

THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2021

Company Limited by Guarantee
Registration Number: 08422015
(England & Wales)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, MEMBERS, DIRECTORS, TRUSTEES AND ADVISORS

Members	The Right Reverend Bishop C Cocksworth E Scrivens (resigned 25 September 2020) M Draper R Pogson P J Whitfield Venerable B Dugmore (appointed 16 October 2020) A Gold (appointed 1 September 2020) C Edwards (appointed 24 September 2020)
Directors and Trustees	P J Whitfield - Chair I C Dewes M Coalter R E Marlow M J Cowland - Chief Executive Officer B Cockcroft (appointed 11 January 2021) S O'Neill (appointed 11 January 2021) K Tudor (appointed 11 January 2021) A Burbidge (appointed 11 January 2021) L Wright (appointed 8 September 2021) J Yang (appointed 20 September 2021) H Lees (appointed 19 October 2021) P Grieves-Smith (resigned 14 July 2021) R T A Medwell (resigned 31 December 2020)
Company Secretary	None
Central MAT - Senior Management Team	
Chief Executive Officer	M J Cowland
Deputy CEO – Education	A Bills (appointed 1 September 2021)
Head of Education	L Nash (resigned 31 August 2021)
Head of Human Resources	C Salter
Head of Finance	M Nisbet (resigned 31 September 2021)
Acting Head of Finance	L Nix (appointed 16 September 2021)
Head of Operations and Compliance	L Beale (appointed 1 September 2020)
Principal Address	The Diocese of Coventry Multi-Academy Trust The Benn Education Centre Craven Road Rugby CV21 3JZ
Academy Addresses	Stretton Church of England Academy Stretton Avenue Willenhall Coventry CV3 3AE St Laurence's Church of England Primary School Old Church Road Coventry CV6 7ED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, MEMBERS, DIRECTORS, TRUSTEES AND ADVISORS (cont'd)**Academy Addresses (cont'd)**

St Bartholomew's Church of England Academy
Bredon Avenue
Coventry
CV3 2LP

Queens Church of England Academy
Bentley Road
Nuneaton
CV11 5LR

Harris Church of England Academy
Harris Drive
Rugby
CV22 6EA

St James Church of England Academy
Barbridge Road
Bulkington
CV12 9PF

St Nicolas Church of England Academy
Windermere Avenue
Nuneaton
CV11 6HJ

Studley St Mary's Church of England Academy
New Road
Studley
B80 7ND

St John's Church of England Academy
Winsford Avenue
Coventry
CV5 9HZ

St Michael's Church of England Academy
Hazel Grove
Bedworth
Warwickshire
CV12 9DA

St Oswald's Church of England Academy
Addison Road
Rugby
Warwickshire
CV22 7DJ

Leamington Hastings Church of England Academy
Birdingbury Road
Hill
Leamington Hastings
Rugby
Warwickshire
CV23 8EA

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, MEMBERS, DIRECTORS, TRUSTEES AND ADVISORS (cont'd)**Academy Addresses (cont'd)**

Leigh Church of England Academy
71 Plants Hill Crescent
Coventry
CV4 9RQ

Salford Priors Church of England Academy
School Road
Salford Priors
Evesham
WR11 8XD

All Saints Church Of England Primary School
Warwick Road
Leek Wootton
Warwick
CV35 7QR

Burton Green CofE (VC) Primary School
Hob Lane
Burton Green
Coventry
CV8 1QB

Long Itchington Church of England Academy
Stockton Road
Long Itchington
Southam
CV47 9QP

Southam St James Church of England Academy
Tollgate Road
Southam
CV47 1EE

All Saints Bedworth Church of England Academy
The Priors, off Mitchell Road
Bedworth
CV12 3JZ

Registered Office

The Diocese of Coventry Multi-Academy Trust
Harris Church of England Academy
Harris Drive
Rugby
CV22 6EA

Company Registration Number

8422015

Independent Auditor

UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham, B1 3ND

Internal Auditor

RSM UK Risk Assurance Services LLP
St Philips Point, Temple Row
Birmingham, B2 5AF

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Diocese of Coventry Multi-Academy Trust is a charity established to provide a home for schools in the Diocese of Coventry who wish to convert to academy status or who are compelled by the Government to convert. There were nineteen academies in the Trust as at 31 August 2021.

The Directors, who are also the Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

STRUCTURE, GOVERNANCE AND MANAGEMENT**Constitution**

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Directors of the Trust are also the Trustees of the charitable company for the purposes of charity law. The charitable company operates as The Diocese of Coventry Multi-Academy Trust.

Details of the Directors who served during the year are included in the Reference and Administrative Details on page 3.

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 of, 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.

Directors' Indemnities

Directors benefit from indemnity insurance to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of Trust or breach of duty of which they may be guilty in relation to the Multi-Academy Trust. The cost of this insurance is combined with the main policy.

Method of Recruitment and Appointment or Election of Directors

Directors complete an annual skills assessment to identify gaps and enable targeted recruitment. The Board has spent the past year working alongside Academy Ambassadors and Governors for Schools to add significant strength and address gaps. Directors are appointed by the Members following an interview process with the Chair of the Board and the Diocese of Coventry Director of Education.

Policies and Procedures Adopted for the Induction and Training of Directors

The Trust has developed a new induction programme, which includes an overview of Academy Trust's and the Board's responsibilities, school performance and assessment, financial responsibilities, employer responsibilities, governance structures and safeguarding.

Organisational Structure

The management structure consists of the Members, the Directors, the Local Governing Boards, the Senior Management team and the Headteachers.

The aim of the management structure is to devolve responsibility to academy Local Governing Boards via the Schemes of Delegation. The Chief Executive of the Multi-Academy Trust is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

While it is recognised that the Trust must remain competitive in order to attract the best staff, Directors are ever conscious of affordability. Directors benchmark the pay and remuneration of key management personnel in various ways. This includes comparing Trust salaries with other diocesan Trusts of a similar size, speaking to recruiters and aligning pay with performance. The process was strengthened in the past year following the establishment of a People & Pay Committee; one of the crucial roles of the committee is to review and approve the pay recommendations of key management personnel.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Trade Union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	£22,547,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	Nil%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	Nil hours
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Engagement with employees (including disabled persons)

Our teams have performed exceptionally well throughout the pandemic and have shown remarkable care, resilience and dedication to their academies and to the children we serve.

The Diocese of Coventry Multi-Academy Trust has engaged with all employees by regularly providing information on matters of concern to them. Engagement with employees has been especially important during the COVID19 pandemic. All of our employees in all of our academies were involved in the development of site specific risk assessments, Headteachers engage everyone in their academies and the Chief Executive Officer frequently emails staff in the Trust to thank them for their contribution during such difficult circumstances.

The Trust was proud to launch their first ever all staff survey in 2020/21 in partnership with Edurio and this gave the Trust Leadership Team valuable insight into how employees feel as well as highlighting strengths in several areas, for example:

- 94% of respondents feel either very comfortable or comfortable with asking colleagues for help when they need it
- 94% of respondents have never felt discouraged from applying for promotion during their time with us
- 89% of respondents feel either very respected or respected by colleagues
- 88% of respondents would be extremely likely or likely to recommend their academy as a good place to study
- 84% of respondents feel leadership understands their professional challenges
- 82% of respondents feel either very respected or respected by leadership
- 82% of respondents are very satisfied or satisfied with the workplace premises

However, we cannot be complacent and although we scored higher than the national picture in almost all sections, there are still areas where we must improve. For example:

- 26% of respondents feel it is very easy or easy to stay on top of work responsibilities (5% very difficult)
- 34% of respondents are confident that the Trust leadership actively works to address the personal needs of staff (8% not confident at all)

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

- 36% of respondents feel it is very easy or easy to voice work related concerns to the Trust (3% very difficult)
- 36% of respondents feel constantly or often overworked (46% sometimes, 3% never)
- 42% of respondents feel completely or very confident that being part of the Trust is beneficial (8% not confident at all)
- 44% of respondents feel fully supported or supported to a great extent by the Trust (5% not supported at all)
- 48% of respondents feel they understand the ethos and vision of the Trust fully or to a great extent (3% not at all)

To address some of these points the Trust is delivering an action plan focusing on the following three Trustwide priorities:

- 1 Highlight more the benefits of being in the Trust, but also strive to offer more benefits
- 2 Communicate more often and more effectively with our colleagues
- 3 Focus on staff wellbeing and workload

This Trust wide action plan has already seen us implement an Employee Assistance Programme, launch a comprehensive programme of CPD, record a regular CEO staff video and deliver a termly all staff newsletter. Each academy has also adopted an academy specific action plan to focus on local findings.

We worked with unions throughout last year to write, negotiate and adopt a common suite of employment policies across the Trust and we have recently completed the procurement of a Trustwide Human Resources Information System, which will enable us to better know and manage our teams.

Specifically, it is Trust policy to treat applications for employment from disabled persons with care. Shortlisting managers will be made aware if an applicant has a disability and all those applicants who meet the essential criteria will be interviewed. However, the nature of the disability will not be disclosed. The Trust treats disabled employees and those who become disabled fairly and equally.

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

The Trust maintains strong business relationships with our key suppliers, these include Local Authorities, catering suppliers, stationery suppliers, ICT providers, supply agencies and construction companies. We keep in personal contact to foster a strategic relationship whereby we work with them as partners to design services that best fit our Trust. However, we recognise that we could do more to articulate and demonstrate the role of our Trust in civic leadership and intend to take a more prominent role in both locally and nationally.

Related Parties and other Connected Charities and Organisations

The Trust's sponsor is the Diocese of Coventry.

OBJECTIVES AND ACTIVITIES**Objects and Aims**

The Trust's object is specifically restricted to the following:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools with a designated Church of England religious character ("the Academies") offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant funding agreement), and in having regard to the advice of the Diocesan Board of Education.

Objectives, Strategies and Activities

The Trust aims to establish a network of successful academies within the Diocese of Coventry, which provide a high quality of education for our children. The Trust aims to build a better future for all within our academies who in turn will positively impact their communities. The Trust's vision is Together, pursuing life in all its fullness (John 10:10).

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trust's first academies opened in April 2013. Sixteen further academies opened between September 2013 and October 2018. The Trust was pleased to welcome All Saints Bedworth CE Academy, its nineteenth academy, in February 2021. The Trust will continue to work with local authorities, the Government and individual schools to raise the standards of education within the Diocese of Coventry.

The Board of Directors approved a Strategic Plan for 2020 – 2023 with the following key objectives:

- **Deliver Excellent Education**
- **Ensure Strong & Effective Governance** at all levels
- **Build a Strong & Sustainable Infrastructure**
- **Become an Employer of Choice**
- **Drive Sustainable Growth**

Public Benefit

The Directors confirm they have referred to the Charity Commission's guidance on Public Benefit when reviewing Trust's aims and objectives and in planning future activities for the year.

Achievements and Performance

All of our academies fall within Warwickshire and Coventry local authority areas and therefore the West Midlands Regional Schools Commissioner.

ACHIEVEMENTS AND PERFORMANCE**Strategic developments 2020/2021:**

In September 2020, the Board adopted a new strategic plan with five core aims to reflect the Object in our Articles of Association:



Despite an academic year held entirely during a worldwide global pandemic the Trust has made some significant strides towards these goals, including:

Excellent Education:

- The review of the Trust's academy improvement model leading to
 - Every academy in the Trust will receive at least 12 days of academy improvement support
 - Staff will have access to a strengthened CPD programme
- A new School Improvement Partner was appointed for Harris CE Academy. The more focussed and strategic approach to academy improvement has already begun
- The increasing number of clear model policies, the Trustwide approach to COVID, the removal of duplication and the movement towards centralisation has enabled Headteachers to focus on teaching and learning
- The appointment of a full time Academy Improvement Partner (AIP) and a Deputy CEO – Education with no direct AIP responsibility
- Remote learning available to every child at every academy throughout periods of lockdown
- Weekly Headteacher calls continued and are well received – sharing of best practice, airing concerns, network, dissemination of guidance, respond to queries

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

<p>Strong & effective governance at all levels</p> <ul style="list-style-type: none"> Trustwide COVID management Strengthening of the Board – including new appointments and a redesign of the reporting templates Development of the committee structure – five functioning committees Transformation of local governance, including a new Scheme of Delegation
<p>Strong and sustainable infrastructure</p> <ul style="list-style-type: none"> Appointment and onboarding of new Health & Safety advisors Full compliance with the Academy Trust Handbook Movement towards centralisation – “cluster A” is effective and can be developed across the Trust All statutory deadlines met Appointment of internal and external auditors ICT audit complete and commencement of strategy development Procurement of HR Information System
<p>Employer of choice</p> <ul style="list-style-type: none"> Single set of employment policies Central team appraisal process Revival of the Joint Consultative Committee First staff survey and launch of staff newsletters Delivery of fully online Trustwide staff conference
<p>Sustainable growth</p> <ul style="list-style-type: none"> Academy conversion of All Saints, Bedworth

The Trust is equipped to grow and we have transformed All Saints Bedworth, which the Local Authority agreed would have been graded inadequate had the Trust not intervened prior to conversion. The Diocese is actively supportive of the academy programme and conversations are happening with governing bodies of schools who are exploring options. The Board is considering guiding principles for growth and these are likely to revolve around the key principle that a school should not join this Trust if it will not benefit the children in that school or if it is likely to jeopardise the academies already in the Trust.

The Board was sorry to lose the services of Roger Medwell and Peter Grieves-Smith but were pleased to welcome Barry Cockcroft, Steve O'Neill, Keith Tudor and Andy Burbidge to the Board. Post year end, the Trust also added Lindsey Wright, Jianhua Yang and Heather Lees to the Board. All seven bring a wealth of experiences of knowledge in areas the Board identified to be a need in a Diocesan Multi-Academy Trust the size of this one.

The Board continued its commitment to Strong & Effective Governance at all levels, by forming two additional committees, each with approved Terms of Reference. These committees are:



DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The Trust has made a strong appointment to the newly created post of Deputy CEO – Education, a new School Improvement Partner has been commissioned for Harris CE Academy from September 2021 and the temporary full time post of Academy Improvement Partner has been made a permanent position within the Trust's structure.

A Head of School has been appointed for Southam St James to replace the Head of School who retired at the end of 2020. The Executive Headteacher for Southam St James and Long Itchington has performed the role for this year whilst leadership options were reviewed.

Recognising that the previous contract was reaching its renewal date, the Board tendered for Trustwide catering support and made a successful award. The Trust has also completed a tender for a Human Resources Information System, which will improve the employee experience as well as give the Board a far greater insight into our 850 employees.

The size of the Trust means that it received capital funding in the form of School Condition Allocation (SCA) directly from the Education Funding Agency to deploy strategically across our academies and address our priority maintenance and expansion needs. The Trust was able to use its size and scale to run competitive tenders for groups of similar capital work as opposed to individual academy tenders. This resulted in the Board approving £1,133,000 of capital expenditure (comprising SCA and reserves) to be directed in the areas of greatest need. This is in addition to the £1,424,000 the Trust allocated last year, the largest annual capital investment in the Trust's history.

Expansion:

During the academic/financial year 2021/22, the Trust plans to continue to expand to meet demand from schools. There is one Federation of 2 schools where the governing body has consulted on joining the Trust. Under the objective of driving Sustainable Growth, the Board of Directors will continue to manage academy conversions to ensure that the Trust has the capacity to support schools joining the Trust and also to maintain a balance of sponsored and convertor academies. To ensure financial viability, attention will also be paid to the numbers of pupils on roll.

Educational Outcomes 2021**Trust Position: Ofsted:**

For much of the time from 20 March 20 until September 2021, Ofsted ceased to carry out routine inspections. From September 2020, schools falling in certain categories received monitoring visits. Our only academy to receive such a visit was Studley St Mary's in May 2021 who received a no grade section 8 monitoring visit led by an HMI for one day which deemed:

Leaders and those responsible for governance are taking effective action in order for the school to become a good school.

Post year end but ahead of the signing of the report, Harris CE Academy and Queens CE Academy have received Section 8 Ofsted inspections. The judgement at Harris CE Academy confirmed that:

Leaders and those responsible for governance are taking effective action in order for the school to become a good school.

The confirmed judgement for Queens CE Academy is pending.

Leigh, All Saints Leek Wootton, Burton Green, Southam St James (SSJ), Long Itchington and Salford Priors (SP) are still waiting for their first inspection since conversion. SSJ and SP will receive a section 5 inspection whilst the rest should receive a section 8 as they were good schools at the point of conversion.

St Oswald's is overdue an inspection. Ofsted have informed schools they are likely to be up to 6 terms behind schedule and will use a range of information including risk assessments, complaints and local intelligence to prioritise inspections.

On 1 February 2021, All Saints Bedworth Academy officially joined the Trust with Chris Errington as Executive Headteacher and Kerry O'Grady as Head of School. ASB was inspected prior to conversion and found to be RI so will next be inspected with a section 5 inspection.

At 31 August 2021, no academy has dropped an Ofsted grade since joining the Trust:

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Ofsted grade on Joining the Trust		Ofsted grade in Autumn 2019*	
Outstanding	0	Outstanding	1
Good	8	Good	12
Requires improvement	2	Requires improvement	4
Inadequate	8	Inadequate	1

**includes grade of predecessor school if academy has not yet been inspected*

- 13 academies are now judged as good or better following Ofsted inspections in the Trust;
- Only 1 academy has an inadequate judgement, however this relates to the predecessor school. We await their first inspection as a Trust academy;
- St Oswald's and Harris were both judged requires improvement while in the Trust, but for both that was an uplift and took them out of being classified as inadequate;
- The changes to Ofsted judgements in those academies that have been inspected whilst in the Trust. 1 school that was previously judged as 'Requires Improvement' has moved to 'Good' and 4 schools that were 'Inadequate' have also moved to 'Good' or 'Outstanding'.

The table below shows the Ofsted judgements for the whole Trust. This includes those academies that are still carrying a judgement pre-conversion.

Inadequate 1 (predecessor school)	RI 4 (1 is a predecessor school)	Good 12 (4 are predecessor schools)	Outstanding 1 (0 are predecessor schools)
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Harris CE Academy – 2021 predicted and actuals compared to 2020

The Centre Assessment Grades that were submitted were not asked to be checked or changed in any way. Leaders at Harris were thorough in their assessments, which included internal and external moderation. The Board is confident of their accuracy. The table below shows broad headlines. The overall outcomes continued the improving trend in Harris, especially in English and Science. Maths continues to improve but more is expected in 2021-22 with the first full maths department for some years.

The academy has endured a very difficult and challenging year with repeated bubble closures and isolations since full return to school in March 21. The academy provided a rigorous and well-planned remote education offer for all students, bringing key year groups into school when it was possible to do so.

Progress 8, from the collaboration with SISRA, is calculated at 0.56, compared to 0.42 in 2020 (unofficial) and -0.44 in 2019. Indications are of steady improvement since 2019.

	2018-19 National	2018-19 Results	2019-20 Results	2020-21 targets	2020-21 Results
Attainment 8	46.67	38.84	47.5 (SISRA collaboration)	50	50.2 (SISRA collaboration)
% English 4+ (Lit / Lang / Best)	73 / 70 / NA	62.1 / 60 / 69.5	73.9 / 80 / 83.5	75	81/85/87
% English 5+ (Lit / Lang / Best)	56 / 52 / NA	43.2 / 34.7 / 50.5	52.2 / 51.3 / 58.3	55	63/65/74
% English 7+ (Lit / Lang / Best)	20 / 17 / NA	10.5 / 8.4 / 13.7	15.7 / 18.3 / 20.9	25	19/20/24
% Maths 4+	71	51.6	69.6	75	74
% Maths 5+	50	26.3	49.6	55	39
% Maths 7+	20	5.3	10.4	20	5
% achieve 4+ in two sciences	61	38.9	76.5	70	85
% achieve 5+ in two sciences	42	16.8	55.7	50	66
% Biology 7+	81% (9-5)	7	56		100
% Chemistry 7+	79% (9-5)	7	44		88
% Physics 7+	79% (9-5)	7	57		88
% achieve 5+ in History	51	50	64.3	55	67
% achieve 5+ in Geography	53	27.7	55.6	55	81
% achieve 5+ in MFL (% of cohort)	NA	12.6	20.9	20	16
Overall Attendance	94.60%	94.40%	93.8	95	94.9
Persistent absence (90%)	13.50%	14.10%	17.5	13.5	15.5
FT Exclusions as a % of pupils	7.60%	8.07	6.75	7.6	7.1
Repeat exclusions as % of pupils	1.82%	3.01	1.97	1.82	2.07%

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

In spite of these challenges, staff development and curriculum improvements continued relentlessly, which has improved teaching and learning across the school and contributed to improved outcomes.

Primary academies

Overall achievement across the primary academies has varied but generally, phonics and early reading has managed to come close to the expected standards in key stage 1 for most pupils. The gap between advantaged and disadvantaged pupils overall seems to have widened in keeping with the national trend, even for schools who previously managed a small or no gap at all.

Reading remained the strongest subject in terms of outcomes with writing remaining the weakest subject, though it showed considerable improvement once children returned to school in March. Most schools struggled to offer the full breadth of the curriculum this year as some subjects were difficult to continue meaningfully with remote learning so they have identified what has been missed and what are the essential components which must be taught from those subjects to enable children to build up their knowledge successfully.

The Trust maintained a full programme of CPD for schools for NQTs, RQTs, SENDCOs, Deputy Heads, subject leaders, maths for leaders and class teachers, English for leaders, phonics for Year 3 and EYFS teachers, Early Years staff, pastoral leads and Headteachers. A new network has now been set up for Designated Safeguarding Leads, using specialised safeguarding consultants to facilitate this group and provide emergency support when needed.

Key Performance Indicators

The Trust uses several financial key performance indicators to monitor and benchmark financial health and progress for its family of academies. These include staff cost as a percentage of total revenue grant income, staff cost as a percentage of total cost and capital expenditure per pupil.

Annually the Trust's financial performance is compared against similar institutions, with results being shared with academy leaders and local governing bodies.

Secondary Schools

Harris Church of England Academy	2021	2020
Pupil numbers	806	710
Staff costs as a % of total revenue grant income	84%	90%
Staff costs as a % of total costs	75%	73%
Capital expenditure per pupil	£532	£148

Primary Schools

Stretton Church of England Academy	2021	2020
Pupil numbers	188	190
Staff costs as a % of total revenue grant income	87%	80%
Staff costs as a % of total costs	68%	75%
Capital expenditure per pupil	£6	£442
St Laurence's Church of England Primary School	2021	2020
Pupil numbers	401	402
Staff costs as a % of total revenue grant income	71%	70%
Staff costs as a % of total costs	75%	74%
Capital expenditure per pupil	£713	£224
St Bartholomew's Church of England Academy	2021	2020
Pupil numbers	210	223
Staff costs as a % of total revenue grant income	90%	76%
Staff costs as a % of total costs	74%	72%
Capital expenditure per pupil	£1,025	£204
Queens Church of England	2021	2020
Pupil numbers	351	330
Staff costs as a % of total revenue grant income	79%	75%
Staff costs as a % of total costs	76%	74%
Capital expenditure per pupil	£336	£166

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

Key Performance Indicators (cont'd)

St James Church of England	2021	2020
Pupil numbers	227	210
Staff costs as a % of total revenue grant income	90%	89%
Staff costs as a % of total costs	78%	77%
Capital expenditure per pupil	£63	£72
St Nicolas Church of England Academy	2021	2020
Pupil numbers	420	420
Staff costs as a % of total revenue	84%	84%
Staff costs as a % of total costs	77%	74%
Capital expenditure per pupil	£263	£69
Studley St Mary's Church of England Academy	2021	2020
Pupil numbers	212	218
Staff costs as a % of total revenue	81%	79%
Staff costs as a % of total costs	73%	74%
Capital expenditure per pupil	£278	£152
St John's Church of England	2021	2020
Pupil numbers	211	210
Staff costs as a % of total revenue	82%	83%
Staff costs as a % of total costs	73%	72%
Capital expenditure per pupil	£83	£62
St Michael's Church of England Academy	2021	2020
Pupil numbers	377	379
Staff costs as a % of total revenue	81%	93%
Staff costs as a % of total costs	71%	80%
Capital expenditure per pupil	£37	£115
St Oswald's Church of England Academy	2021	2020
Pupil numbers	198	203
Staff costs as a % of total revenue	79%	78%
Staff costs as a % of total costs	73%	69%
Capital expenditure per pupil	£1,877	£10
Leamington Hastings Church of England Academy	2021	2020
Pupil numbers	39	33
Staff costs as a % of total revenue	73%	79%
Staff costs as a % of total costs	66%	65%
Capital expenditure per pupil	£64	£508
Leigh Church of England Academy	2021	2020
Pupil numbers	195	200
Staff costs as a % of total revenue	79%	73%
Staff costs as a % of total costs	75%	76%
Capital expenditure per pupil	£11	£227
Salford Priors Church of England Academy	2021	2020
Pupil numbers	47	45
Staff costs as a % of total revenue	91%	75%
Staff costs as a % of total costs	63%	61%
Capital expenditure per pupil	£172	£926
All Saints Church of England	2021	2020
Pupil numbers	130	140
Staff costs as a % of total revenue	80%	78%
Staff costs as a % of total costs	70%	72%
Capital expenditure per pupil	£181	£30

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Key Performance Indicators (cont'd)**

Burton Green Church of England Academy	2021	2020
Pupil numbers	104	103
Staff costs as a % of total revenue	86%	85%
Staff costs as a % of total costs	73%	75%
Capital expenditure per pupil	£36	£3
Long Itchington Church of England Academy	2021	2020
Pupil numbers	180	185
Staff costs as a % of total revenue	86%	81%
Staff costs as a % of total costs	73%	72%
Capital expenditure per pupil	£246	£74
Southam St James Church of England Academy	2021	2020
Pupil numbers	176	176
Staff costs as a % of total revenue	83%	86%
Staff costs as a % of total costs	74%	77%
Capital expenditure per pupil	£105	£373
All Saints Bedworth Church of England Academy	2021	2020
Pupil numbers	184	N/A
Staff costs as a % of total revenue	85%	N/A
Staff costs as a % of total costs	72%	N/A
Capital expenditure per pupil	£56	N/A
Primary Schools	2021	2020
Pupil numbers (Total)	3,850	3,667
Staff costs as a % of total revenue	82%	80%
Staff costs as a % of total costs	73%	74%
Capital expenditure per pupil	£343	£163

Going Concern

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

Promoting the success of the Academy Trust

The Trustees have promoted the success of the Academy Trust by having regard to:

- the likely consequences of any decision in the long term;
- the interests of the Trust's employees;
- the need to foster the Trusts charitable relationships with suppliers, customers and others;
- the impact of the Trust's operations on the community and the environment;
- the desirability of the Trust maintaining a reputation for high standards of charitable conduct;
- the need to act fairly as between members of the Trust.

Financial Review

The majority of the Trust's funding comes through the General Annual Grant (GAG) from the Education and Skills Funding Agency (ESFA). This is used to help the Trust achieve the objectives set out earlier in this report and in the Trust's Strategic Plan. The Trust's Central Team retain 5% of the GAG to fund the central support services, including academy improvement and a range of back office support. Directors have many examples of where central procurement of services has achieved better value for money than each academy operating independently. The grants received from the ESFA during the year and the associated expenditure are shown in the statement of financial activities.

The Trust continues to develop its network of professional partners supporting the business function of the academies and enabling the Headteachers in the academies to focus on teaching and learning.

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

Directors are aware of their responsibility to spend their SCA allocation in the areas of most need. The Trust was able to complete a competitive tender exercise to deliver site condition and non-compliance surveys across all of its academies, this programme enabled the Trust to invest into building priorities in the past

All academies in the Trust continue to use the BPS Budget Setting tool. Directors have approved a process of budgeting, reforecasting and common presentation of management accounts. This will ensure the academies, central team and Directors themselves fully understand variances to budgets and are kept abreast of financial performance across the Trust.

Reserves Policy

The Directors review the reserve levels of the MAT annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Directors have determined that the appropriate level of reserves for the current number of academies should be equivalent to 4 weeks' expenditure, approximately £2,224,846 (2020, £1,987,308). The level of reserves will be reviewed and adjusted as new academies join the Trust. The reason for this is to provide a sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Investment Policy

All investments are made in accordance with the Trust's policy. This policy is one of minimum risk with all investments being held with the Trust's bankers. Through the management of future cash flow there will be sufficient funds in main bank accounts to cover operational costs, whilst enabling balances to be invested in similar secure short-term higher interest deposit accounts. The investment policy will be reviewed in 2021-22.

Principle Risks and Uncertainties

The Board has engaged RSM to assist in the completion of a new risk register and method of monitoring. Directors will monitor key strategic risks at each meeting.

Fundraising

The Trust's academies conduct limited fundraising activities. These include activities on behalf of the academies delivered by, for example, parent teacher associations. A small number of lettings of academy facilities take place.

Streamlined Energy and Carbon Reporting

Greenhouse gas emissions and energy use data for the period 1 September 2020 to 31 August 2021 – UK.

Energy source	Usage	Scope	Emissions		Emissions intensity Ratio (kgCO ₂ e per pupil)	
			2021	2020	2021	2020
Electricity	Lighting etc	2 (indirect impact from electricity)	339,135	389,382	69.5	89.0
Gas	Heating	1 (direct energy and processes)	723,911	517,419	148.3	118.2
Heating Oil	Heating	1 (direct energy and processes)	19,607	25,176	4.0	5.8
Diesel	Minibuses	1 (direct energy and processes)	822	1,106	0.2	0.3
Petrol/Diesel	Personal cars for business use	1 (direct energy and processes)	1,946	8,587	0.4	2.0

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)**Methodologies**

- The annual consumption of electricity and gas have been taken from the utility bills in kWh.
- The annual consumption of heating oil has been taken from the bills in litres.
- Diesel usage for minibuses has been taken from a combination of recorded mileage and fuel purchased using an estimate of 7.9 miles per litre.
Petrol and diesel usage for personal cars for business use has been calculated using mileage claims to calculate the mileage, and the following assumptions (based on figures from the RAC Foundation <https://www.racfoundation.org/motoring-facts/environment#a9>):
- Calculated assuming a 60/40 split of petrol/diesel use
- 5.6 litres per 100km for petrol vehicles
- 4.9 litres per 100km for diesel vehicles
- For all sources the carbon footprint has then been calculated using the Carbon Trust Carbon Footprint Calculator <https://www.carbonTrust.com/resources/sme-carbon-footprint-calculator>
- Emissions Intensity ratio of kgCO₂e per pupil has been calculated using pupil numbers of 4,881 from May 2021 (2020:4,377 from July 2020).

Please note:

Gas and electricity usage figures are likely to have been impacted due to partial opening of schools during the lockdowns for COVID-19, as well as differences in heating regimes due to the requirements for increased ventilation from open doors etc.

Business use mileage has been considerably reduced this year due to COVID-19 restrictions because of staff working from home where possible during the pandemic for most of the reporting period.

Energy Efficiency Actions

LED lighting has been fitted throughout the following academies:

- Harris CofE Academy
- St Nicolas CofE Academy

We have carried out roof works incorporating energy efficient insulation and modern energy saving technologies at:

- St Bartholomew's CofE Academy (section 2 roof)
- St Oswald's CofE Academy
- St Laurences CofE Primary School
- Harris CofE Academy (Humanities Block and Old Gym)

We have Heat Decarbonisation plans in place for the following academies:

- Harris CofE Academy
- St Nicolas CofE Academy

We are part of the Diocese of Coventry Net Zero Steering Group.

Plans for Future Periods

The Trust continues to have ambitions for steady and sensible growth. During the academic/financial year 2021-22, the Trust plans to continue to expand to meet demand from schools. The Board of Directors will continue to manage academy conversions to ensure that the Trust has the capacity to support schools joining the Trust and to maintain a balance of sponsored and convertor academies. To ensure financial viability, attention will also be paid to the numbers of pupils on roll. These academies will help us to ensure that our fixed costs are met while giving us an increased ability to provide a higher level of school improvement support.

Funds Held as Custodian Director on Behalf of Others

None

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

Auditor

Insofar as the Directors are aware:

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

The auditors, UHY Hacker Young (Birmingham) LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company Directors, on 15 December 2021 and signed on the board's behalf by:



.....
Paula Whitfield
Chair of Directors
15 December 2021

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021**Scope of Responsibility**

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

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

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

Governance

The information on governance included here is in addition to information contained within the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 11 times during the year. Attendance during the year at meetings of the full Board of Directors was as follows:

Director	Meetings attended	Out of a Possible
Peter Grieves-Smith (resigned 14 July 2021)	1	8
Roger Medwell (resigned 31 December 2020)	4	4
Ian Dewes	8	8
Mandy Coalter	8	8
Ruth Marlow	6	8
Paula Whitfield (Chair of the Board)	8	8
Michael Cowland (CEO & Accounting Officer)	8	8
Barry Cockroft (appointed 11 January 2021)	4	4
Steve O'Neill (appointed 11 January 2021)	4	4
Keith Tudor (appointed 11 January 2021)	4	4
Andy Burbidge (appointed 11 January 2021)	4	4

Business & Finance Committee

The Business & Finance Committee is a committee of the main Board of Directors. Its purpose is to maintain an oversight of the Trust's finances, the financial implications of human resources, payroll, administration, marketing, health & safety, premises, insurance, ICT and catering. Business & Finance Committee has no executive powers or operational responsibilities / duties. Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a Possible
Paula Whitfield (Chair)	6	6
Roger Medwell (resigned 31 December 2020)	2	3
Peter Grieves-Smith (resigned 14 July 2021)	1	3
Michael Cowland	6	6
Keith Tudor (appointed 11 January 2021)	4	4
Andy Burbidge (appointed 11 January 2021)	3	4

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)**Review of Value for Money**

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

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

Professional Services:

All our academies continue to pay 5% of their General Annual Grant to provide an increasingly broad range of services. In consultation with our academy Headteachers, the Trust has committed to increasing the services provided wherever possible. Some examples of where the Trust has been able to achieve greater value for money on the purchasing of professional services can be seen below:

- Negotiation of a Trustwide 3 year contract for website hosting, saving £2,010 per year.
- Approx. £3,000 saved by seeking donations of IT and office equipment from companies closing offices in the light of continued home working after the pandemic.
- Procurement of a 3 year Trustwide contract for insurance cover at an overall saving of at least £15,864 compared to the DfE RPA.
- Renewed catering, water and energy contracts
- Savings achieved on an HR information system and ICT audits as a result of Trustwide procurement

The Trust continues to complete all academy conversions without the requirement for an external project manager. This saves the Trust approximately £3,000 per academy conversion.

Employment:

- Completion of staffing restructures in four academies
- Review of leadership in two academies
- The Trust has a policy of ensuring recruitment is pre approved and appointments are not simply replaced
- Experienced academy Headteachers are used to add resource to the Trustwide academy improvement team

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 The Diocese of Coventry Multi-Academy Trust for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Directors 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 Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2020 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)**The Risk and Control Framework**

The Board appointed RSM to review the risk and control framework. Post year end, key strategic risks have been identified and plans for mitigation and monitoring are being put in place.

The Board of Directors has considered the need for an internal audit function and has also decided to appoint RSM Internal Auditors to provide a programme of work. The Internal Auditor's 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 in the current period included testing of:

- Trust Financial Regulations, Scheme of Delegation and procedures
- Business Continuity Plan
- Core governance framework
- Development and approval of the budget and associated reporting and monitoring
- Management of banking arrangements
- Controls over the purchase to pay process
- Management of debtors
- Month end reconciliations
- Oversight of capital projects and management of contractors
- Maintenance of asset register
- Policies for Fraud, Anti-Bribery and Whistleblowing and associated staff training
- Arrangements for Value for Money

At least once a year, the internal auditor reports to the Board of Directors, through the Audit and Risk committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

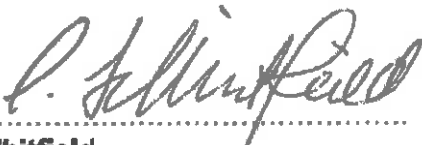
Review of Effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the Head of Finance within the Academy Trust who have responsibility for the development and maintenance of the internal control framework

The accounting officer has been advised of the implications of the result of their review of the system of internal control 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 Directors on 15 December 2021 and signed on its behalf by:



.....
P Whitfield
Chair of Directors




.....
M Cowland
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2021

As accounting officer of The Diocese of Coventry Multi-Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Directors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy Trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



.....
M Cowland
Accounting Officer

15 December 2021

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

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

Company law requires the Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Directors are responsible for ensuring that in its conduct and operation the Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Directors 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 Directors on 15 December 2021 and signed on its behalf by:



.....
P Whitfield
Chair of Directors

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2021**Opinion**

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statement 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 Diocese of Coventry Multi-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 Directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the financial statements. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' Report (incorporating the Strategic Report, and the Directors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement set out on page 23, the Directors 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 Directors 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 Directors are responsible for assessing The Diocese of Coventry Multi-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 Directors either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Based on our understanding of The Diocese of Coventry Multi-Academy Trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by The Diocese of Coventry Multi-Academy Trust, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities SORP 2019 and Academies Accounts Direction 2020 and 2021. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and The Diocese of Coventry Multi-Academy Trust's net income for the year.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Education and Skills Funding Agency review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

Use of our report

This report is made solely to The Diocese of Coventry Multi-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 Diocese of Coventry Multi-Academy Trust's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Diocese of Coventry Multi-Academy Trust's and The Diocese of Coventry Multi-Academy Trust's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Malcolm Winston
Senior Statutory Auditor
UHY Hacker Young (Birmingham) LLP, Statutory Auditor
9-11 Vittoria Street
Birmingham
B1 3ND

15 December 2021

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2021

In accordance with the terms of our engagement letter dated 18 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2020 to 2021 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the Trust during the period 1 September 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Trust and the ESFA in accordance with our engagement letter. Our review has been undertaken so that we might state to the governing body and the ESFA those matters we are required to state to it 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 the Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Diocese of Coventry Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Trust's funding agreement with the Secretary of State for Education dated 26 March 2013, and the Academies Financial Handbook extant from 1 September 2020 for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

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

Summary of the work undertaken was as follows:


- Analytical review of the Trust's general activities are within the Multi-Academy Trust's framework of authorities;
- Consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- Review of the general control environment for the Trust on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the Multi-Academy Trust's framework of authority;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)**Approach (cont'd)**

- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the Multi-Academy Trust's delegated authorities;
- Formal representations obtained from the Board of Trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or Directors;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or Directors; and
- Review of income received in accordance with the activities permitted within the Multi-Academy Trust's charitable objectives.

Conclusion

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


.....
Reporting Accountant
UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

15 December 2021

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2021
(Including Income and Expenditure Account)

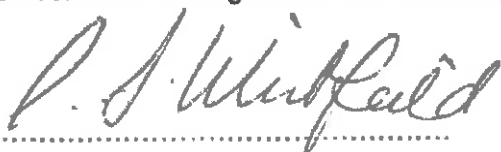
		Restricted			
	Unrestricted	Restricted	Fixed	Total	Total
	Funds	General	Asset	2021	2020
Note	£'000	Funds	Funds	£'000	£'000
Income from:					
Donations and capital grants	3	62	-	746	808
Transferred from local authority on conversion	3 & 30	92	(500)	3,618	-
Charitable activities:					
- Funding for the Academy Trust's educational operations	4	26	25,694	-	25,720
Other trading activities	5	565	-	-	565
Investment income	6	1	-	-	7
Total		746	25,194	4,364	30,304
Expenditure on:					
Raising funds	7	341	-	-	341
Charitable activities:					
- Academy Trust's educational operations	7	-	26,815	1,767	28,582
Total		341	26,815	1,767	28,923
Net income/(expenditure)		405	(1,621)	2,597	1,381
Transfers between funds	17	(316)	(701)	1,017	-
Other recognised gains and losses					
Actuarial loss on defined benefit pension schemes	28	-	(2,346)	-	(2,346)
Net movement in funds		89	(4,668)	3,614	(965)
Reconciliation of funds					
Total funds brought forward	17	2,304	(15,057)	61,799	49,046
Total funds carried forward	17	2,393	(19,725)	65,413	48,081

All of the Trust's activities derive from acquisitions and continuing operations during the above two financial periods.

BALANCE SHEET AS AT 31 AUGUST 2021

	Note	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	13	<u>65,311</u>	<u>61,710</u>
		<u>65,311</u>	<u>61,710</u>
Current assets			
Debtors	14	686	838
Cash at bank and in hand	24	<u>6,908</u>	<u>6,360</u>
		<u>7,594</u>	<u>7,198</u>
Current liabilities			
Creditors: Amounts falling due within one year	15	<u>(3,676)</u>	<u>(3,197)</u>
Net current assets		3,918	4,001
Total assets less current liabilities		69,229	65,711
Creditors: Amounts falling due after more than one year	16	(12)	(17)
Net assets excluding pension liability		<u>69,217</u>	<u>65,694</u>
Defined benefit pension scheme liability	28	(21,136)	(16,648)
Total Net Assets		<u>48,081</u>	<u>49,046</u>
Funds of the Academy:			
Restricted funds			
- Fixed asset fund	17	65,413	61,799
- Restricted income fund	17	1,411	1,591
- Pension reserve	17	(21,136)	(16,648)
Total Restricted Funds		<u>45,688</u>	<u>46,742</u>
Unrestricted income fund	17	<u>2,393</u>	<u>2,304</u>
Total Unrestricted Funds		<u>2,393</u>	<u>2,304</u>
Total Funds		<u>48,081</u>	<u>49,046</u>

The financial statements on pages 30 to 55 were approved by the Directors and authorised for issue on 15 December 2021 and signed on their behalf by:



P Whitfield
Chair of Directors

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by operating activities	21	1,556	1,243
Cash flows from investing activities	22	(1,003)	(287)
Cash flows from financing activities	23	(5)	(5)
Change in cash and cash equivalents in the reporting period		<u>548</u>	<u>951</u>
Cash and cash equivalents at 1 September		6,360	5,409
Cash and cash equivalents at 31 August	24	<u>6,908</u>	<u>6,360</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021**1 Statement of Accounting Policies**

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

Basis of Preparation

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

The Diocese of Coventry Multi-Academy Trust meets the definition of a public benefit entity under FRS 102.

Transfer of State Maintained School to a Multi-Academy Trust

The transfer of a state maintained school to the Trust involved the transfer of identifiable assets and liabilities and the operation of the school for nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from the Local Authority to an Academy Trust have been valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Diocese of Coventry Multi-Academy Trust Limited. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding net amount recognised as a net gain/loss in the Statement of Financial Activities and analysed as donations transferred from local authority on conversion. Further details of the transactions are set out in note 30.

Going Concern

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

Income

All incoming resources are recognised when the 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.

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

• Sponsorship income

Sponsorship income provided to the Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

• Donations

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

- **Other income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

- **Transfers of leasehold property**

Leasehold property transferred to the Trust from the Local Authority at little or no consideration will be revalued at fair value in accordance with FRS 102. This value will be recognised as incoming resources in the Statement of Financial Activities and will be included in the appropriate fixed assets category and depreciated over the life of the lease.

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.

Tangible Fixed Assets

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

Tangible Fixed Assets (cont'd)

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Leasehold Land & Buildings	2%
Furniture and equipment	10-15%
Computer equipment and software	33.33%
Motor vehicles	20%

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

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

Leased Assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. 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 instrument, and are measured at amortised cost as detailed in notes 15 and 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.

Taxation

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Multi-Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions Benefits

Retirement benefits to employees of the 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. The TPS is a 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

Pensions Benefits (cont'd)

The LGPS is a multi funded employer scheme and the assets are held separately from those of the Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/expenditure are the current service costs and the costs of the 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.

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

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

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

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

Critical areas of judgement

The critical judgements that the Directors have made in the process of applying the Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2021 (see note 17).

3 DONATIONS AND CAPITAL GRANTS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
ESFA Capital Grants	-	735	735	358
LA fixed assets transferred	-	3,618	3,618	-
LA prior years surplus b/fwd	92	-	92	-
LA LGPS pension deficit transferred	-	(500)	(500)	-
Donations	62	11	73	80
Other capital grants	-	-	-	35
	<u>154</u>	<u>3,864</u>	<u>4,018</u>	<u>473</u>

The income from donations and capital grants was £4,018,000 (2020: £473,000) of which £154,000 (2020: £64,000) was unrestricted, £500,000 deficit (2020: £Nil) on restricted and £4,364,000 (2020: £409,000) restricted fixed assets.

4 FUNDING FOR THE Trust'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
DfE/ESFA grants				
General annual grant (GAG) (note 2)	-	20,032	20,032	18,549
Other DfE/ESFA grants				
Start up grant	-	17	17	-
Pupil premium grant	-	1,565	1,565	1,495
Year 7 catch up	-	-	-	18
School improvement grant	-	-	-	-
PE and sports grant	-	312	312	306
UIFSM grant	-	371	371	379
Sponsor capacity funding grant	-	-	-	-
Teachers pay grant	-	240	240	231
Teachers pension grant	-	685	685	658
Rates relief	-	87	87	87
Free school meals supplementary grant	-	84	84	58
DARES programme	-	10	10	-
Phonics and moderation	-	3	3	5
	<u>-</u>	<u>23,406</u>	<u>23,406</u>	<u>21,786</u>
Other Government grants				
Teach first	-	-	-	13
Special needs grant - LA	-	537	537	445
Pupil premium grant - LA	-	105	105	58
Early years funding grant - LA	-	615	615	506
Children Centre grant - LA	-	243	243	222
Other Grants - LA	-	248	248	47
Other Government grants	-	12	12	1
	<u>-</u>	<u>1,760</u>	<u>1,760</u>	<u>1,292</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

4 FUNDING FOR THE Trust'S EDUCATIONAL OPERATIONS (cont'd)

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2021 £'000	Total 2020 £'000
COVID-19 DfE/ESFA additional funding				
Catch up premium	-	366	366	-
Other DfE/ESFA COVID-19 funding	-	39	39	10
National tutoring programme	-	21	21	-
COVID-19 exceptional costs funding	-	-	-	65
	-	426	426	75
COVID-19 Non DfE/ESFA additional funding				
Coronavirus Job Retention Scheme grant	-	10	10	-
Other COVID-19 funding	-	21	21	-
	-	31	31	-
Other income from the Academy Trust's educational operations	26	71	97	55
	26	71	97	55
	26	25,694	25,720	23,208

COVID-19 DfE/ESFA additional funding

The academy received £366,000 of funding for catch up premium. Costs incurred in respect of this funding totalled £294,000, with £72,000 being carried forward and expected to be spent in 2021/22.

Other DfE/ESFA COVID-19 funding has been received under for testing, tutoring and under exceptional support. The funding received from these covers £60,000 (2020: £74,840) of premises costs, free school meals, testing, tutoring and additional cleaning costs. These costs are included within notes 7 and 8.

COVID-19 Non DfE/ESFA additional funding

The academy furloughed some of its sports centre and before & after school club staff under the governments CJRS. The funding received of £10,000 relates to staff costs in respect of 10 (2020:Nil) staff, which are included within notes 7 and 8. Funding was also received of £21,000 (2020: £Nil) in relation to summer school grant, with staff costs also being included within notes 7 and 8.

The income from funding for the Trust's educational operations was £25,720,000 (2020: £23,208,000) of which £26,000 (2020: £15,000) was unrestricted and £25,694,000 (2020: £23,193,000) restricted.

The income from the Academy Trust's educational operations was restricted for both 2021 and 2020.

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department for Education and ESFA, the Academy Trust's funding is no longer reported under the Other DfE/ESFA grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

5 OTHER TRADING ACTIVITIES	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
	£'000	£'000	£'000	£'000
Lettings income	53	-	53	58
Sports Centre income	24	-	24	52
School Sports Partnership income	202	-	202	205
Sundry income	221	-	221	189
EWE club income	43	-	43	42
Nursery fees	22	-	22	19
	<u>565</u>	<u>-</u>	<u>565</u>	<u>565</u>

The income from the Academy Trust's other trading activities was unrestricted for both 2021 and 2020.

6 INVESTMENT INCOME	Unrestricted	Restricted	Total	Total
	Funds	Funds	2021	2020
	£'000	£'000	£'000	£'000
Bank interest received	1	-	1	7
	<u>1</u>	<u>-</u>	<u>1</u>	<u>7</u>

The income from the Academy Trust's investment income was unrestricted for both 2021 and 2020.

7 EXPENDITURE	Staff Costs £'000	Non Pay Expenditure		Total	Total
		Premises	Other Costs	2021	2020
		£'000	£'000	£'000	£'000
Expenditure on raising funds					
- Allocated support costs	261	-	80	341	307
Academy's educational operations					
- Direct costs	17,071	-	1,629	18,700	16,581
- Allocated support costs	5,215	3,012	1,655	9,882	8,947
	<u>22,286</u>	<u>3,012</u>	<u>3,284</u>	<u>28,582</u>	<u>25,528</u>
	<u>22,547</u>	<u>3,012</u>	<u>3,364</u>	<u>28,923</u>	<u>25,835</u>

The expenditure was £28,923,000 (2020: £25,835,000) of which £341,000 (2020: £307,000) was unrestricted, £26,815,000 (2020: £23,976,000) restricted and £1,767,000 (2020: £1,552,000) restricted fixed assets.

	2021	2020
	£'000	£'000
Net income/(expenditure) for the year Includes:		
Operating leases rentals	79	66
Depreciation	1,626	1,552
Loss on disposal of land and buildings	141	-
Fees payable to auditor for:		
- audit	33	42
- other services	3	5

On 2 September 2020 approval was provided by the DfE for leasehold land and buildings at Stretton Church of England Academy to be transferred back to Coventry City Council under a deed of variation which resulted in a loss on disposal of £141,000.

8 CHARITABLE ACTIVITIES	Total	Total
	2021	2020
	£'000	£'000
Direct costs - educational operations	18,700	16,581
Support costs - educational operations	9,882	8,947
	<u>28,582</u>	<u>25,528</u>
Analysis of Support Costs		
Support staff costs	5,215	4,458
Depreciation	1,626	1,552
Technology costs	239	268
Premises costs	1,386	1,342
Legal costs - conversion	13	-
Legal costs - other	15	10
Other support costs	821	809
Governance	426	508
Loss on disposal (note7)	141	-
	<u>9,882</u>	<u>8,947</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

9 STAFF COSTS	Total	Total
a Staff costs	2021	2020
	£'000	£'000
Staff costs during the year were:		
Wages and salaries	15,201	13,420
Social security costs	1,356	1,176
Pension costs	5,217	4,564
	<u>21,774</u>	<u>19,160</u>
Agency staff costs	579	649
Staff restructuring costs	194	52
	<u>22,547</u>	<u>19,861</u>
Staff restructuring costs comprise:		
Redundancy payments	66	-
Severance payments	23	33
Other restructuring costs	105	19
Ex-gratia payment	-	-
	<u>194</u>	<u>52</u>

b Staff severance payments

Included in staff restructuring costs are £22,234 (2020 : £33,528) non statutory/non contractual severance payments. Individually these amounts were; £2,734 (paid 20 July 2021), £12,000 (paid 31 August 2021 and £7,500 (accrued and paid 6 September 2021).

c Staff numbers

The average number of persons (including senior management team) employed by the Academy Trust during the year ended 31 August 2021 expressed as whole persons was as follows:

	2021	2020
	No	No
Charitable Activities		
Teachers	243	229
Administration and support	534	487
Management	23	22
	<u>800</u>	<u>738</u>

d Higher paid staff

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

	2021	2020
	No	No
£60,001 - £70,000	13	12
£70,001 - £80,000	1	2
£80,001 - £90,000	3	1
	<u>3</u>	<u>1</u>

e Key management personnel

The key management of the Trust comprise the Directors and the senior management team as listed on pages 3 & 4. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,812,480 (2020: £1,716,967).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

10 CENTRAL SERVICES

The Trust has provided the following central services to the schools listed below;

- human resources;
- financial services;
- accounting services;
- legal services;
- educational support services; and
- operations and compliance services.

The Trust charges for these services a flat percentage of 5% of all GAG and ESG income. An additional one off charge was also made for any academies joining the Trust during the year for consultancy services. An additional charge was made to some academies in return for an enhanced level of non teaching and learning support.

The actual amounts charged during the year were as follows:

	2021 £'000	2020 £'000
Stretton Church of England Academy	75	49
St Laurence's Church of England Primary School	89	87
St Bartholomew's Church of England Academy	82	57
Queens Church of England Academy	71	68
Harris Church of England Academy	192	165
St James Church of England Academy	41	40
St Nicolas Church of England Academy	79	74
Studley St Mary's Church of England Academy	45	43
St John's Church of England Academy	72	43
St Michael's Church of England Academy	79	73
St Oswald's Church of England Academy	44	39
Leamington Hastings Church of England Academy	12	11
Leigh Church of England Academy	76	48
Salford Priors Church of England Academy	33	13
All Saints Church of England Academy	53	28
Burton Green Church of England Academy	46	22
Long Itchington Church of England Academy	35	34
Southam St James Church of England Academy	33	32
All Saints Bedworth Church of England Academy	26	-
	<u>1,183</u>	<u>926</u>

11 RELATED PARTY TRANSACTIONS - DIRECTORS' REMUNERATION AND EXPENSES

One or more Directors has been paid remuneration or has received other benefits from an employment with the Trust. The Chief Executive Officer receives remuneration in respect of this services provided undertaking the role of Chief Executive Officer and not in respect of services as a Director. Other Directors did not receive any payments, other than expenses, from the Trust in respect of their role as Directors. The value of Director's remuneration and other remuneration was as follows:

M Cowland (Chief Executive Officer)

	2021	2020
Remuneration	£80,000 - £90,000	£80,000 - £90,000
Employers pension contributions	£20,000 - £25,000	£15,000 - £20,000

During the year ended 31 August 2021, travel and subsistence expenses totalling £Nil were reimbursed or paid (2020: £Nil) to Nil (2020:Nil) Directors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

12 DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Directors' and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2021 was £783 (2020: £881). The cost of this insurance is included in the total insurance cost.

13 TANGIBLE FIXED ASSETS

	Leasehold				Total £'000
	Land & Buildings £'000	Furniture & Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	
Cost					
At 1 September 2020	67,120	1,493	493	78	69,184
Transfer on conversion	3,618	-	-	-	3,618
Additions	1,604	7	139	-	1,750
Reclassification	-	-	-	-	-
Disposals	(166)	-	-	-	(166)
At 31 August 2021	<u>72,176</u>	<u>1,500</u>	<u>632</u>	<u>78</u>	<u>74,386</u>
Depreciation					
At 1 September 2020	6,084	951	365	74	7,474
Charged in year	1,390	150	82	4	1,626
Disposals	(25)	-	-	-	(25)
At 31 August 2021	<u>7,449</u>	<u>1,101</u>	<u>447</u>	<u>78</u>	<u>9,075</u>
Net book value					
At 31 August 2021	<u>64,727</u>	<u>399</u>	<u>185</u>	<u>-</u>	<u>65,311</u>
At 31 August 2020	<u>61,036</u>	<u>542</u>	<u>128</u>	<u>4</u>	<u>61,710</u>

Where the Trust occupies the land and buildings under a licence from the Church of England no interest in the sites pass to the Trust. However, in accordance with FRS 102 and the Academy Accounts Direction 2020/21 the commercial substance of the transaction takes precedence over the legal form. As a result any land and buildings occupied under licence by the Trust and owned by the Church of England are recognised on the Academy Trust balance sheet for the future economic benefits that are expected to flow from the use of such properties.

The majority of the Trust's leasehold land and buildings were donated to the Trust by Coventry City Council (CCC), Warwickshire County Council (WCC) and The Church of England on 125 year leases at a peppercorn rent. An existing use valuation and useful asset life assessment was prepared in accordance with the requirements of the accounting standard FRS 102 for each of the academy's that converted. The leasehold land and buildings gifted had a depreciated replacement cost value for: Stretton Church of England Academy £2,097,000; St Laurence's Church of England Primary School £2,354,000; St Bartholomew's Church of England Academy £4,618,000; Queens Church of England Academy £1,167,000; Harris Church of England Academy £16,615,000; St James Church of England Academy £2,770,000; St Nicolas Church of England Academy £3,676,600; Studley St Mary's Church of England Academy £2,504,000; St John's Church of England Academy £2,092,000; St Michael's Church of England Academy £5,745,000, St Oswald's Church of England Academy £2,996,000 and Leamington Hastings Church of England Academy £1,237,000. Leigh Church of England Academy £2,796,000, Salford Priors Church of England Academy £1,800,000, All Saints Church of England Academy £1,891,000, Burton Green Church of England Academy £1,222,000, Long Itchington Church of England Academy £2,950,000, Southam St James Church of England Academy £2,250,000 and All Saints Bedworth Church of England Academy £3,618,000.

The Caretaker's House at Stretton Church of England Academy has been disposed of during the year due to a supplemental lease agreement being signed, resulting in a loss on disposal of £141,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

14 DEBTORS

	2021	2020
	£'000	£'000
Trade debtors	55	85
VAT recoverable	108	160
Other debtors	-	4
Prepayments and accrued income	523	589
	<u>686</u>	<u>838</u>

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£'000	£'000
Trade creditors	203	609
Taxation and Social Security	748	607
Other creditors	52	30
Salix loans	5	5
Accruals	756	492
Deferred income	1,912	1,454
	<u>3,676</u>	<u>3,197</u>

Deferred Income

	2021	2020
	£'000	£'000
Deferred income at 1 September 2020	1,454	967
Resources deferred in the year	1,912	1,454
Amounts released from previous years	(1,454)	(967)
Deferred income at 31 August 2021	<u>1,912</u>	<u>1,454</u>

At the balance sheet date the Trust was holding funds received in advance for 2021/22 by Central Services: £1,423,335 (2020: £949,232); St Laurence's Church of England Primary School: £22,305 (2020: £25,523) Stretton Church of England Academy £17,407 (2020 : £15,123); Harris Church of England Academy £131,104 (2020 : £145,133); Queens Church of England Academy £1,613 (2020: £1,687); St Bartholomew's Church of England Academy £14,417 (2020 : £12,244); St James Church of England Academy: £17,436 (2020: £2,180); St Nicolas Church of England Academy: £32,898 (2020: £34,624), Studley St Mary's Church of England Academy: £2,135 (2020: £2,235); St John's Church of England Academy £22,695 (2020: £22,219), St Michael's Church of England Academy £87,485 (2020: £137,885), St Oswald's Church of England Academy £17,855 (2020: £17,950) and Leamington Hastings Church of England Academy £15,152 (2020: £9,876). Leigh Church of England Academy £14,511 (2020: £11,931), Salford Priors Church of England Academy £4,286 (2020: £1,778), All Saints Church of England Academy £31,646 (2020: £13,227), Burton Green Church of England Academy £10,167 (2020: £11,851). Long Itchington Church of England Academy £16,315 (2020 : £17,368), Southam St James Church of England Academy £19,173 (2020 : £19,342) and All Saints Bedworth Church of England Academy £11,644. For terms of the Salix loan please see note 16.

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Creditors include amounts not wholly repayable within 1 year as follows:

	2021	2020
	£'000	£'000
Salix loan	<u>12</u>	<u>17</u>

In 2015 the Trust took out ESFA approved, interest free Salix loans with outstanding balances due after 1 year as at 31 August 2021 of: St Bartholomew's Church of England Academy £8,379 (2020: £11,173); St James Church of England Academy £2,997 (2020: £3,996) and Studley St Mary's Church of England Academy £1,241 (2020: £2,068) payable over 8 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

17 FUNDS

The income funds of the academy applied for specific purposes are as follows:

	Balance at 1 September 2020	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2021 £'000
Restricted general funds	£'000	£'000	£'000	£'000	£'000
General annual grant (GAG) (note i)	1,376	20,032	(19,515)	(701)	1,192
Pupil premium grant (note ii)	142	1,565	(1,684)	-	23
Catch up premium	-	366	(295)	-	71
Other DfE/ESFA COVID-19 funding	-	60	(60)	-	-
Coronavirus job retention scheme grant	-	10	(10)	-	-
Other COVID-19 funding	-	21	(21)	-	-
Special needs grant - LA (note iv)	-	537	(537)	-	-
Pupil premium grant - LA (note ii)	-	105	(105)	-	-
Early years funding grant - LA (note v)	-	615	(615)	-	-
Children Centre grant - WCC (note vi)	-	243	(243)	-	-
PE Sports grant (note vii)	31	312	(218)	-	125
Free school meals supplementary grant (note vii)	42	84	(126)	-	-
Teacher pay grant	-	240	(240)	-	-
Teacher pension grant	-	685	(685)	-	-
Rates relief	-	87	(87)	-	-
KS2 phonics	-	3	(3)	-	-
Universal infant free school meals	-	371	(371)	-	-
Conversion grant	-	17	(17)	-	-
DARES programme	-	10	(10)	-	-
Other grants - LA (note viii)	-	248	(248)	-	-
Other grants - non government (note ix)	-	71	(71)	-	-
Other grants - government (note x)	-	12	(12)	-	-
Total general funds carried fwd	1,591	25,694	(25,173)	(701)	1,411
Restricted fixed asset funds					
Fixed assets donation - LA (note xi)	56,201	3,618	(1,475)	-	58,344
Devolved formula capital grant (note xii)	532	125	(67)	-	590
ACMF - capital (note xii)	874	-	(52)	-	822
CIF grant (note xiii)	1,472	-	(53)	-	1,419
Capital expenditure from GAG (note xii)	903	-	(63)	1,017	1,857
Capital expenditure from unrestricted funds (note xii)	3	-	(1)	-	2
SCA grant (note xii)	1,549	418	(42)	-	1,925
Other capital grants (note xii)	191	192	(6)	-	377
Fixed asset donations - government	-	11	-	-	11
Fixed asset donations - non-government (note xi)	38	-	(6)	-	32
EIG Grant (note xiii)	36	-	(2)	-	34
Total fixed asset funds	61,799	4,364	(1,767)	1,017	65,413
Restricted pension scheme liability					
Pension reserve (note xiv)	(16,648)	(500)	(1,642)	(2,346)	(21,136)
	(16,648)	(500)	(1,642)	(2,346)	(21,136)
Total restricted funds	46,742	29,558	(28,582)	(2,030)	45,688
Unrestricted funds					
Unrestricted funds	1,146	452	(192)	(73)	1,333
LA prior years surplus b/fwd	782	92	(8)	(243)	623
School Sports Partnership funds	376	202	(141)	-	437
Total unrestricted funds	2,304	746	(341)	(316)	2,393
Total funds	49,046	30,304	(28,923)	(2,346)	48,081

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)**17 FUNDS (Continued)**

The income funds of the academy applied for specific purposes are as follows:

Notes

- i) GAG must be used for the normal running costs of the Trust. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2021 (see note 2).
- ii) Pupil premium grant has been used to support children from low income families placed in the MAT.
- iii) Year 7 catch up grant has been used to provide additional support in reading and/or maths not achieving level 4.
- iv) Special needs grant has been used to support enhanced learning for children with special educational needs.
- v) Early years funding has been used to provide teaching support for younger children.
- vi) Children's centre funding has been used to provide teaching support for younger children.
- vii) Other ESFA grants have been used for direct staff and educational resources within the purpose intended for the grants.
- viii) Other Local Authority grants have been used for direct staff and educational resources within the purpose intended for the grants.
- ix) Other non-government grants have been used for direct staff and educational resources within the purpose intended for the grants.
- x) Other government grants have been used for direct staff and educational resources within the purpose intended for the grants.
- xi) Restricted fixed assets were funded by Coventry City Council and Warwickshire County Council donating academy land and buildings on a 125 year lease at a pepper corn rent.
- xii) Restricted fixed asset additions were funded by government grants and transfers from restricted and unrestricted funds.
- xiii) Capital improvement funding received from ESFA for specific capital expenditure at schools.
- xiv) The pension reserve represents the deficit on the LGPS (see note 28).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

17 FUNDS (cont'd)

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

	Balance at 1 September 2019 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General annual grant (GAG) (note i)	1,086	18,549	(18,350)	91	1,376
Pupil premium grant (note ii)	-	1,495	(1,353)	-	142
Year 7 catch up (note iii)	-	18	(18)	-	-
Special needs grant - LA (note iv)	-	445	(445)	-	-
Pupil premium grant - LA (note ii)	-	58	(58)	-	-
Early years funding grant - LA (note v)	-	506	(506)	-	-
Children Centre grant - WCC (note vi)	-	222	(222)	-	-
Other ESFA grants (note vii)	-	1,742	(1,669)	-	73
Other grants - LA (note viii)	-	104	(104)	-	-
Other grants - non government (note ix)	-	40	(40)	-	-
Other grants - government (note x)	-	14	(14)	-	-
Total general funds carried fwd	1,086	23,193	(22,779)	91	1,591
Restricted fixed asset funds					
Fixed assets donation - LA (note xi)	57,476	-	(1,275)	-	56,201
Devolved formula capital grant (note xii)	459	130	(57)	-	532
ACMF - capital (note xii)	937	-	(63)	-	874
CIF grant (note xiii)	1,524	-	(52)	-	1,472
Capital expenditure from GAG (note xii)	685	-	(44)	262	903
Capital expenditure from unrestricted funds (note xii)	4	-	(1)	-	3
SCA grant (note xii)	1,370	228	(49)	-	1,549
Other capital grants (note xii)	161	35	(5)	-	191
Fixed asset donations - non-government (note xi)	26	16	(4)	-	38
EIG Grant (note xii)	38	-	(2)	-	36
Total fixed asset funds	62,680	409	(1,552)	262	61,799
Restricted pension scheme liability					
Pension reserve (note xiv)	(14,101)	-	(1,197)	(1,350)	(16,648)
	(14,101)	-	(1,197)	(1,350)	(16,648)
Total restricted funds	49,665	23,602	(25,528)	(997)	46,742
Unrestricted funds					
Unrestricted funds	872	446	(155)	(17)	1,146
LA prior years surplus b/fwd	1,118	-	-	(336)	782
School Sports Partnership funds	323	205	(152)	-	376
Total unrestricted funds	2,313	651	(307)	(353)	2,304
Total funds	51,978	24,253	(25,835)	(1,350)	49,046

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

17 FUNDS (cont'd)

TOTAL FUNDS ANALYSIS BY ACADEMY

Fund balances at 31 August 2021 were allocated as follows:

	2021	2020
	£'000	£'000
Stretton Church of England Academy	137	177
St Laurence's Church of England Primary School	898	858
St Bartholomew's Church of England Academy	164	484
Queens Church of England Academy	260	287
Harris Church of England Academy	890	842
St James Church of England Academy	95	124
St Nicolas Church of England Academy	144	109
Studley St Mary's Church of England Academy	121	154
St John's Church of England Academy	167	133
St Michael's Church of England Academy	221	159
St Oswald's Church of England Academy	128	80
Leamington Hastings Church of England Academy	79	41
Leigh Church of England Academy	151	60
Salford Priors Church of England Academy	(6)	56
All Saints Church of England Academy	75	75
Burton Green Church of England Academy	50	69
Long Itchington Church of England Academy	26	59
Southam St James Church of England Academy	23	28
All Saints Bedworth Church of England Academy	63	-
Central services	118	100
Total before fixed assets and pension reserve	<u>3,804</u>	<u>3,895</u>
Restricted fixed assets fund	65,413	61,799
Pension reserve	<u>(21,136)</u>	<u>(16,648)</u>
Total	<u><u>48,081</u></u>	<u><u>49,046</u></u>

Salford Priors CE Academy is carrying a net deficit of £6k because of the need to focus resources on school improvement alongside low pupil numbers. The academy is liaising with the Diocese of Coventry Multi-Academy Trust regarding future plans to address the long term deficit.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2020 (cont'd)

17 FUNDS (cont'd)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching & Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Deprec'n)	Total 2021	Total 2020
	£'000	£'000	£'000	£'000	£'000	£'000
Stretton	888	173	59	291	1,411	1,183
St Laurence's	1,289	269	99	225	1,882	1,809
St Bartholomew's	1,066	178	69	153	1,466	1,349
Queens	1,077	286	130	183	1,676	1,555
Harris	2,783	1,178	291	476	4,728	4,279
St James	708	177	40	98	1,023	959
St Nicolas	1,315	245	104	186	1,850	1,777
Studley St Mary's	737	146	108	95	1,086	990
St John's	690	149	51	133	1,023	1,054
St Michael's	1,971	538	153	285	2,947	2,651
St Oswald's	729	165	90	121	1,105	1,044
Leamington Hastings	203	61	27	66	357	344
Leigh C of E	840	189	54	150	1,233	1,106
Salford Priors	260	57	25	65	407	376
All Saints	429	91	40	78	638	628
Burton Green	392	86	44	62	584	557
Long Itchington	618	100	61	105	884	829
Southam St James	574	85	50	106	815	770
All Saints Bedworth	484	158	72	105	819	-
Central services	18	1,145	62	138	1,363	1,023
Trust	17,071	5,476	1,629	3,121	27,297	24,283

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed assets	-	-	-	65,311	65,311
Current assets	2,393	-	5,099	102	7,594
Current liabilities	-	-	(3,676)	-	(3,676)
Non-current liabilities	-	-	(12)	-	(12)
Pension scheme liability	-	(21,136)	-	-	(21,136)
	2,393	(21,136)	1,411	65,413	48,081

Fund balances at 31 August 2020 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed assets	-	-	-	61,710	61,710
Current assets	2,304	-	4,805	89	7,198
Current liabilities	-	-	(3,197)	-	(3,197)
Non-current liabilities	-	-	(17)	-	(17)
Pension scheme liability	-	(16,648)	-	-	(16,648)
	2,304	(16,648)	1,591	61,799	49,046

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

19 CAPITAL COMMITMENTS

	2021 £'000	2020 £'000
Contracted for, but not provided in the financial statements	70	734
Authorised by Directors, but not yet contracted	995	Nil

20 COMMITMENTS UNDER OPERATING LEASES

Operating leases

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

	2021 £'000	2020 £'000
Operating leases which expire:		
Within one year	60	51
Within two to five years	68	60
	<u>128</u>	<u>111</u>

21 RECONCILIATION OF NET INCOME/(DEFICIT) TO CASH FLOW FROM OPERATING ACTIVITIES

	2021 £'000	2020 £'000
Net income/(deficit) for the reporting period (as per the statement of financial activities)	1,381	(1,582)
Adjusted for:		
Depreciation (note 13)	1,626	1,552
Loss on disposal of land and buildings transferred to local authority	141	-
Fixed assets transferred from LA	(3,618)	-
LGPS pension deficit transfer	500	-
Capital grants from DfE and other capital income	(746)	(409)
Interest receivable	(1)	(7)
Defined benefit pension scheme cost less contributions payable (note 28)	1,354	933
Defined benefit pension scheme finance cost (note 28)	288	264
Decrease/(increase) in debtors	152	(83)
Increase in creditors	479	575
Net cash provided by operating activities	<u>1,556</u>	<u>1,243</u>

22 CASH FLOWS FROM INVESTING ACTIVITIES

	2021 £'000	2020 £'000
Interest received	1	7
Purchase of tangible fixed assets	(1,750)	(703)
Capital grants from DfE/ESFA	735	358
Capital funding received from sponsors and others	11	51
Receipts from sale of tangible fixed assets	-	-
Net cash used in Investing activities	<u>(1,003)</u>	<u>(287)</u>

23 CASH FLOWS FROM FINANCING ACTIVITIES

Repayments of borrowing	(5)	(5)
Cash inflows from new borrowing	-	-
Net cash used in financing activities	<u>(5)</u>	<u>(5)</u>

24 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31 Aug 2021 £'000	At 31 Aug 2020 £'000
Cash in hand and at bank	6,908	6,360
Total cash and cash equivalents	<u>6,908</u>	<u>6,360</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

25 ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2020 £'000	Cash Flows £'000	Aug 2020 £'000
Cash at bank	6,360	548	6,908
	<u>6,360</u>	<u>548</u>	<u>6,908</u>
Loans within one year	(5)	-	(5)
Loans within more than one year	(17)	5	(12)
	<u>6,338</u>	<u>543</u>	<u>6,891</u>

26 CONTINGENT LIABILITIES

During the period of the funding agreement between the Trust and the Secretary of State, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Trust is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Trust serving notice, the Trust is obliged to repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the Trust's sites and premises and other assets held for the purpose of the Trust; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

27 MEMBERS' LIABILITY

Each member of the Trust undertakes to contribute to its assets 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.

28 PENSION AND SIMILAR OBLIGATIONS

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

As described in note 30 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Multi-Academy Trust at the balance sheet date.

The total pension cost to the Trust during the year ended 31 August 2021 was £5,217,000 (2020: £4,564,000) of which £1,530,000 (2020: £1,841,000) relates to the TPS and £3,687,000 (2020: £2,723,000) relates to LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. 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 £385,000 were payable to the schemes at 31 August 2021 (2020: £339,000) and are included within creditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)**Teachers' Pension Scheme****Introduction**

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employers costs paid to TPS in the period amounted to £1,530,000 (2020: £1,841,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in a separate Trustee administered funds. The total contributions made for the year ended 31 August 2021 was £1,915,000 (2020: £1,851,000) of which employers contributions totalled £1,545,000 (2020: £1,526,000) and employees contributions totalled £370,000 (2020: £325,000). The agreed employers contributions for future years are 21.0% (2020: 21.0%) for Stretton Church of England Academy, 21.0% (2020: 21.0%) for St Laurence's Church of England Primary School, 21.0% (2020: 21.0%) for St Bartholomew's Church of England Academy, 23.1% (2020: 23.1%) for Queens Church of England Academy, 23.1% (2020: 23.1%) for Harris Church of England Academy, 23.1% (2020: 23.1%) for St James Church of England Academy School, 23.1% (2020: 23.1%) for St Nicolas Church of England Academy, 23.1% (2020: 23.1%) for Studley St Mary's Church of England Academy, 21.0% (2020: 21.0%) for St John's Church of England Academy, 23.1% (2020: 23.1%) for St Michael's Church of England Academy, 23.1% (2020: 23.1%) for St Oswald's Church of England Academy, 23.1% (2020: 23.1%) for Leamington Hastings Church of England Academy and 23.1% (2020: 23.1%), Leigh Church of England Academy 21.0% (2020: 21.0%), Salford Priors Church of England Academy 23.1% (2020: 23.1%), All Saints Church of England Academy 23.1% (2020: 23.1%), Burton Green Church of England Academy 23.1% (2020: 23.1%), Long Itchington Church of England Academy 23.1% (2020: 23.1%), Southam St James Church of England Academy 23.1% (2020: 23.1%) and All Saints Bedworth Church of England Academy 23.1%. For The Diocese of Coventry Administration Centre the agreed contributions for employees are 5.5% - 12% (2020: 5.5% - 12%).

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 liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Principal Actuarial Assumptions

The major assumptions used by the actuary were:	At 31 August 2021	At 31 August 2020
	% per annum	% per annum
Discount rate	1.7%	1.7%
Salary increases	3.8%	3.1%
Pension increase	2.9%	2.3%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 August 2021	At 31 August 2020
	Approx	Approx
	Change to Employers Liability	Change to Employers
	£'000	£'000
Discount rate reduced by 0.5% per annum	5,125	3,963
Salary increase by 0.5% per annum	410	340
Pension rate increase by 0.5% per annum	4,650	3,571

The mortality assumptions used were as follows:

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

	At 31 August 2021	At 31 August 2020
	years	years
Longevity at age 65 retiring today		
- Men	21.8	21.7
- Women	24.2	24.0
Longevity at age 65 retiring in 20 years		
- Men	23.1	22.8
- Women	26.0	25.6

The Trust's share of the assets in the scheme were:

	Fair value at 31 August 2021	Fair value at 31 August 2020
	£'000	£'000
Equity instruments	13,063	9,168
Debt instruments	4,641	3,516
Property	2,147	1,825
Cash	665	473
Other	627	526
Total market value of assets	21,143	15,508
Present value of scheme liabilities		
- Funded	(21,143)	(15,508)
- Unfunded	(21,136)	(16,648)
Total liabilities	(42,279)	(32,156)
Deficit in the scheme	(21,136)	(16,648)

The actual return on the scheme assets in the year was £3,813,000 (2020: £268,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Amounts recognised in the Statement of Financial Activities

	2021	2020
	£'000	£'000
Transferred in on conversion	500	-
Current service cost	2,899	2,459
Past service cost	-	-
Interest income	(274)	(268)
Interest cost	562	532
Total operating charge	3,687	2,723

	2021	2020
	£'000	£'000
Changes in deficit during the year		
Balance at 1 September 2020	16,648	14,101
Balance at admission date	500	-
Movement in year:		
- Employer service cost (net of employee contributions)	2,899	2,459
- Employer contributions	(1,545)	(1,526)
- Expected return on scheme assets	(274)	(268)
- Interest cost	562	532
- Actuarial losses	2,346	1,350
Deficit in the scheme at 31 August 2021	21,136	16,648

	2021	2020
	£'000	£'000
Changes in the present value of defined benefit obligations were as follows:		
Balance at 1 September 2020	32,156	27,887
Scheme liabilities at admission date	784	-
Past service cost	-	-
Current service cost	2,899	2,459
Interest cost	562	532
Contributions by scheme participants	370	325
Benefits paid	(377)	(211)
Actuarial losses	5,885	1,164
Scheme liabilities at 31 August 2021	42,279	32,156

	2021	2020
	£'000	£'000
Changes in the fair value of the Trust's share of scheme assets:		
Balance at 1 September 2020	15,508	13,786
Fair value of scheme assets at admission date	284	-
Expected return on scheme assets	274	268
Actuarial (losses)/gains	3,539	(186)
Contributions by employer	1,545	1,526
Benefits paid	(377)	(211)
Contributions by scheme participants	370	325
Fair value of scheme assets at 31 August 2021	21,143	15,508

The estimated value of employer contributions for the year ended 31 August 2022 is £1,587,000 (2021: £1,376,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)**29 RELATED PARTY TRANSACTIONS**

Owing to the nature of the Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Directors may have an interest. All transactions involving such organisations are conducted at arm's length, comply with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions and are in accordance with the requirements of the Academies Financial Handbook, apart from notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required.

Mrs R Marlow (Director of the Trust Board) is a Director of the Diocesan Board of Education (DBE), the sponsoring organisation of the Trust. The Trust buys services from the DBE as part of a service level agreement. Transactions during the year totalled £37,917 (2020: £37,597) and the balance outstanding at 31 August 2021 was £3,120 (2020: £4,320). Sales were also made totalling £Nil (2020: £167) and the balance outstanding at 31 August was £Nil (2020: £Nil).

Mrs R Marlow (Director of the Trust Board) is Chair of the Charity Together for Change and the academies St Bartholomew's, St Laurence and Stretton Church of England Academy purchase services from the Charity. Transactions for the year totalled £Nil (2020: £47,296) and there was a balance outstanding of £Nil (2020: £3,009) at 31 August 2021.

Mrs P Whitfield (Chair of the Trust Board) is a governor of Lawrence Sheriff School Academy Trust. During the year services were purchased totalling £170 (2020: £125) and there was a balance outstanding of £Nil (2020: £Nil) at 31 August 2021.

Mr R Medwell (Director of the Trust Board) is a Trustee of Culture Coventry Trust. During the year services were purchased totalling £Nil (2020: £1,022) and there was a balance outstanding of £Nil (2020: £Nil) at 31 August 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021 (cont'd)

30 CONVERSION TO AN ACADEMY Trust

On 1 February 2021 All Saints Bedworth Church of England Academy converted to Academy status under the Academies Act 2010. All the operations and assets and liabilities were transferred to the Trust from Coventry City Council for nil consideration.

The transfers have been accounted for as a combination that is in subsistence a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain/(loss) in the Statement of Financial Activities as donations transferred from local authority on conversion.

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

All Saints Bedworth Church of England Academy	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£'000	£'000	£'000	£'000
Leasehold land and buildings	-	-	3,618	3,618
Budget surplus on LA funds	92	-	-	92
LGPS pension deficit	-	(500)	-	(500)
Net assets/(liabilities)	92	(500)	3,618	3,210

The above liabilities include £92,082 that were transferred as cash.

From 1 February 2021, during the year, the leasehold land and buildings were transferred on a 125 year lease at a peppercorn rent from Coventry City Council to the Trust.

31 EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no material adjusting or non adjusting events arising after the balance sheet date.

