensuring compliance with relevant policies
- Meet with each Headteacher at least twice each term to review the progress of the Academy and provide support and challenge, including lesson observations, learning walks, book and planning scrutinies and to organise the Academy annual review and Headteachers' performance management with members of each LGB
- Collecting pupil progress data each term and analyse it to track progress against agreed targets
- Brokering appropriate leadership development training for the academies as needed
- Support the planning and delivery of joint Trust INSET days for all schools
- Supporting schools with their business management. Including HR, finance, estates, health and safety

The Orchard Community Trust

Governance reviews:

As outlined, the Trust further developed and updated its internal evaluation of its progress and performance by the 30 September 2023. This involves an internal evaluation of progress against its development plan, its key performance indicators and a review carried out with relevant stakeholders. As previously outlined, in the year 2023 to 2024, the Trust Board will now commission an external review of its effectiveness to ensure objectivity of judgements. The Board has and will continue to look at best practice Governance models from other successful Trusts and use this to further develop its effectiveness. Each Local Governing Board carries out an annual skills audit and internal self-review in the Summer Term of each year, with an overview of this developed by the Central Team and action plans put in place at each LGB. Each school within the Trust will now have an external review of Governance for its Local Governing Board in the academic year 2023/24 or academic year 2024/25 in priority order.

The Trust Board and its committees:

The Trust Board consists of 11 Trustees. The Trust Board have met 6 times in this reporting period and have focused their work on continuing to establish the policies and procedures needed for the trust. These have

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Governance Statement (continued)

Governance (continued)

focused on the Governance structure of the Trust, school improvement planning and strategies, financial policies and regulation and also the monitoring and evaluation of the work of each academy within the Trust. The committees of the Trust have met a similar number of times and have dealt with items delegated to the committee by the Trust Board. An annual plan of activities is in place for the Trust Board and its committees and these govern the agenda and work done at each meeting. The main challenges to the Board in this period have continued to be the review the full suite of policies and documents required for the Trust and continuing to challenge and support the quality of education in schools and the efficiency of our business functions.

As seen in previous years, the Trust continue to work hard to ensure that all Trustees fully understand the nature of their role, the challenges our academies face and how they can effectively and efficiently carry out their roles and responsibilities as Trustees. The Trust Board have received a range of data related to each academy in the Trust and have used this to challenge and support the work of the Trust and its academies. Further work will be done in the next year to ensure that data and information for Trustees is tailored to the needs of the Trust and its priorities and are linked to the key Trust priorities and our agreed MAT scorecard, which is being refined as it progresses.

The Audit and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to advise the Board on matters relating to the Trust's finance and audit arrangements, systems of internal control and to advise and aid the Board's responsibility to ensure sound management of the Trust's finances and resources, including proper planning, monitoring and probity, HR matters and matters related to the Trust estate.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Marcella Nixon	6	6
Rob Johnstone (SEL)	6	6
Stephen Lawley	6	6
Rosemary Vaughan	6	6
Lorna Maden	5	6
Rosalyn Fagan	5	6
Gill Howell	6	6
Sue Thomas	5	6

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Governance Statement (continued)

Review of value for money

As accounting officer, the Senior Executive Leader 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 by the Trust.

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 period by:

- Ensuring schools follow a procurement policy that is in line with public sector procurement regulations and the Academy Trust Handbook.
- Encouraging schools to use DfE approved frameworks in the pursuit of value for money.
- Consolidating a number of supplier agreements through the Central Team to achieve economies of scale.
- Ensuring schools follow a procurement policy that is in line with public sector procurement regulations and the Academy Trust Handbook

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 Orchard Community Trust for the period 01 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees. The Board of Trustees has in place a detailed board assurance and risk assessment process and this is reported on at each Board meeting.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Audit and Resources 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

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Governance Statement (continued)

The risk and control framework (continued)

- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to employ RSM as internal auditor and Dains Audit Limited as their external auditor in order to achieve best value for money.

The internal auditors' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out include:

- testing of payroll systems
- testing of purchase systems
- testing of income
- testing of fixed assets
- testing of bank / control account reconciliations

On a termly basis, the internal auditor reports to the Board of Trustees through the Audit and Resources committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The Board of Trustees confirm that RSM has delivered their schedule of work as planned during the financial year ending 31 August 2023 and issued detailed reports including recommendations.

Review of effectiveness

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

- the work of the internal auditor
- 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 work of the external auditors

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

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

DocuSigned by:
Gillian Howell
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Mrs G Howell
Chair of Trustees

Date: 20.12.23

DocuSigned by:
Rob Johnstone
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Mr R W Johnstone
Accounting Officer

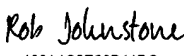
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Statement on Regularity, Propriety and Compliance

As accounting officer of Orchard Community 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, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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.

DocuSigned by:

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Mr R W Johnstone

Accounting Officer

Date: 20.12.23

Orchard Community Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2023

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- 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 and signed on its behalf by:

DocuSigned by:

1908BBB57FC6489...

Mrs G Howell
Chair of Trustees

Date: 20.12.23

Orchard Community Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Orchard Community Trust

Opinion

We have audited the financial statements of Orchard Community Trust (the 'academy trust') for the year ended 31 August 2023 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 2022 to 2023 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 2023 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 2022 to 2023 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.

Orchard Community Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Orchard Community 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Orchard Community Trust
(A Company Limited by Guarantee)

**Independent Auditors' Report on the financial statements to the Members of Orchard Community Trust
(continued)**

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 approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy trust through discussions with directors and other management, and from our commercial knowledge and experience of the Academy sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy trust, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

Orchard Community Trust
(A Company Limited by Guarantee)

Independent Auditors' Report on the financial statements to the Members of Orchard Community Trust
(continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC, relevant regulators and the academy trust's legal advisors.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Dains Audit Ltd

Simon Hawkins (Senior Statutory Auditor)
for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ

Date: 20.12.23

Orchard Community Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Orchard Community Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 22 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Orchard Community Trust during the year 1 September 2022 to 31 August 2023 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 Orchard Community Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Orchard Community 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 Orchard Community Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Orchard Community Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Orchard Community Trust's funding agreement with the Secretary of State for Education dated 30 April 2019 and the Academy Trust Handbook, extant from 1 September 2022, 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 2022 to 2023. 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 2022 to 31 August 2023 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.

Orchard Community Trust
(A Company Limited by Guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Orchard Community 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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Dains Audit Ltd

Dains Audit Limited

Chartered Accountants
Suite 2, Albion House
2 Etruria Office Village
Forge Lane
Stoke on Trent
ST1 5RQ

Date: 20.12.23

Orchard Community Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	41,982	-	446,729	488,711	321,564
Other trading activities	5	271,807	12,206	-	284,013	226,384
Investments	6	473	-	-	473	484
Charitable activities	4	390,801	21,261,490	-	21,652,291	20,409,693
Total income		705,063	21,273,696	446,729	22,425,488	20,958,125
Expenditure on:						
Raising funds	7	298,756	12,206	-	310,962	198,407
Charitable activities	8	390,801	21,160,686	851,034	22,402,521	23,366,831
Total expenditure		689,557	21,172,892	851,034	22,713,483	23,565,238
Net income/(expenditure)		15,506	100,804	(404,305)	(287,995)	(2,607,113)
Transfers between funds	17	(15,022)	(389,523)	404,545	-	-
Net movement in funds before other recognised gains/(losses)		484	(288,719)	240	(287,995)	(2,607,113)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	23	-	2,011,000	-	2,011,000	20,558,000
Pension surplus not recognised	23	-	(1,285,000)	-	(1,285,000)	-
Net movement in funds		484	437,281	240	438,005	17,950,887

Orchard Community Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account) (continued)
For the Year Ended 31 August 2023

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	1,153,942	918,492	34,872,106	36,944,540	18,993,653
Net movement in funds	484	437,281	240	438,005	17,950,887
Total funds carried forward	<u>1,154,426</u>	<u>1,355,773</u>	<u>34,872,346</u>	<u>37,382,545</u>	<u>36,944,540</u>

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

The notes on pages 41 to 72 form part of these financial statements.

Orchard Community Trust
(A Company Limited by Guarantee)

Balance Sheet
As at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	34,272,760	34,513,338
		<u>34,272,760</u>	<u>34,513,338</u>
Current assets			
Debtors	15	635,339	681,492
Cash at bank and in hand		4,344,445	4,546,850
		<u>4,979,784</u>	<u>5,228,342</u>
Creditors: amounts falling due within one year	16	(1,869,999)	(1,965,140)
Net current assets		<u>3,109,785</u>	<u>3,263,202</u>
Total assets less current liabilities		<u>37,382,545</u>	<u>37,776,540</u>
Net assets excluding pension asset / liability		<u>37,382,545</u>	<u>37,776,540</u>
Defined benefit pension scheme asset / liability	23	-	(832,000)
Total net assets		<u><u>37,382,545</u></u>	<u><u>36,944,540</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	34,872,346	34,872,106
Restricted income funds	17	1,355,773	1,750,492
		<u>36,228,119</u>	<u>36,622,598</u>
Restricted funds excluding pension asset	17	36,228,119	36,622,598
Pension reserve	17	-	(832,000)
Total restricted funds	17	<u>36,228,119</u>	<u>35,790,598</u>
Unrestricted income funds	17	<u>1,154,426</u>	<u>1,153,942</u>
Total funds		<u><u>37,382,545</u></u>	<u><u>36,944,540</u></u>

Registered number: 11620282

Orchard Community Trust
(A Company Limited by Guarantee)

Balance Sheet (continued)
As at 31 August 2023

The financial statements on pages 36 to 72 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

DocuSigned by:
Gillian Howell
1908BBB57FC6489...

Mrs G Howell
Chair of Trustees

Date: 20.12.23

The notes on pages 41 to 72 form part of these financial statements.

Orchard Community Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(39,151)	181,162
Cash flows from investing activities			
	20	(163,254)	(202,781)
Change in cash and cash equivalents in the year		(202,405)	(21,619)
Cash and cash equivalents at the beginning of the year		4,546,850	4,568,469
Cash and cash equivalents at the end of the year	21, 22	4,344,445	4,546,850

The notes on pages 41 to 72 form part of these financial statements

Orchard Community Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Orchard Community Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

Orchard Community Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.3 Income (continued)

• **Other income**

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

• **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

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.

Orchard Community Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.7 Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Freehold Land	- Not depreciated
Freehold property	- 2% straight line
Long-term Leasehold Land	- 0.8% straight line
Long-term Leasehold 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 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.

1.9 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.

1.10 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.

Orchard Community Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.11 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 15. 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 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 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.

Orchard Community Trust
(A Company Limited by Guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2023

1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

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

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.

Local Government Pension Scheme:

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2023. 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.

Land and Buildings Valuation

The freehold land and buildings within the financial statements relates to the academy premises which were donated to the trust on conversion from Stoke on Trent City Council. The freehold properties were valued using the Stoke on Trent City Council's valuation. These are being depreciated in accordance with the depreciation policies set out in note 1.7.

The long term leasehold land and buildings within the accounts relates to the academy premises which were donated to the academy on conversion on a 125 year lease from Stoke on Trent City Council. The leasehold land and buildings were valued using the Stoke on Trent City Council's valuation. These are being depreciated in accordance with the depreciation policies set out in note 1.7. No annual charge is made for the use of the land and buildings under the terms of the lease, based on management not being able to reliably measure the open market rate.

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Notes to the Financial Statements
For the Year Ended 31 August 2023

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	41,982	-	41,982	28,231
Capital Grants	-	446,729	446,729	293,333
	<u>41,982</u>	<u>446,729</u>	<u>488,711</u>	<u>321,564</u>
Total 2022	<u>28,231</u>	<u>293,333</u>	<u>321,564</u>	

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Notes to the Financial Statements
For the Year Ended 31 August 2023

4. Funding for the Academy Trust's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations				
DfE/ESFA grants				
General annual grant	-	13,315,636	13,315,636	12,684,290
Other DfE/ESFA grants				
DfE/ESFA Pupil Premium	-	1,488,773	1,488,773	1,407,419
UIFSM	-	188,202	188,202	173,536
Teachers' pension grant	-	14,978	14,978	24,946
Other DfE/ESFA grants	-	558,585	558,585	469,460
	-	15,566,174	15,566,174	14,759,651
Other Government grants				
Special Educational Needs income	-	3,689,269	3,689,269	3,060,593
Other government income	-	1,636,670	1,636,670	1,584,226
Inspire income - LA	-	-	-	319,589
	-	5,325,939	5,325,939	4,964,408
Other income from the Academy Trust's educational operations	390,801	73,346	464,147	450,966
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	-	296,031	296,031	185,817
	-	296,031	296,031	185,817
COVID-19 additional funding (non-DfE/ESFA)				
Mass testing	-	-	-	48,851
	-	-	-	48,851
	390,801	21,261,490	21,652,291	20,409,693
	390,801	21,261,490	21,652,291	20,409,693
Total 2022	373,131	20,036,562	20,409,693	

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Notes to the Financial Statements
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5. Income from other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Supply teacher insurance income	17,232	-	17,232	32,366
Other income	240,670	12,206	252,876	183,453
Lettings income	13,905	-	13,905	10,565
	<u>271,807</u>	<u>12,206</u>	<u>284,013</u>	<u>226,384</u>
Total 2022	<u>212,172</u>	<u>14,212</u>	<u>226,384</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Investment income	473	473	484
	<u>484</u>	<u>484</u>	
Total 2022	<u>484</u>	<u>484</u>	

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Notes to the Financial Statements
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7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on fundraising and trading activities:					
Direct costs	148,323	-	41,870	190,193	66,010
Support costs	38,562	26,681	55,526	120,769	132,397
Academy's educational operations:					
Direct costs	14,359,044	-	696,074	15,055,118	14,900,715
Allocated support costs	2,664,036	1,020,221	3,663,146	7,347,403	8,466,116
	<u>17,209,965</u>	<u>1,046,902</u>	<u>4,456,616</u>	<u>22,713,483</u>	<u>23,565,238</u>
Total 2022	<u><u>17,980,461</u></u>	<u><u>1,025,076</u></u>	<u><u>4,559,701</u></u>	<u><u>23,565,238</u></u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	15,055,118	7,347,403	22,402,521	23,366,831
Total 2022	<u><u>14,900,715</u></u>	<u><u>8,466,116</u></u>	<u><u>23,366,831</u></u>	

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Notes to the Financial Statements
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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	14,359,044	14,174,445
Educational supplies	86,782	109,625
Examination fees	8,585	10,753
Technology costs	38,550	56,104
Consultancy costs	277,348	295,561
Other direct costs	271,793	239,548
Recruitment and other staff expenses	13,016	14,679
	<u>15,055,118</u>	<u>14,900,715</u>

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
LGPS pension cost	33,000	333,000
Staff costs	2,664,036	3,677,392
Depreciation	851,034	797,712
Catering	899,161	867,398
Technology costs	68,191	64,712
Professional Services	187,663	297,901
Other support costs	490,981	360,961
Repairs and maintenance	1,020,221	990,788
Cleaning	346,951	338,690
Office rental costs	21,970	-
Rates	42,234	32,244
Water and general rates	3,665	18,384
Energy costs	470,234	448,055
Legal and professional	25,340	24,945
Transport	43,087	35,423
Other premises costs	179,635	178,511
	7,347,403	8,466,116

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	47,975	32,675
Depreciation of tangible fixed assets	851,034	797,712
PFI charges	1,275,834	1,199,911
Fees paid to auditors for:		
- audit	22,400	21,600
- other services	2,940	3,345

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Notes to the Financial Statements
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10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	12,410,070	11,565,013
Social security costs	1,110,383	1,052,339
Pension costs	2,879,537	4,649,021
	<u>16,399,990</u>	<u>17,266,373</u>
Supply/Agency staff costs	804,835	677,066
Staff restructuring costs	5,140	37,022
	<u>17,209,965</u>	<u>17,980,461</u>

Staff restructuring costs comprise:

	2023	2022
	£	£
Severance payments	5,140	35,937
Other restructuring costs	-	1,265
	<u>5,140</u>	<u>37,202</u>

Non contractual amounts total £nil (2022 - £14,000).

b. Staff numbers

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

	2023	2022
	No.	No.
Management	23	23
Teachers	121	128
Admin and Support	360	353
	<u>504</u>	<u>504</u>

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10. Staff (continued)

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	6	3
In the band £70,001 - £80,000	4	4
In the band £90,001 - £100,000	2	3
In the band £100,001 - £110,000	2	1
	<u>2</u>	<u>1</u>

d. 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 key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,319,355 (2022 - £1,183,154).

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Notes to the Financial Statements
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11. Central services

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

- Payroll & HR Services and support
- Financial systems and support
- GDPR Compliance
- Health and Safety Compliance
- Governance Services
- Internal Audit
- External Audit
- School Improvement
- Others as arising

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

6% of the age weighted pupil unit multiplied by the number of students on roll, with the exception of Kemball School and Watermill School where the charge is 6% of the total high needs allocation for the year.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Abbey Hulton Primary School	40,148	39,350
Forest Park Primary School	81,261	76,826
Kemball School	132,000	114,000
Oakhill Primary School	71,803	66,707
Watermill School	138,000	120,000
St Mark's CE Primary School	78,559	75,327
Etruscan Primary School	77,594	75,514
Total	619,365	567,724

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023 £	2022 £
Mr R W Johnstone, Accounting Officer	Remuneration	105,000 - 110,000	100,000 - 105,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

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Notes to the Financial Statements
For the Year Ended 31 August 2023

13. 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 £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme membership.

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For the Year Ended 31 August 2023

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Leasehold Property Improve- ments £	Assets under Constructi on £	Furniture and equipment £	Comput er equip ment £	Motor vehicles £	Total £
Cost or valuation								
At 1 September 2022	5,997,696	30,293,132	-	4,516	91,770	379,614	8,750	36,775,478
Additions	162,442	-	134,877	13,368	75,617	170,784	53,368	610,456
Transfers	(91,590)	-	100,622	(9,032)	-	-	-	-
At 31 August 2023	6,068,548	30,293,132	235,499	8,852	167,387	550,398	62,118	37,385,934
Depreciation								
At 1 September 2022	318,635	1,706,775	-	-	20,402	213,528	2,800	2,262,140
Charge for the year	118,942	570,145	10,666	-	25,611	123,920	1,750	851,034
Transfers	4,854	(4,854)	-	-	-	-	-	-
At 31 August 2023	442,431	2,272,066	10,666	-	46,013	337,448	4,550	3,113,174

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Notes to the Financial Statements
For the Year Ended 31 August 2023

14. Tangible fixed assets (continued)

	Freehold property £	Long-term leasehold property £	Leasehold Property Improvements £	Assets under Constructio n £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £	
Net book value									
At 31 August 2023		<u>5,626,117</u>	<u>28,021,066</u>	<u>224,833</u>	<u>8,852</u>	<u>121,374</u>	<u>212,950</u>	<u>57,568</u>	<u>34,272,760</u>
At 31 August 2022		<u>5,679,061</u>	<u>28,586,357</u>	<u>-</u>	<u>4,516</u>	<u>71,368</u>	<u>166,086</u>	<u>5,950</u>	<u>34,513,338</u>

Included in freehold land and property is £919,000 (2022 - £919,000) of freehold land which is not depreciated.

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15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	58,268	136,679
VAT repayable	54,455	69,913
Prepayments and accrued income	522,616	474,900
	<u>635,339</u>	<u>681,492</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	199,695	135,121
Other taxation and social security	259,591	235,742
Other creditors	330,152	305,494
Accruals and deferred income	1,080,561	1,288,783
	<u>1,869,999</u>	<u>1,965,140</u>
	2023 £	2022 £
Deferred income at 1 September 2022	317,582	298,602
Resources deferred during the year	458,549	317,582
Amounts released from previous periods	(317,582)	(298,602)
	<u>458,549</u>	<u>317,582</u>

Deferred income relates to grant and trip income which relates to the 2023/24 academic year.

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Notes to the Financial Statements
For the Year Ended 31 August 2023

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	1,153,942	705,063	(689,557)	(15,022)	-	1,154,426
Restricted general funds						
General Annual Grant	1,725,408	13,315,636	(13,295,748)	(389,523)	-	1,355,773
Pupil Premium	-	1,488,773	(1,488,773)	-	-	-
SEN funding	-	3,689,269	(3,689,269)	-	-	-
Other government grants	24,000	1,636,670	(1,660,670)	-	-	-
Universal free school meals	-	188,202	(188,202)	-	-	-
Other restricted income	1,084	85,552	(86,636)	-	-	-
Other DfE/ESFA Grants	-	573,563	(573,563)	-	-	-
COVID-19 Recovery Premium	-	296,031	(296,031)	-	-	-
Pension reserve	(832,000)	-	106,000	-	726,000	-
	918,492	21,273,696	(21,172,892)	(389,523)	726,000	1,355,773

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Notes to the Financial Statements
For the Year Ended 31 August 2023

17. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Transferred grants	33,832,240	-	(663,706)	-	-	33,168,534
Devolved formula capital	253,451	72,801	(55,549)	-	-	270,703
Capital expenditure from GAG	193,942	-	(44,465)	389,523	-	539,000
School Condition Allocation	435,465	225,505	(13,609)	-	-	647,361
Laptop Donations	44,159	-	(39,703)	-	-	4,456
Capital expenditure from unrestricted funds	112,849	-	(34,002)	15,022	-	93,869
DfE Energy Efficiency	-	148,423	-	-	-	148,423
	<u>34,872,106</u>	<u>446,729</u>	<u>(851,034)</u>	<u>404,545</u>	<u>-</u>	<u>34,872,346</u>
Total Restricted funds	<u>35,790,598</u>	<u>21,720,425</u>	<u>(22,023,926)</u>	<u>15,022</u>	<u>726,000</u>	<u>36,228,119</u>
Total funds	<u><u>36,944,540</u></u>	<u><u>22,425,488</u></u>	<u><u>(22,713,483)</u></u>	<u><u>-</u></u>	<u><u>726,000</u></u>	<u><u>37,382,545</u></u>

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17. Statement of funds (continued)

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

Unrestricted funds

These funds represent those resources which may be used towards meeting the charitable activities and objectives of the academy trust.

Restricted funds

These funds represent grants received for the operational activities and objectives of the academy trust.

Pension reserve

This fund represents the academy trust's share of the LGPS pension deficit.

Restricted fixed asset fund

This fund relates to the donation of Freehold and Leasehold land and buildings from Stoke on Trent City Council.

The devolved formula capital relates to grants received from the ESFA for works of a capital nature.

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 2023.

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17. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	1,442,503	614,018	(588,351)	(314,228)	-	1,153,942
Restricted general funds						
General Annual Grant	1,698,108	12,684,290	(12,704,768)	47,778	-	1,725,408
Pupil Premium	-	1,407,419	(1,407,419)	-	-	-
SEN funding	-	3,060,593	(3,060,593)	-	-	-
Other government grants	-	1,877,857	(1,853,857)	-	-	24,000
Universal free school meals	-	173,536	(173,536)	-	-	-
Other restricted income	-	118,005	(116,921)	-	-	1,084
Other DfE/ESFA Grants	-	389,203	(389,203)	-	-	-
COVID-19 Mass Testing	-	48,851	(57,858)	9,007	-	-
COVID-19 School-Led Tutoring	-	105,203	(105,203)	-	-	-
COVID-19 Recovery Premium	-	185,817	(185,817)	-	-	-
Pension reserve	(19,266,000)	-	(2,124,000)	-	20,558,000	(832,000)
	<u>(17,567,892)</u>	<u>20,050,774</u>	<u>(22,179,175)</u>	<u>56,785</u>	<u>20,558,000</u>	<u>918,492</u>

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17. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Transferred grants	34,517,359	-	(685,119)	-	-	33,832,240
Devolved formula capital	212,545	71,980	(31,074)	-	-	253,451
Capital expenditure from GAG	85,288	-	(14,039)	122,693	-	193,942
School Condition Allocation	218,713	221,353	(4,601)	-	-	435,465
Laptop Donations	85,137	-	(40,978)	-	-	44,159
Capital expenditure from unrestricted funds	-	-	(21,901)	134,750	-	112,849
	<u>35,119,042</u>	<u>293,333</u>	<u>(797,712)</u>	<u>257,443</u>	<u>-</u>	<u>34,872,106</u>
Total Restricted funds	<u>17,551,150</u>	<u>20,344,107</u>	<u>(22,976,887)</u>	<u>314,228</u>	<u>20,558,000</u>	<u>35,790,598</u>
Total funds	<u><u>18,993,653</u></u>	<u><u>20,958,125</u></u>	<u><u>(23,565,238)</u></u>	<u><u>-</u></u>	<u><u>20,558,000</u></u>	<u><u>36,944,540</u></u>

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Notes to the Financial Statements
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17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Abbey Hulton Primary School	57,233	79,918
Forest Park Primary School	336,348	611,024
Kemball School	425,547	487,508
Oakhill Primary School	38,867	149,885
Watermill School	961,760	1,047,313
Etruscan Primary School	302,448	327,768
Saint Mark's CE Primary School	387,996	405,668
Central Services	-	(204,650)
Total before fixed asset funds and pension reserve	<u>2,510,199</u>	<u>2,904,434</u>
Restricted fixed asset fund	34,872,346	34,872,106
Pension reserve	-	(832,000)
Total	<u><u>37,382,545</u></u>	<u><u>36,944,540</u></u>

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 2023 £	Total 2022 £
Abbey Hulton Primary School	965,308	213,581	23,174	373,617	1,575,680	1,474,762
Forest Park Primary School	1,845,152	385,932	32,416	602,906	2,866,406	2,585,166
Kemball School	3,034,270	595,607	3,425	790,768	4,424,070	4,118,216
Oakhill Primary School	1,647,544	328,951	12,019	501,507	2,490,021	2,219,901
Watermill School	3,230,557	343,366	-	703,722	4,277,645	4,339,499
Etruscan Primary School	1,737,441	302,602	9,569	621,126	2,670,738	2,468,750

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17. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Saint Mark's CE Primary School	1,820,020	299,208	6,060	578,349	2,703,637	2,435,404
Central Services	366,075	233,351	119	360,707	960,252	1,001,828
Academy Trust	14,646,367	2,702,598	86,782	4,532,702	21,968,449	20,643,526

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	34,272,760	34,272,760
Current assets	1,154,426	3,225,772	599,586	4,979,784
Creditors due within one year	-	(1,869,999)	-	(1,869,999)
Total	1,154,426	1,355,773	34,872,346	37,382,545

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	34,513,338	34,513,338
Current assets	1,153,942	3,715,632	358,768	5,228,342
Creditors due within one year	-	(1,965,140)	-	(1,965,140)
Provisions for liabilities and charges	-	(832,000)	-	(832,000)
Total	1,153,942	918,492	34,872,106	36,944,540

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of Financial Activities)	(287,995)	(2,607,111)
Adjustments for:		
Dividends, Interest and rents from investments	(473)	(484)
Depreciation	851,034	797,712
Capital grants from DfE and other capital income	(446,729)	(293,333)
Defined benefit pension scheme cost less contributions payable	(139,000)	1,791,000
Defined benefit pension scheme finance cost	33,000	333,000
Decrease/(increase) in debtors	46,153	(179,178)
(Decrease)/increase in creditors	(95,141)	339,558
Net cash (used in)/provided by operating activities	(39,151)	181,162

20. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	473	484
Purchase of intangible assets	(610,456)	(496,598)
Capital grants from DfE Group	446,729	293,333
Net cash used in investing activities	(163,254)	(202,781)

21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	4,344,445	4,546,850
Total cash and cash equivalents	4,344,445	4,546,850

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22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	4,546,850	(202,405)	4,344,445
	<u>4,546,850</u>	<u>(202,405)</u>	<u>4,344,445</u>

23. 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 Staffordshire County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £329,261 were payable to the schemes at 31 August 2023 (2022 - £304,929) 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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23. 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 2024.

The employer's pension costs paid to TPS in the year amounted to £1,525,000 (2022 - £1,363,000).

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 2023 was £1,820,000 (2022 - £1,713,000), of which employer's contributions totalled £1,494,000 (2022 - £1,404,000) and employees' contributions totalled £326,000 (2022 - £309,000). The agreed contribution rates for future years are 27.2 per cent for employers and 5.5 - 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 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on [GOV.UK](https://www.gov.uk).

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23. Pension commitments (continued)

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.45	3.45
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.2	4.25
Inflation assumption (CPI)	2.95	3.05
Commutation of pensions to lump sums - Pre April 2005	65	50
Commutation of pensions to lump sums - Post April 2005	65	75

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

	2023	2022
	Years	Years
Retiring today		
Males	17.3	21.2
Females	23.2	23.8
Retiring in 20 years		
Males	20.2	22.2
Females	24.3	25.5

Sensitivity analysis on defined benefit obligations

	2023	2022
	£000	£000
Discount rate +0.1%	(488)	(575)
Discount rate -0.1%	488	575
CPI rate +0.1%	426	460
CPI rate -0.1%	(426)	(460)
Salary rate +0.1%	71	119
Salary rate -0.1%	(71)	(119)
1 year increase in member life expectancy	737	739
1 year decrease in member life expectancy	(737)	(739)

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23. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	13,206	12,699
Bond	4,534	2,822
Property	1,577	1,587
Cash and other liquid assets	394	529
Total market value of assets	19,711	17,637

The actual return on scheme assets was £1,268,000 (2022 - £503,000).

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

	2023 £	2022 £
Current service cost	(1,355,000)	(3,195,000)
Interest income	783,000	283,000
Interest cost	(816,000)	(616,000)
Total amount recognised in the Statement of Financial Activities	(1,388,000)	(3,528,000)

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

	2023 £	2022 £
At 1 September	18,469,000	35,593,000
Current service cost	1,355,000	3,195,000
Interest cost	816,000	616,000
Employee contributions	326,000	309,000
Actuarial gains	(2,355,000)	(21,244,000)
Benefits paid	(185,000)	-
At 31 August	18,426,000	18,469,000

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23. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	17,637,000	16,327,000
Interest income	783,000	283,000
Actuarial losses	(344,000)	(686,000)
Employer contributions	1,494,000	1,404,000
Employee contributions	326,000	309,000
Benefits paid	(185,000)	-
At 31 August	19,711,000	17,637,000

As at 31 August 2023, there was an unrecorded pension asset of £1,285,000.

24. Operating lease commitments

At 31 August 2023 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	18,911	26,340
Later than 1 year and not later than 5 years	15,026	29,199
	33,937	55,539

25. Other financial commitments

	2023 £	2022 £
Within 1 year	1,312,958	1,249,317
Later than 1 year and not later than 5 years	765,892	1,769,866
Later than 5 years	-	-
	2,078,850	3,019,183

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26. 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.

27. Related party transactions

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

No related party transactions took place in the period of accounts, other than certain trustees' remuneration and expenses already disclosed in the notes to the financial statements.

Mrs M Johnstone, spouse of Mr R Johnstone, a Trustee and Senior Executive Leader, is employed by the Academy Trust as Lead of School Improvements. Mrs M Johnstone is paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a Trustee.

Mrs R Nicholls, spouse of Mr L Nicholls, Headteacher at St. Mark's CE Primary School and member of the senior management team, is employed by the Academy Trust as a teacher at St. Mark's CE Primary School. Mrs R Nicholls is paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a Trustee.

H Lawton, mother of H Sutton, SEND Strategic lead and member of the senior management team, is employed by the Academy Trust as a teaching assistant at Forest Park Primary School. H Lawton is paid within the normal pay scale for her role and received no special treatment as a result of her relationship to a Trustee.