

Registration number: 07748248

THE EDUCATION VILLAGE ACADEMY TRUST

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022

The Education Village Academy Trust

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The Education Village Academy Trust

Reference and administrative details

Members	T Fisher K Fraser K Duffy J Low R Sanghera S Monk (appointed 18 January 2022)
Trustees (Directors)	C Ashford M Butler (accounting officer) A Dixon H Radcliffe, Chair S Welsh (resigned 22 July 2022) C Morgan (resigned 3 September 2021) T Hedger-Gourlay E James S Clapham S Smith L Greig (appointed 10 February 2022)
Senior Management Team	M Butler, Chief Executive M Roe, Chief Operating Officer C Green, Executive Principal Beaumont Hill Academy and Marchbnk Free School A Sinclair, Principal Gurney Pease Academy J Lumb, Principal Haughton Academy R Gartland, Principal Springfield Academy A Lynch, Principal Beaumont Hill Special Academy
Principal and Registered Office	The Education Village Salters Lane South Darlington County Durham DL1 2AN
Company Name	The Education Village Academy Trust
Company Registration Number	07748248

The Education Village Academy Trust

Reference and administrative details (continued)

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

Bankers Lloyds Bank plc
21-23 Northgate
Darlington
County Durham
DL1 1TL

Solicitors Ward Hadaway Solicitors
102 Quayside Place
Newcastle upon Tyne
NE1 3DX

The Education Village Academy Trust

Trustees Report for the Year Ended 31 August 2022

EVAT Annual Report and Financial Statements 2021/22

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

The Education Village Academy Trust operates five academies for pupils aged 2 to 19 serving difference catchment areas across Darlington and in the case of the two special academies, outside of this catchment area. The Trust has a combined pupil capacity of 1645 and a combined roll of 1618 as per the October census 2022.

EVAT values all children, young people and adults both as individuals and as part of the wider Trust community. The Trust aims to provide a safe, happy and caring environment within which everyone thrives.

EVAT is led by non-executive Trustees, constituted under the Memorandum of Association and Articles of Association. The Board of Trustees (Board) is responsible for ensuring that high standards of corporate governance are maintained. The Board exercises its powers and functions with a view to fulfilling a strategic leadership role in the running of the Trust and its academies.

The Board is also governed by the terms of any Funding Agreements, with the DfE that are in place and the Academy Trust Handbook.

Structure, Governance and Management

Constitution

The 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 Trust.

The Trustees of The Education Village Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company is known as The Education Village Academy Trust.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

Members' Liability

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

The Education Village Academy Trust

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

Trustees' Indemnities

The Academy Trust has taken out insurance with Zurich Municipal to protect Trustees and Governors from claims arising against negligent acts, errors or omissions occurring whilst on Trust or Academy business.

Method of Recruitment and Appointment or Election of Trustees

Trustees are appointed in accordance with the provisions set out in the Memorandum and Articles of Association. The term of office for any Trustee or Governor is four years, except for Staff Trustees and Governors appointed by virtue of position (e.g. Chief Executive and Academy Principals). Trustees and Governors remaining eligible may be re-appointed or re-elected. Trustees are appointed by Members because of their skills, experience and knowledge with a view to complementing those of existing Board members. Similarly, Trustees appoint Governors for the contribution they can potentially make to raising standards in Academies.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees receive induction training when they join the Board of Trustees. Training and induction provided for new appointees depends on their existing experience. Where necessary, training is provided on educational, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their respective roles. Throughout the year, Trustees and Governors are offered opportunities to join training and workshops to build their knowledge, skills and experience.

Organisational Structure

The Trust's governance structure consists of:

- Members
- Trustees
- Education Standards Committees (one for each Academy)
- Finance, Audit, Risk and Resources (FARR) Committee
- Executive Leadership Team
- Senior Leadership Teams
- Middle Management Teams

The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Chief Executive Officer is the Accounting Officer of the Trust and has the ultimate responsibility for the operations and controls in place. The Trust Board supports the Accounting Officer in the performance of their duties. Trustees are responsible for setting Trust strategy and general policy, adopting an annual development plan and budget, monitoring the performance of the Trust by the use of results and budgets and making major decisions about the strategic direction of the Trust, capital expenditure and senior staff appointments.

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

Education Standards Committees (ESCs) are responsible for monitoring the performance of the individual academies, including reviewing and scrutinising academic performance and pupil behaviour. They act as advisory bodies to the Board of Trustees.

The Board of Trustees has devolved responsibility for day to day management of the Trust to the Executive Leadership Team (ELT). ELT is made up of the Chief Executive, the Chief Operating Officer (who also acts as the Trust's Chief Financial Officer) and the Principals of each Academy. ELT work with the Senior Leadership Team (SLT) of each Academy to implement the policies set out by the Trustees and ESCs and report on performance.

Members of the ELT are also responsible for the authorisation of spending within agreed budgets and the appointment of all staff except those in the ELT, which require a committee of the Board of Trustees. Some spending control is devolved to members of the SLT of each Academy, with limits above which a member of the Executive must countersign.

The SLT of each Academy includes the Executive Principal and/or Principal and/or Head of School, and, where appropriate, one or more Deputy Head Teacher and/or a number of Assistant Head Teachers. The middle management of the academies includes managers with Teaching and Learning Responsibilities (TLRs). These managers have delegated responsibility for the day-to-day operation of particular areas, departments or aspects of their Academy, in particular organising the teaching staff, facilities and students.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Board of Trustees ensures the process of determining the remuneration of key management personnel is fair and transparent.

The Trust's Chief Executive is appointed to a salary scale determined by the Board of Trustees, accounting for the nature of the post, the level of qualifications, skills and experience required, market conditions and the wider context of the Trust and/or the education system. Pay progression is determined by the Board of Trustees on the basis of a successful annual appraisal, demonstrating a sustained and high quality of performance and delivery of objectives relating to the Trust's leadership and management.

The Executive Principal, Principals, and other Academy leaders with teaching responsibilities are employed in accordance with the provisions of the School Teachers' Pay and Conditions (STP&C) Document. In reviewing pay scales the Board of Trustees has regard to, but is not bound by, any changes to the national pay framework contained within the STP&C Document.

Progression for the Executive Principal, Principals, other senior leaders and teaching staff is subject to a review of performance set against the annual appraisal review. The Board of Trustees, advised by the Chief Executive, may decide to award one increment for sustained high quality performance or two increments where performance has been exceptional. Where performance has not been of a sustained high quality, the Board of Trustees may decide that there should be no pay progression.

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

Trade Union Facility Time

Relevant Union Officials

In 2021/22 there was one employee of the Trust who was also union representative. No facility time was taken during the year and so there is no data about facility time and its associated cost to the organisation to report.

Related Parties and Other Connected Charities and Organisations

The Trust is not part of any wider network or federation. The Trust's Trading Subsidiary, EdIT Learning (previously IT Systems & EVAT Partnership Limited) (the 'Company') became dormant on the 31 August 2020.

Engagement with Employees (including disabled persons)

The Trust is ambitious to be an employer of choice, to attract, retain and nurture the very best talent and to deliver the best possible learning experience to pupils.

The Trust engages with employees in a variety of ways, both formally and informally through network meetings and events. Each year the Chief Executive addresses all staff about the performance of the Trust, including its successes and areas for improvement. Information is shared at key points in the year, including financial and performance information and external and internal review findings are also shared.

Staff performance is monitored and managed, and includes agreement on a set of objectives at the start of each year which contribute to the achievement of the Trust's strategic aims. This process also enables the identification of training and development needs and develop and implement associated plans to address gaps and strengthen skills. The Trust continually invests in employee development and wellbeing to create an open and inclusive culture.

The Trust has a range of policies and procedures in place to ensure equal opportunities for all employees. This includes an Equal Opportunities Policy. Additionally, every Trust policy has built in processes to ensure equal opportunities and equality assessments are properly considered, to ensure Trust practice and processes do not discriminate against any person with disability or on the basis of their sexual orientation, ethnicity or beliefs. Staff with physical restrictions or mental health issues are supported by line managers, leaders and external partners to ensure they achieve their potential and are comfortable in the workplace. The support available to staff is wide-ranging and includes provision of specialist support and counselling services, equipment and access to occupational health professionals. Where a member of staff is away for a period of time or their condition requires support, arrangements can be made for a phased return to build up to contracted hours.

The Trust actively encourages applications from disabled people and has adopted the 'Guaranteed Interview' scheme. This means that any applicant with a disability who meets the Essential Criteria for a post is invited to interview.

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

Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust

The majority of the Trust's income is spent on salaries for teaching and support staff. Another significant budgetary constraint is the large PFI site which is occupied by three of the Trust's Academies. Following these commitments, the Trust has limited funds and circumstances in which to foster business relationships with suppliers and customers. However, as a charitable company, spending public funds, best value is always a priority considered before any contract is awarded or purchase made.

Decision-making

Trustees must consider the views and interests of wider stakeholders when making decisions. During the year, the Board receives information to enable them to consider the impact of the Trust's decisions on key stakeholders. Information is shared in a range of different formats, including reports, presentations on academic, financial and operational performance, key performance indicators and risk.

Long-term Sustainability

Trustees delegate the day to day operational management of the Trust to the ELT while working with organisational leaders to set, approve and oversee the delivery of the Trust's strategic objectives and related policies.

The long-term sustainability of the Trust is central to decision making, particularly in relation to challenging funding conditions, Trust growth, school improvement, response to the ongoing Coronavirus pandemic and more recently emergent issues in the supply chain.

Stakeholders

The Trust's core stakeholders include, pupils, parents, employees and the local community, all of whom are at the heart of our vision and mission. These groups are engaged in strategic planning and review. The potential impact (on these groups) of Trust investment, improvement and growth plans is considered in depth when making decisions.

In addition, the Trust also engages with other key stakeholders such as Kajima (parent organisation for the PFI village site) Mitie (contractors for the maintenance of the PFI village site) and other producers and suppliers who we purchase goods and services from.

Pupils

Pupils and providing them with a learning experience which supports them in realising their potential and maximising their achievement are at the heart of the Trust's work.

Trustees receive reports on pupil outcomes and related strategic initiatives throughout the academic year. The Board monitors progress and engages with the ELT to understand opportunities to optimise performance and address areas of concern. The ESCs closely monitor performance and provide updates to the Board of Trustees.

The Education Village Academy Trust

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

Since September 2021, the Trust has implemented an IT transformation strategy which has included the integration and rationalisation of software and systems. To safeguard operations against failure and modernise its infrastructure, the Trust has outsourced its IT service to RM for Education; has moved a significant proportion of its data to the Cloud; established Office 365 as its predominant operating system; reduced and focused its use of software and licences; and has rolled out over 250 new devices across the Trust. The changes ensure Trust data and information is properly backed up and is readily accessible; its network is secure; IT services and support are supported by a large team of experienced specialists. The move to Office 365 (and Teams) and upgrades to the Frog platform mean the Trust is confident in the reliability and accessibility of its remote learning offer. The changes also underpin the delivery of the Trust's vision for technology being an enabler of an exceptional learning experience.

Suppliers

The Trust works with a range of suppliers to source the best resources and services. The Trust is committed to being fair and transparent when dealing with suppliers. Where possible the Trust uses local companies with a proven track record in successful delivery and, in order to support cash flow for companies, all invoices are paid within a 30-day period.

Better Purchasing and Procurement

In line with the Trust's Finance Policy and Procedures, before ordering items over £5,000, three quotes are obtained from different suppliers. Competitive tendering is used to ensure best value for items of major expenditure. This includes tendering for the appointment of auditors, legal advisors and for insurance cover. Items of significant expenditure in this academic year included the purchase of IT software and systems; and support for the review and development of Trust central services. The appropriate procurement processes were followed.

The Trust looks to access alternative funding streams and additional support where they are available. Two of its academies were successful with applications for grants via the Capital Improvement Fund and the Healthy Pupils Capital Fund. The funds have been used to undertake significant and urgent repairs at Marchbank Free School and Gurney Pease Academy; improvements to Houghton Academy and the update of fencing to Springfield Academy.

The Academies in the Trust also continue to benefit from economies of scale by sharing central support resources, by negotiating contracts Trust-wide, and sharing external services such as Speech and Language Therapy and Service Level Agreements with Local Authorities to provide swimming services, school improvement support, and Management Information System support.

Community and the Environment

The Trust is a key part of the local community and its ethos seeks to instil in children and young people a sense of community and responsibility. Sustainability and efficiency are central to all aspects of the Trust's business. The Trust is committed to reducing its carbon footprint wherever possible. Stakeholders are actively engaged in plans and activities to save energy to recycle resources to the sharing of resources across academies.

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

Business Conduct

The Trust conducts its business with integrity and consideration. Trustees have worked with stakeholders to develop values, culture and standards to create and sustain value and establish a reputation of excellence in business conduct. These standards are reflected in the Board's decision making, enabling the Trust to demonstrate the impact of decisions on the Trust's reputation and relationship with stakeholders and suppliers.

Acting Fairly as between Members of the Company

Trustees consider the best course of action to deliver the Trust's strategic objectives and ambitions alongside the potential impact on stakeholders. In doing so, Trustees act fairly as between the Trust's members, but are not required to balance the Trust's interest with those of other stakeholders and this may sometimes mean that certain stakeholder interests may not be fully aligned.

Objectives and Activities

Objects and Aims

The Trust Board and ESCs aim for the Trust to achieve "*learning without limits*" delivered through quality teaching, learning, guidance and support to pupils and staff. A particular emphasis is placed on science, outdoor education, vocational subjects and their practical applications.

Objectives, Strategies and Activities

The Academy Trust's main objectives are reflected in its vision, mission statement, values and ethos.

Our vision is:

The Education Village Academy Trust is a place where learning has no limits

Our mission is to deliver exceptional learning opportunities to all of our children and young people. We stretch aspirations and inspire everyone who learns and works with us to reach high and achieve their potential.

Our ethos is inclusive and child centred. We work to:

- Create a nurturing and friendly atmosphere and provide an environment where everyone feels valued for who they are
- Bring out the best in every child and young person and meet the full range of their individual needs
- Provide different and unique experiences, challenges and activities
- Show tolerance and respect for each other
- Prepare our children and young people for lifelong learning
- Improve the life chances of every child and young person we serve

The Education Village Academy Trust

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

Our priorities for the next five years are to:

- Provide exceptional learning experiences and maximise outcomes for our children and young people
- Build an even stronger Trust, fit for the future, with firm financial foundations and scalable structures and systems
- Grow the Trust strategically and sustainably and with the core purpose of extending our reach to improve the educational outcomes and life chances of more children and young people in Darlington and beyond
- Be more aware of our impact on the natural environment and create a passion for its protection and sustainability in our pupils and staff; reduce our carbon footprint; and create more exciting spaces in which to learn and work

Public Benefit

The Trust refers to the guidance provided in the Charity Commission's general guidance on public benefit when reviewing its strategic aims and objectives. Trustees consider the contribution of planned activities to the achievement of aims and objectives during reviews of performance, progress and strategic planning exercises. The Trust complies with all statutory guidance and works to support its wider educational objectives by playing a strong and visible role in the local community.

Strategic Report

2021/22 has been a challenging, but rewarding year for the Trust and its academies. Progress has been made in improving outcomes, but the continuation of the Covid pandemic and associated sickness absence caused disruption for teaching and learning and impacted on outcomes for learners.

Despite the challenges, the Ofsted grading of "Good" was maintained by Gurney Pease Academy and both Haughton Academy and Springfield Academy achieved "Good" ratings at Ofsted inspection in the spring term. This reflects the work the Trust has undertaken to strengthen its school improvement offer, by deploying experienced and focused leaders to support, utilising the skills of staff members throughout the Trust to design and implement improvement strategies.

The Education Village Academy Trust

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

In response to the growing "cost of living crisis" and significant increases in the cost of resources, supplies and energy, the Trust implemented a number of transformational change programmes, designed to reduce costs, remove duplication and achieve efficiency through the modernisation of systems, infrastructure and business services functions. Transformation programmes included a major IT upgrade in relation to data management, a switch to the Cloud, the rollout of new devices and the establishment of Office 365 as the Trust's main operating system. In addition, a new financial management system was implemented alongside a new payroll and people management system. Recognising the need to reinforce the Trust's long-term financial sustainability and enhance its options for growth, the Trust also developed and implemented a financial recovery plan, which focused on reducing costs in organisational structures; revisions to the contracts register, to create efficiencies by combining contracts, removing them or sourcing better value deals. The financial recovery plan also included an energy efficiency campaign and a plan to generate more income from grants and funding to invest in improving the Trust's estates and services.

The Trust further extended its central services team, by employing a Finance Director, creating more capacity to increase corporate support to the Trust's academies, with a view to generating efficiencies and cost savings across all schools in the 2021/22 academic year.

The Trust continued to strengthen its governance structures, by completing skills audits and Board composition reviews to identify gaps, develop succession plans and appoint Trustees with the required skills to ensure decision making is balanced, representative and informed. Board skills have also been strengthened through the delivery of a training programme which will continue throughout 2022/23 and will be complemented by an external review of governance.

Key Performance Indicators

The key performance indicators of the Academy Trust relate to the achievements of students within the individual academies. Prior to Covid, attendance at all academies was in line with or above national figures and student exclusions remain comparable to or below national benchmarks.

Outcomes for Learners

Haughton Academy – Key Stage 4 Outcomes

Headline measure	Haughton Academy
Key Stage 2 – Average Point Score	104 points
Attainment 8 (points)	38.4
Progress 8	-0.65
Progress 8 – English	-0.79
Progress 8 – Maths	-0.59
Progress 8 – EBACC	-0.76
Progress 8 – Open	-0.48

The Education Village Academy Trust

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

% 4+ English and Maths	47%
% 5+ English and Maths	11%
Progress 8 – Disadvantaged	-1.12
Progress 8 – Non-disadvantaged	-0.32

Beaumont Hill Academy – Key Stage 4 Outcomes

	No on roll	Achieving five or more GCSE's including English and Maths at grade 4 or above	Achieving five or more GCSE's at grade 4 or above	Achieving five or more GCSE's or equivalent qualifications (including English and maths) Grade 1+	Achieving one or more GCSE at grade 4 or above	Achieving GCSE's at grade 4 or above in English and maths	Achieving one or more GCSE's or equivalent qualification
Number	31	0	0	4	8	0	15
%	100	0	0	12.9	25.8	0	48.3

Beaumont Hill Academy Key Stage 4 Outcomes – English, Maths and All Pupils

	English		Maths	All pupils	
Number	0	9	2	5	31
%	0	29	6.4	16.1	100

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

Springfield Academy and Gurney Pease Academy - Key Stage 2 – Outcomes

EYFS	Good level of Development (GLD)	Gurney Pease Academy	Springfield Academy	National Average
KS1	Y1 Phonics	69%	82%	76%
	Reading	55%	63.3%	67%
	Writing	55%	46.7%	58%
	Maths	75%	66.7%	68%
KS2	Reading	76.2%	63.0%	74%
	Writing	76.2%	46.4%	69%
	Grammar, punctuation and spelling	76.2%	51.9%	72%
	Maths	71.4%	51.9%	71%
	Reading, writing and maths combined	61.9%	33.3%	59%

Beaumont Hill Academy - Key Stage 2 Outcomes

	BHA	LA	National
Reading progress measure	-1.4	-0.5	0
Writing progress measure	-3.6	-0.9	-0.1
Maths progress measure		-0.6	0
Percentage of pupils reaching the expected standard in reading, writing and maths	0%	55.5%	58.5%
Percentage of pupils achieving a high score in reading and maths and working at greater depth in writing	0%	5.0%	7.2%
Average scaled score in reading	108	104.4	104.8
Average scaled score in maths		103.4	103.8

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

Marchbank Free School - Key Stage 2 Outcomes

	MFS	LA	National
Reading progress measure	-11.3	-0.5	0
Writing progress measure	-9.4	-0.9	-0.1
Maths progress measure	-9.9	-0.6	0
Percentage of pupils reaching the expected standard in reading, writing and maths	0	55.5%	58.5%
Percentage of pupils achieving a high score in reading and maths and working at greater depth in writing	0	5.0%	7.2%
Average scaled score in reading	89.9	104.4	104.8
Average scaled score in maths	90.4	103.4	103.8

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

Promoting the Success of the Charitable Company

The Trust's main strategic priority and ambition is the delivery of an exceptional learning experience to its children and young people.

When working with executive leaders to set the strategic priorities of the Trust, Trustees also consider the principal risks to strategic priorities and ambitions.

In accordance with section 172 of the Companies Act 2006, each Trustee acts in the way he or she considers, in good faith and would most likely promote the success of the Trust, to achieve its charitable purpose. Trustees have regard, amongst other matters to the:

- Likely consequences of any decisions in the long term
- Interests of the company's employees
- Need to foster the company's business relationships with suppliers, customers and others
- Impact of the company's operations on the community and environment
- Desirability of the company maintaining a reputation for high standards of business conduct
- Need to act fairly as between members of the company

Further details of the principal decision taken by the Trust can be found in the section "engagement with employees (including disabled persons" and "engagement with suppliers, customers and others in a business relationship".

Covid 19

The Trust's academies continued to face disruption to their normal operations in 2021/22 despite a relaxation in Covid restrictions within 2021/22.

Covid related sickness absence of children and staff members was a significant issue early in the academic year and this continued well into the Spring term. Where possible staff members were enabled to work from home where possible and where this was not possible, arrangements were made for them to safely access the workplace. To minimise disruption to learning, a blend of "live lessons" and set work or project-based learning during absences.

The Education Village Academy Trust

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

Financial Review

Most of the Academy Trust's income is obtained from the Department for Education (DfE) via the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes

The Academies also receive grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2022, total expenditure of £19,155,000 was in excess of recurrent grant funding from the DfE/ESFA together with other incoming resources. The excess of expenditure over income for the year, before actuarial gains, was £1,183,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Academy Trust's objectives.

At 31 August 2022 the net book value of fixed assets was £22,141,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the Trust's Academies.

The provisions of FRS 102 Section 28 'Employee Benefits' have been applied in full, resulting in a deficit of £2,271,000 recognised on the balance sheet.

The Academy Trust held fund balances at 31 August 2022 of £22,305,000 comprising £22,674,000 of restricted fixed asset funds, (£1,951,000) of restricted funds and £1,582,000 of unrestricted funds.

The operating surplus (excluding capital and pension) as at 31 August 2022 is due to:

- Income for the year being higher than budgeted, by £1.4m. This included:
 - DfE revenue grant income, including recovery premium, Covid grants, One Vision funding and supplementary grant
 - SEN funding and 1-2-1 funding income was higher than budget expectations
 - Trading income, which included absence insurance claims. No budget was set for the receipt of trading income
 - Total staff costs were underspent largely due to late filling of vacant posts within the central team and the outsourcing of the IT team
 - Premises costs were also lower than expected because of a refund on water charges for the Trust's main site

The Trust's expenditure for the year (2021/22) was higher than budgeted, with increased prices in energy, resources and supplies. During the year, the Trust developed and implemented a financial recovery plan to better control expenditure on goods and services and achieve greater value for money for its purchases. The recovery plan included:

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

- A full review and analysis of variances, specifically excessive spend against projected budgets and unplanned/unexpected spend to identify trends and areas in need of further investigation to prevent repeat
- Completion of an Integrated Curriculum and Financial Planning (ICFP) review and identification of efficiencies
- Review of the contracts register to identify significant spend and determine whether contracts are required or can be removed/reduced and to plan procurement processes to ensure best value for money
- Introduction of new financial management, payroll and people management systems to streamline processes, reduce duplication and eliminate unnecessary paper-based systems
- Introduction of a Trust wide contract for agency and supply staff to ensure consistency in rates and prices for services
- Introduction of an Establishment Control process to control spend on staffing
- An energy efficiency and sustainability drive to reduce energy and use of materials e.g. utilities, paper and printing to reduce Trust costs
- Maximising income generation to the Trust by improving lettings of estates and selling specialist advice and services to other organisations
- Delivery of a comprehensive IT transformation strategy including the outsourcing of the Trust's IT service; consolidation and integration of systems and software (to reduce spend on multiple packages); roll out of new devices, infrastructure and operating systems to reduce risk

Key factors likely to affect the Trust's financial performance going forward include:

- Higher pay bills and pension costs
- Climbing costs of utilities, supplies and resources
- The continued need to invest in technology, hardware and software
- PFI costs and other capital investment costs particularly in terms of difficulties in the supply chain and the cost of the delivery of services
- Costs of delivering a diverse and wider ranging curriculum

Going Concern

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

Reserves Policy

The Trust's policy on reserves is to balance the competing priorities of investment of the maximum amount of resources on pupils, principally through the provision of highly qualified staff and the need to retain resources to manage future uncertainty.

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

Trustees have determined that the appropriate level of free reserves should be equivalent to 6% to 9% of 'total incoming resources less restricted fixed asset income', and ideally 7.5% of this income (equivalent to 4 weeks' expenditure). The reason for this is to provide 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 building maintenance and/or repairs.

Other uses of reserves as agreed by Trustees include: planned school improvement actions and interventions; planned capital works and investments to reduce costs and expenses elsewhere; funds for potential staff restructuring costs and increased salary costs following the pay award of 2022/23; providing a cushion for funding/pupil number reductions in the short term only; and covering increased utility and energy costs.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,582,000. This currently equates to 9% of total income less capital income.

Investment Policy

The Trust includes a treasury section within its finance policy, the objectives of which are to ensure the Trust:

- Maintains sufficient cash balances in its current account to meet its day-to-day commitments;
- Invests surplus cash to earn an acceptable rate of return without undue risk; and
- Considers spreading risk between differing types of investment and institutions to reduce credit risk.

Working with the Trust's bank and other local and established financial organisations, the Trust has invested cash reserves across accounts to receive higher rates of interest whilst remaining within Financial Services Compensation limits. The Trust is mindful that investments are made ethically and with socially and environmentally responsible organisations; it has also ensured cash is accessible and not tied into long-term investments.

Principal Risks and Uncertainties

The Trust applies a best practice model to the identification, management and mitigation of principal risks and uncertainties. This includes the evaluation, monitoring and control of risks via systematic and regular review. Trustees are responsible for making a statement of risk in the annual accounts of the Trust. In doing this, Trustees ensure that:

- The identification, assessment and mitigation of risk is linked to the achievement of the Trust's vision and strategic objectives as set out in its strategic plan
- The process covers all areas of risk, e.g. governance and management, operational, financial, reputational and external factors and is focused primarily on major risks
- The process produces a risk exposure profile that reflects the Trustees views as to levels of acceptable risk

The Education Village Academy Trust

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

- The principal results of risk identification are reviewed, evaluated and managed; and that risk management is ongoing and embedded in management and operational procedure.

The key risks facing the Trust are:

Strategic objective	Key Risk	Mitigation
Create and deliver an exceptional learning experience	Financial capacity is reduced, impacting on outcomes for learners and reducing Ofsted ratings	<p>Raising the profile of the Trust through targeted marketing and recruitment to increase number of pupils on roll year on year</p> <p>Completion of ICFPs and roll out of a comprehensive financial recovery plan to reduce costs, realise efficiencies in operating models, maximise income and enable growth</p> <p>Embedding the new financial management system to strengthen budget management</p> <p>Building on demand and investing in facilities and capacity to meet demand for more places in specialist SEND settings</p> <p>School improvement plans and Ofsted plans</p>
Create and deliver an exceptional learning experience	Safeguarding processes fail	<p>Trust wide training on Keeping Children Safe in Education completed throughout the academic year</p> <p>Trust-wide approach to safeguarding established</p> <p>Trust policies, practices and processes in relation to safeguarding embedded and clearly visible</p>

The Education Village Academy Trust

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

		Progress with managing and mitigating strategic safeguarding regularly monitored by Trustees
Build a strong Trust, fit for the future	IT kit and hardware create risk of technology failure and cyber security breach	<p>IT service is outsourced and network protections and cyber security arrangements have been strengthened</p> <p>Trust data has been migrated to the Cloud and reliance on "on-premise" servers has been reduced</p> <p>250 new devices rolled out across the Trust and obsolete ageing hardware has been decommissioned</p> <p>Cloud based systems for key business support services (payroll, people management and finance) have been introduced</p>
Build a strong Trust, fit for the future	Failure to recruit and retain quality staff	<p>Workforce planning – succession planning/creating opportunities for skills development</p> <p>Introduction of Trust people "offer" including wellbeing, reward and recognition</p> <p>Implementation of new people management system to reduce workload and enable better line management</p>
Grow our Trust sustainably, strategically and with moral purpose	Growth is not effectively planned	<p>Identify and access grants and funding opportunities to increase capacity and boost growth</p> <p>Trust "offer" in development</p>

The Education Village Academy Trust

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

		<p>Promotion of EVAT's ethos and achievements</p> <p>Developing relationships and networks with the community, other schools and academies and Trusts</p> <p>Growth plan in development</p>
<p>Have a positive impact on the natural environment and create a passion for its protection and sustainability in our pupils and staff</p>	<p>Funding limitations and failure to proactively manage the estate means carbon emissions continue to climb and environmental sustainability is compromised</p>	<p>Agreement in place with expert property advisers to access grants and funding available to support building works to support better energy efficiency</p> <p>Energy efficiency campaign developed in partnership with Kajima and Mitie and implemented – engaging with staff members and pupils</p> <p>Estate strategy in development</p>

Fundraising

The Trust looks for opportunities to raise funds to supplement income from grants, and Academies take part in fundraising activities which support local and national charities. These activities have been reduced this year due to Covid-19.

The Trust and its Academies ensure fundraising conforms to standards set out by the Charity Commission and there have been no complaints received this year about any fundraising activity or how the proceeds of such are used.

The Trust and its Academies do not employ or use any third party or private company to raise funds, and do not place any undue pressure to donate on individuals, groups or other organisations to provide donations.

Streamlined Energy and Carbon Reporting

During 2021/22, the Trust consumed 1418661Kwh of electricity and 3595426kwh of gas across all of its premises.

The Education Village Academy Trust

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

A comparison of the Trust's electricity and gas consumption between 2020/21 and 2021/22 is provided in the following table:

Education Village	20/21	21/22
Gas (kwh)	3890308	3335650
Electricity (Kwh)	595281	1285683

Gurney Pease Academy	20/21	21/22
Gas (kwh)	192974	152489
Electricity (Kwh)	49539	91731

Marchbank Free School	20/21	21/22
Gas (kwh)	137553	107287
Electricity (Kwh)	26574	41247

Total	20/21	21/22
Gas (kwh)	4220835	359426
Electricity (Kwh)	671394	1418661

Energy consumption increased between 2020/21 and 2021/22 and this reflects the impact of the return to site(s) following the Covid pandemic. The Trust has also adopted the use of a different energy calculation model, which gives a more accurate reading of consumption. As part of its strategic objectives, the Trust has committed to reduce its energy consumption and carbon footprint. In the next year, the Trust will work with its key partners to understand its consumption and develop and implement plans to reduce energy use and improve sustainability.

The Trust and its academies used 5989.48 litres of diesel in Trust vehicles used for transporting staff and pupils. This equates to 930,650 KgCo2e in total and is the equivalent of 251,276kg of carbon. This gives an intensity ratio of 590kg of carbon per pupil. These calculations have been converted at <https://secr.uk/> and <https://www.gov.uk/government/publications/academy-trust-financial-management-good-practice-guides/streamlined-energy-and-carbon-reporting>

The Trust has appointed and works closely with a specialist energy broker to source the best deals for gas and electricity to ensure value for money and cost management.

The Trust also works with its PFI management organisation to implement an energy visualiser to access real-time data to support better management of consumption, reduce spend and improve efficiency. Pupils and staff members were also engaged in designing and implementing energy efficiency projects and activities in 2021/22. In line with the Trust's strategic objective to "Have a positive impact on the natural environment and create a passion for its protection and sustainability" more energy efficiency drives and projects will be delivered in 2022/23.

The Education Village Academy Trust

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

Plans for Future Periods

The Trust continues to support Marchbank Free School (as a school which has been rated by Ofsted as "requires improvement") to make and embed the necessary improvements to achieve 'Good' judgements at their next full inspection. An Ofsted inspection is expected in the next academic year.

The Trust continues to build its centralised model for support services, which includes provision for administrative and management support across the Trust in finance, data, HR, governance support and health & safety. The Trust continues to aim to provide high quality services, achieve economies of scale and ensure best value for the academies. With Trustee support, the Chief Operating Officer embarked on a modernisation programme through which the capacity of business services has been enhanced through the employment of the Finance Director and a People Director; the introduction of new finance, payroll and people management systems; and the outsourcing of the IT service.

In 2021/22 the Trust agreed its new strategic plan (2022 – 2027) which sets out four key strategic objectives and sets out its intention to grow. The Trust continues to identify other schools, single academies and Multi-Academy Trusts to join or to merge with. A strong business services offer is central to the Trust's growth.

Auditor

Insofar as the trustees are aware:

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

Reappointment of auditor

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

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

The trustees report, incorporating a Strategic Report, was approved and authorised for issue by order of the members of the Governing Body on 20 December 2022 signed on its behalf by:



Helen Radcliffe 20 Dec 2022 16:42:19 GMT (UTC +0)

H Radcliffe
Trustee

The Education Village Academy Trust

Governance statement

Governance Statement

Scope of Responsibility

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

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

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Trustees formally met 6 times during the year ended 31 August 2022. In addition to this, there was a special Board of Trustee meeting held in September to consider the Trust's IT strategy. A further workshop was held in November 2021 to consider the Trust's strategic priorities. Attendance during the year at meetings of the Trustees was as follows:

Trustee	Meetings attended	Out of a possible	Comments
C Ashford	3	6	
M Butler (CEO and Accounting Officer)	6	6	
S Clapham	6	6	
A Dixon (Vice Chair)	5	6	
T Hedger Gourlay	5	6	
S Smith	6	6	
E James	6	6	
L Greig	2	3	<i>Joined 31.3.22</i>
H Radcliffe (Chair)	6	6	
S Welsh	1	5	<i>Resigned 30.6.22</i>

The Education Village Academy Trust

Governance statement (continued)

The EVAT Finance and Resources Committee (FARRC) is a committee of the Board of Trustees. It monitors the Trust's and academies' financial performance and considers issues related to people management, health & safety and premises. The Committee also receives and considers information and reports relating to the finance procedures and practice in the Trust (i.e. the Audit function).

The Trust's income is significantly below the threshold where a separate Audit Committee is a requirement. In the year ended 31 August 2022, the Finance and Resources Committee considered the academies' budgets, management accounts, services and contracts, staffing proposals, relevant policies and teacher pay recommendations. It also advised the Board on the adequacy and effectiveness of the Trust's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money).

Attendance at Finance and Resources meetings in the period was as follows:

FARRC Committee of the Board, Members	Meetings attended	Out of a possible	Comments
S Clapham	5	5	
A Dixon	4	5	
T Hedger Gourlay	5	5	
E James	5	5	
H Radcliffe	5	5	
M Butler	5	5	As an employee of the Trust, M Butler is a member of the Committee, but does not have voting rights on issues related to audit and risk

Conflicts of Interest

The Trust works hard to avoid perceived and material conflicts of interest. The Trust's register of interests is reviewed and kept up to date to capture relevant business and pecuniary interests of members, Trustees, ESC members and senior employees. The register reflects:

- Directorships
- Partnership and employments with businesses
- Trusteeships and governorships at other educational institutions and charities

For each interest, the register reflects the name and nature of the business, the nature of the interest and the date it began.

The Education Village Academy Trust

Governance statement (continued)

The register also identifies relevant material interests from close family relationships between the Trust's members, Trustees and ESC members.

The Trust is committed to openness and transparency and uses the information it holds on the register to ensure the Trust and its stakeholders actively observe the seven principles of public life.

In addition, the Trust publishes on its website(s) the relevant business and pecuniary interests of members, Trustees, ESC members and the accounting officer.

Governance Reviews

Trustees maintain a close oversight of the Trust's policies and procedural arrangements and regularly review the effectiveness of key areas of both the Trust and individual academies such as safeguarding policies and procedures, financial management, equality and diversity, attendance and behaviour and curriculum subject areas.

Systems and procedures for reporting to Trustees and ESCs are implemented using online platforms (such as Office 365) where Trustees and governors can access the information they need in a timely way. The system ensures streamlined governance reporting procedures and compliance with data protection and will continue to be enhanced with specialist systems and software to maintain effective governance for the Trust and any academies or Trusts which choose to join EVAT.

Academies fundamentally use the same format for data collection and reporting. Work to strengthen data collation, analysis and reporting continues to enable Trustees and ESCs to have a consistent approach to scrutiny and challenge and to be able to understand the context within which each Academy operates and where possible, benchmark the performance and development of the Trust's academies with other schools, academies and Trusts.

A self-evaluation review is undertaken annually by Trustees, which highlighted in 2021/22 that Trustees had a wide range of experience and expertise, which enabled the Board to effectively challenge and control the strategic development of the Trust.

Trustee reviews in 2021/22 included:

- The Trust's vision, mission and strategic priorities
- The strategic risk register
- The Trust's IT arrangements and transformation plans

The findings of reviews are captured in focused action plans which are monitored and reported at executive and Trustee level to provide assurance over the systems and processes in place.

The Trust worked with Audit One to complete internal assurance reviews of its approach to budgetary control; the single central record; and web filtering and cyber security

Azets Audit Services acts as the Trust's external auditors.

The Education Village Academy Trust

Governance statement (continued)

Review of Value for Money

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

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

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 Education Village Academy Trust for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed, alongside the operating, financial and compliance controls that have been implemented to mitigate those risks. Trustees are of the view that there is a continuous informal and formal process for identifying, evaluating and managing the Trust's significant risks in place for the year ended 31 August 2021 and up to the date of approval of the annual report and financial statements.

Risk Control Framework

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

- Budgeting and monitoring systems, with an annual budget and regular reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the Board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- Setting targets to measure financial and other performance
- Clearly defined purchasing guidelines
- Delegation of authority and segregation of duties
- Identification and management of risks

The Education Village Academy Trust

Governance statement (continued)

Audit One's role (as internal auditor) includes giving advice on financial and other matters and performing a range of checks on the Academy Trust's financial and other systems. In particular, the checks carried out in the current period included:

- Testing of recruitment processes
- Testing of budget management and planning
- Testing of control account/bank reconciliations.

On a termly basis, Audit One reports to the board of trustees, through the Finance, Audit, Risk and Resources Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis Audit One prepares a 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 2021/22 the review has been informed by:

- The work of internal reviewers and the internal auditor
- The work of the external auditor
- Financial management
- The work of executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved and authorised for issue by order of the members of the Governing Body on 20 December 2022 and signed on its behalf by:


Mike Butler 19 Dec 2022 16:47:49 GMT (UTC +0) ...
M Butler
Trustee


Helen Radcliffe 20 Dec 2022 16:42:19 GMT (UTC +0)
H Radcliffe
Trustee

The Education Village Academy Trust

Statement of regularity, propriety and compliance

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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Governing Body and the ESFA. If any instances are identified after the date of this statement, these will be notified to the Governing Body and ESFA



Mike Butler 19 Dec 2022 16:47:49 GMT (UTC +0)

M Butler
Accounting officer

Date: 20 December 2022

The Education Village Academy Trust

Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved and authorised for issue by order of the members of the Board on ~~20 December 2022~~ and signed on its behalf by:



Helen Radcliffe 20-Dec-2022 16:42:19 GMT (UTC +0)

H Radcliffe
Trustee

The Education Village Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Education Village Academy Trust

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

The Education Village Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Education Village Academy Trust (continued)

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

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 30], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Education Village Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Education Village Academy Trust (continued)

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

Auditor 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:

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

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

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

The Education Village Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of The Education Village Academy Trust (continued)

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

Use of our report

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

Azets Audit Services

Brian Laidlaw 20 Dec 2022 17:21:19 GMT (UTC +0)

Brian Laidlaw BA CA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Statutory Auditor

Chartered Accountants

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

Date: 20 December 2022

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

The Education Village Academy Trust

Independent Reporting Accountant's Assurance Report on Regularity to The Education Village Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 30 June 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Education Village Academy Trust during the period 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 30 March 2012 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of Governing Body and committee minutes;
- Review of available internal assurance reports;
- Completion of self assessment questionnaire by the Accounting Officer;
- Discussions with the Accounting Officer and finance team;
- Review documentation provided to Governors and Accounting Officer setting our responsibilities;
- Obtained a formal letter of representation detailing the responsibilities of Governors;

The Education Village Academy Trust

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

- Review of payroll, purchases and expense claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review of cash payments for unusual transactions;
- Review of purchasing card transactions;
- Review of register of interests;
- Review of related party transactions;
- Review of borrowing arrangements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review of gifts and hospitality on a sample basis to ensure in line with policy; and
- Consideration of governance issues.

Conclusion

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

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

Azets Audit Services

Brian Laidlaw 20 Dec 2022 17:21:19 GMT (UTC +0)

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

Date: 20 December 2022

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

The Education Village Academy Trust

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

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
Income and endowments from:					
Donations and capital grants	3	30	-	568	598
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	52	17,137	-	17,189
Other trading activities	5	184	-	-	184
Investments	6	1	-	-	1
Total		267	17,137	568	17,972
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	8	188	18,288	679	19,155
Net income/(expenditure)		79	(1,151)	(111)	(1,183)
Transfers between funds		-	(2)	2	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	9,346	-	9,346
Net movement in funds/(deficit)		79	8,193	(109)	8,163
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		1,503	(10,144)	22,783	14,142
Total funds/(deficit) carried forward at 31 August 2022		1,582	(1,951)	22,674	22,305

The Education Village Academy Trust

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

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2021 £ 000
Income and endowments from:					
Donations and capital grants	3	12	-	203	215
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	4	52	15,578	-	15,630
Other trading activities	5	163	-	-	163
Investments	6	1	-	-	1
Total		228	15,578	203	16,009
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	8	-	17,176	670	17,846
Net income/(expenditure)		228	(1,598)	(467)	(1,837)
Transfers between funds		(622)	528	94	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(256)	-	(256)
Net movement in deficit		(394)	(1,326)	(373)	(2,093)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2020		1,897	(8,818)	23,156	16,235
Total funds/(deficit) carried forward at 31 August 2021		1,503	(10,144)	22,783	14,142

The Education Village Academy Trust

(Registration number: 07748248)

Balance Sheet

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Tangible assets	13	22,141	22,774
Current assets			
Debtors	14	1,178	629
Cash at bank and in hand		<u>2,600</u>	<u>2,135</u>
		3,778	2,764
Creditors: Amounts falling due within one year	15	<u>(1,343)</u>	<u>(1,209)</u>
Net current assets		<u>2,435</u>	<u>1,555</u>
Total assets less current liabilities		<u>24,576</u>	<u>24,329</u>
Net assets excluding pension liability		24,576	24,329
Pension scheme liability	24	<u>(2,271)</u>	<u>(10,187)</u>
Net assets including pension liability		<u><u>22,305</u></u>	<u><u>14,142</u></u>
Funds of the Academy:			
Restricted funds			
Restricted income fund	16	320	43
Restricted fixed asset fund	16	22,674	22,783
Pension reserve	16	<u>(2,271)</u>	<u>(10,187)</u>
		20,723	12,639
Unrestricted funds			
Unrestricted income fund	16	<u>1,582</u>	<u>1,503</u>
Total funds		<u><u>22,305</u></u>	<u><u>14,142</u></u>

The financial statements on pages 37 to 68 were approved and authorised for issue by the trustees, on 20 December 2022 signed on their behalf by:



Helen Radcliffe 20 Dec 2022 16:42:19 GMT (UTC +0)

H Radcliffe
Trustee

The Education Village Academy Trust

Statement of Cash Flows

	Note	2022 £ 000	2021 £ 000
Cash flows from operating activities			
Net cash provided by (used in) operating activities	19	(56)	(38)
Cash flows from investing activities			
	20	<u>521</u>	<u>(216)</u>
Change in cash and cash equivalents in the year			
		465	(254)
Cash and cash equivalents at 1 September			
		<u>2,135</u>	<u>2,389</u>
Cash and cash equivalents at 31 August			
	21	<u><u>2,600</u></u>	<u><u>2,135</u></u>

The Education Village Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2022

1 Accounting policies

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

Basis of preparation

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

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

The Trust has a dormant subsidiary called EDIT Learning Limited. This is immaterial and hence consolidated accounts are not prepared.

Going concern

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

Income

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

Grants

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

The Education Village Academy Trust

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

1 Accounting policies (continued)

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

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

Sponsorship income

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

Donations

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

Other income

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

Investment income

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

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.

The Education Village Academy Trust

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

1 Accounting policies (continued)

Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

The Education Village Academy Trust

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

1 Accounting policies (continued)

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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

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

Asset class	Depreciation method and rate
Long term leasehold property	50 years straight line
Long term leasehold land	125 years straight line
Motor vehicles	4 year straight line
Fixtures and fittings	7 years straight line
Computer equipment	3 years straight line
Leasehold improvements	50 years straight line

Liabilities

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

The Education Village Academy Trust

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

1 Accounting policies (continued)

Provisions

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

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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 Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

The Education Village Academy Trust

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

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

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

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

The Education Village Academy Trust

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

1 Accounting policies (continued)

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Depreciation

The academy trust has made an estimate of the useful lives of the tangible fixed assets. The estimation requires the company to consider how long the asset is likely to be useful and charge the cost of the tangible fixed asset over its life to the Statement of Financial Activities. The charge for the current year was £679,000 (2021 - £670,000).

Critical areas of judgement

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

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State some academies within the academy trust were subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

No academies within the trust exceeded the limits during the year ended 31 August 2022.

The Education Village Academy Trust

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

3 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Educational trips and visits	26	-	-	26	4
Capital grants	-	-	566	566	80
Other donations	4	-	2	6	8
Donated fixed assets	-	-	-	-	123
	<u>30</u>	<u>-</u>	<u>568</u>	<u>598</u>	<u>215</u>
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	<u>12</u>	<u>-</u>	<u>203</u>	<u>215</u>	

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
DfE/ESFA revenue grants					
General Annual Grant GAG	-	10,542	-	10,542	9,496
Other ESFA Group grants	-	1,646	-	1,646	1,531
	<u>-</u>	<u>12,188</u>	<u>-</u>	<u>12,188</u>	<u>11,027</u>

The Education Village Academy Trust

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

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

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Other government grants					
Local authority grants	-	4,693	-	4,693	3,982
Special educational projects	-	-	-	-	59
Other Government grants	-	5	-	5	83
	<u>-</u>	<u>4,698</u>	<u>-</u>	<u>4,698</u>	<u>4,124</u>
COVID-19 additional funding (DfE/ESFA)					
Catch-up Premium	-	126	-	126	174
Other DfE/ESFA COVID-19 funding	-	125	-	125	212
	<u>-</u>	<u>251</u>	<u>-</u>	<u>251</u>	<u>386</u>
COVID-19 additional funding (non-DfE/ESFA)					
Other Coronavirus funding	-	-	-	-	41
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>41</u>
Non-government grants and other income					
Other income from the academy trusts educational operations	52	-	-	52	52
Total grants	<u>52</u>	<u>17,137</u>	<u>-</u>	<u>17,189</u>	<u>15,630</u>

The Education Village Academy Trust

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

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

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000		
Total 2021	<u>52</u>	<u>15,578</u>	<u>-</u>	<u>15,630</u>		
				2022 £ 000	2021 £ 000	
Other DfE/ESFA Grants						
Rates reclaim				66	68	
Pupil Premium and Service Premium				822	806	
Universal Infant Free School Meals (UifSM)				28	70	
PE and Sports Grant				69	69	
Other				443	-	
Teachers' Pay Grant				<u>218</u>	<u>518</u>	
				<u>1,646</u>	<u>1,531</u>	

5 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Hire of facilities	20	-	-	20	11
Recharges and reimbursements	83	-	-	83	109
Other sales	<u>81</u>	<u>-</u>	<u>-</u>	<u>81</u>	<u>43</u>
	<u>184</u>	<u>-</u>	<u>-</u>	<u>184</u>	<u>163</u>
				2021 £ 000	
Total 2021	<u>163</u>	<u>-</u>	<u>-</u>	<u>163</u>	

The Education Village Academy Trust

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

6 Investment income

	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2022 £ 000	Total 2021 £ 000
Short term deposits	1	-	-	1	1
	Unrestricted funds £ 000	Restricted funds £ 000	Restricted fixed asset funds £ 000	Total 2021 £ 000	
Total 2021	1	-	-	1	

7 Expenditure

	Non Pay Expenditure			2022/21 Total £ 000	2021/20 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Academy's educational operations					
Direct costs	8,438	-	599	9,037	8,569
Allocated support costs	6,364	1,117	2,637	10,118	9,277
	<u>14,802</u>	<u>1,117</u>	<u>3,236</u>	<u>19,155</u>	<u>17,846</u>
	Non Pay Expenditure			Total 2021 £ 000	
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Total 2021	<u>13,948</u>	<u>1,855</u>	<u>2,043</u>	<u>17,846</u>	

The Education Village Academy Trust

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

7 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2022 £ 000	2021 £ 000
Operating lease rentals	21	14
Depreciation	679	670
Fees payable to auditor - audit	9	7
Fees payable to auditor - other audit services	2	2
	<u>2</u>	<u>2</u>

8 Charitable activities

	2022 £ 000	2021 £ 000
Direct costs - educational operations	9,037	8,569
Support costs - educational operations	10,118	9,277
	<u>19,155</u>	<u>17,846</u>

	Educational operations £ 000	Total 2022 £ 000	Total 2021 £ 000
Analysis of support costs			
Support staff costs	6,364	6,364	5,793
Depreciation	679	679	670
Technology costs	276	276	122
Premises costs	438	438	1,185
Legal costs	1	1	2
Other support costs	2,344	2,344	1,478
Governance costs	16	16	27
Total support costs	<u>10,118</u>	<u>10,118</u>	<u>9,277</u>

9 Staff

Staff costs

	2022 £ 000	2021 £ 000
Staff costs during the year were:		
Wages and salaries	9,684	9,404
Social security costs	998	912
Operating costs of defined benefit pension schemes	3,255	2,895
	<u>13,937</u>	<u>13,211</u>
Supply staff costs	827	691
Staff restructuring costs	38	46
	<u>14,802</u>	<u>13,948</u>

The Education Village Academy Trust

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

9 Staff (continued)

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £38,292 (2021: £45,725). Individually, the payments were:

Non-contractual payments £18,000

Non-contractual payments £20,292

Staff numbers

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

	2022	2021
	No.	No.
Charitable Activities		
Teachers	129	104
Administration and support	201	201
Management	8	24
	<u>338</u>	<u>329</u>

Higher paid staff

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

	2022	2021
	No.	No.
£60,001 - £70,000	3	2
£70,001 - £80,000	1	3
£80,001 - £90,000	2	-
£90,001 - £100,000	1	3
£100,001 - £110,000	1	-
£140,001 - £150,000	1	1
	<u>1</u>	<u>1</u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £835,055 (2021 - £782,002).

The Education Village Academy Trust

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

10 Central services

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

- Human resources;
- Financial services;
- Governance services;
- Education and support services: and
- Technology support services.

The academy trust charges for these services on the following basis:
in proportion to the number of students at each Academy

The actual amounts charged during the year were as follows:

	2022/21
	£ 000
Beaumont Hill Academy	362
Gurney Pease Academy	66
Haughton Academy	265
Marchbank Academy	62
Springfield Academy	70
	<hr/>
	825
	<hr/> <hr/>

The Education Village Academy Trust

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

11 Related party transactions - trustees' remuneration and expenses

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

M Butler (Chief Executive Officer):

Remuneration: £145,000 - £150,000 (2021 - £145,000 - £150,000)

Employer's pension contributions: £10,000 - £15,000 (2021 - £35,000 - £40,000)

Other related party transactions involving the trustees are set out in note 25.

12 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £725 (2021 - £714).

The cost of this insurance is included in the total insurance cost.

The Education Village Academy Trust

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

13 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Motor vehicles £ 000	Computer equipment £ 000	Leasehold improvements £ 000	Total £ 000
Cost						
At 1 September 2021	26,078	377	67	1,623	1,164	29,309
Additions	30	7	-	9	-	46
Disposals	-	-	(4)	-	-	(4)
At 31 August 2022	<u>26,108</u>	<u>384</u>	<u>63</u>	<u>1,632</u>	<u>1,164</u>	<u>29,351</u>
Depreciation						
At 1 September 2021	4,569	290	67	1,446	163	6,535
Charge for the year	520	35	-	101	23	679
Eliminated on disposals	-	-	(4)	-	-	(4)
At 31 August 2022	<u>5,089</u>	<u>325</u>	<u>63</u>	<u>1,547</u>	<u>186</u>	<u>7,210</u>
Net book value						
At 31 August 2022	<u>21,019</u>	<u>59</u>	<u>-</u>	<u>85</u>	<u>978</u>	<u>22,141</u>
At 31 August 2021	<u>21,509</u>	<u>87</u>	<u>-</u>	<u>177</u>	<u>1,001</u>	<u>22,774</u>

14 Debtors

	2022 £ 000	2021 £ 000
Trade debtors	32	39
VAT recoverable	183	119
Other debtors	-	1
Prepayments	97	144
Accrued grant and other income	866	326
	<u>1,178</u>	<u>629</u>

The Education Village Academy Trust

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

15 Creditors: amounts falling due within one year

	2022	2021
	£ 000	£ 000
Trade creditors	367	198
Other taxation and social security	222	238
Other creditors	(1)	1
Accruals	457	454
Deferred income	70	94
Pension scheme creditor	228	224
	<u>1,343</u>	<u>1,209</u>
	2022	2021
	£ 000	£ 000
Deferred income		
Deferred income at 1 September 2021	94	103
Resources deferred in the period	70	94
Amounts released from previous periods	<u>(94)</u>	<u>(103)</u>
Deferred income at 31 August 2022	<u>70</u>	<u>94</u>

At the balance sheet date the Trust was holding funds received in advance in respect of universal free school meals income, rates relief and other income.

The Education Village Academy Trust

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

16 Funds

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted general funds					
General Annual Grant (GAG)	-	10,542	(10,220)	(2)	320
Other DfE/ESFA income	43	1,646	(1,689)	-	-
Other Government Grants	-	4,698	(4,698)	-	-
COVID-19	-	251	(251)	-	-
	<u>43</u>	<u>17,137</u>	<u>(16,858)</u>	<u>(2)</u>	<u>320</u>
Restricted fixed asset funds					
Transfer on Conversion	17,282	-	-	-	17,282
DfE/ESFA Capital Grant	2,912	568	(679)	2	2,803
Capital Expenditure from GAG	747	-	-	-	747
Other Capital Funds	<u>1,842</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,842</u>
	22,783	568	(679)	2	22,674
Pension Reserve					
Pension Reserve	<u>(10,187)</u>	<u>-</u>	<u>(1,430)</u>	<u>9,346</u>	<u>(2,271)</u>
Total restricted funds	12,639	17,705	(18,967)	9,346	20,723
Unrestricted funds					
General Fund	<u>1,503</u>	<u>267</u>	<u>(188)</u>	<u>-</u>	<u>1,582</u>
Total funds	<u><u>14,142</u></u>	<u><u>17,972</u></u>	<u><u>(19,155)</u></u>	<u><u>9,346</u></u>	<u><u>22,305</u></u>

The Education Village Academy Trust

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

16 Funds (continued)

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

	Balance at 1 September 2020 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2021 £ 000
Restricted general funds					
General Annual Grant (GAG)	-	9,496	(10,024)	528	-
Other DfE/ESFA income	-	1,531	(1,488)	-	43
Other Government Grants	-	4,065	(4,065)	-	-
Other Income	-	59	(59)	-	-
COVID-19	-	427	(427)	-	-
	<u>-</u>	<u>15,578</u>	<u>(16,063)</u>	<u>528</u>	<u>43</u>
Restricted fixed asset funds					
Transfer on Conversion	17,800	-	(518)	-	17,282
DfE/ESFA Capital Grant	2,690	203	(75)	94	2,912
Capital Expenditure from GAG	769	-	(22)	-	747
Other Capital Funds	1,897	-	(55)	-	1,842
	<u>23,156</u>	<u>203</u>	<u>(670)</u>	<u>94</u>	<u>22,783</u>
Pension Reserve					
Pension Reserve	<u>(8,818)</u>	<u>-</u>	<u>(1,113)</u>	<u>(256)</u>	<u>(10,187)</u>
Total restricted funds	14,338	15,781	(17,846)	366	12,639
Unrestricted funds					
General Fund	<u>1,897</u>	<u>228</u>	<u>-</u>	<u>(622)</u>	<u>1,503</u>
Total funds	<u><u>16,235</u></u>	<u><u>16,009</u></u>	<u><u>(17,846)</u></u>	<u><u>(256)</u></u>	<u><u>14,142</u></u>

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

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

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

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

The Education Village Academy Trust

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

16 Funds (continued)

Other government grants comprise funding received from the Local Authority.

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

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

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

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

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

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£ 000	£ 000
Beaumont Hill Academy	1,020	881
Gurney Pease Academy	306	296
Haughton Academy	75	18
Marchbank Academy	403	240
Springfield Academy	98	111
EdIT Learning Limited	-	-
Central services	-	-
	<hr/>	<hr/>
Total before fixed assets and pension reserve	1,902	1,546
Fixed asset reserve	22,674	22,783
Pension reserve	(2,271)	(10,187)
	<hr/>	<hr/>
Total	<u>22,305</u>	<u>14,142</u>

The Education Village Academy Trust

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

16 Funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2022 £ 000
Beaumont Hill Academy	2,860	2,177	85	1,591	6,713
Gurney Pease Academy	627	417	50	301	1,395
Haughton Academy	3,504	1,059	91	1,672	6,326
Marchbank Academy	608	421	31	235	1,295
Springfield Academy	634	311	47	378	1,370
Central services	205	1,979	(3)	(803)	1,378
Academy Trust	<u>8,438</u>	<u>6,364</u>	<u>301</u>	<u>3,374</u>	<u>18,477</u>

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2021 £ 000
Beaumont Hill Academy	2,652	2,093	43	1,553	6,341
Gurney Pease Academy	619	392	31	290	1,332
Haughton Academy	3,428	974	56	1,340	5,798
Marchbank Academy	637	336	11	210	1,194
Springfield Academy	608	311	25	336	1,280
Central services	218	1,696	-	(683)	1,231
Academy Trust	<u>8,162</u>	<u>5,802</u>	<u>166</u>	<u>3,046</u>	<u>17,176</u>

The Education Village Academy Trust

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

17 Analysis of net assets between funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	22,141	22,141
Current assets	2,925	320	533	3,778
Current liabilities	(1,343)	-	-	(1,343)
Pension scheme liability	-	(2,271)	-	(2,271)
Total net assets	<u>1,582</u>	<u>(1,951)</u>	<u>22,674</u>	<u>22,305</u>

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	22,774	22,774
Current assets	2,712	43	9	2,764
Current liabilities	(1,209)	-	-	(1,209)
Pension scheme liability	-	(10,187)	-	(10,187)
Total net assets	<u>1,503</u>	<u>(10,144)</u>	<u>22,783</u>	<u>14,142</u>

18 Long-term commitments, including operating leases

Operating leases

At 31 August 2022 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2022 £ 000	2021 £ 000
Amounts due within one year	34	14
Amounts due between one and five years	<u>97</u>	<u>67</u>
	<u>131</u>	<u>81</u>

The Academy Trust occupies premises which are subject to a private finance initiative (PFI) contract. The Academy Trust is itself not party to this service concession contract, however the Academy Trust has entered into a supporting agreement to make contributions towards the costs. The commitment covers the same period as the PFI agreement of 13 years. The current year cost was £656,545 and it is expected that future annual commitments will be at a similar level.

The Education Village Academy Trust

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

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

		2022	2021
		£ 000	£ 000
Net expenditure		(1,183)	(1,837)
Depreciation	7	679	670
Capital grants from DfE and other capital income		(566)	(80)
Interest receivable	6	(1)	(1)
Defined benefit pension scheme cost less contributions payable	24	1,262	969
Defined benefit pension scheme finance cost	24	168	144
Increase in debtors		(549)	(247)
Increase in creditors		134	344
Net cash used in Operating Activities		<u>(56)</u>	<u>(38)</u>

20 Cash flows from investing activities

		2022	2021
		£ 000	£ 000
Dividends, interest and rents from investments		1	1
Purchase of tangible fixed assets		(46)	(297)
Capital funding received from sponsors and others		566	80
Net cash provided by/(used in) investing activities		<u>521</u>	<u>(216)</u>

21 Analysis of cash and cash equivalents

		2022	2021
		£ 000	£ 000
Cash at bank and in hand		<u>2,600</u>	<u>2,135</u>
Total cash and cash equivalents		<u>2,600</u>	<u>2,135</u>

The Education Village Academy Trust

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

22 Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash	2,135	465	2,600
Total	2,135	465	2,600

23 Member liability

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

24 Pension and similar obligations

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

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

Contributions amounting to £228,377 (2021 - £223,717) were payable to the schemes at 31 August 2022 and are included within creditors.

Teachers' Pension Scheme

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

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

The Education Village Academy Trust

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

24 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £1,298,140 (2021: £1,247,860).

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

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

Local government pension scheme

Durham Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £925,000 (2021 - £891,000), of which employer's contributions totalled £695,000 (2021 - £672,000) and employees' contributions totalled £230,000 (2021 - £219,000). The agreed contribution rates for future years are 17.9 per cent for employers and 5.5 - 12.5 per cent for employees.

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

The Education Village Academy Trust

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

24 Pension and similar obligations (continued)

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.70	3.60
Rate of increase for pensions in payment/inflation	2.70	2.60
Discount rate for scheme liabilities	4.10	1.70
Inflation assumptions (CPI)	<u>2.70</u>	<u>2.60</u>

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

	2022	2021
Retiring today		
Males retiring today	22.10	22.30
Females retiring today	24.20	24.30
Retiring in 20 years		
Males retiring in 20 years	23.20	23.30
Females retiring in 20 years	<u>25.70</u>	<u>25.80</u>

Sensitivity analysis

	At 31 August	At 31 August
	2022	2021
	£000	£000
Discount rate +0.1%	14,009	22,155
Discount rate -0.1%	14,771	23,360
Mortality assumption – 1 year increase	14,786	23,610
Mortality assumption – 1 year decrease	13,980	21,904
CPI rate +0.1%	14,441	22,837
CPI rate -0.1%	<u>14,325</u>	<u>22,655</u>

The Education Village Academy Trust

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

24 Pension and similar obligations (continued)

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

	2022	2021
	£ 000	£ 000
Equities	6,625	7,107
Corporate bonds	533	2,173
Government bonds	1,369	1,947
Property	1,017	779
Multi asset credit	1,756	-
Cash and other liquid assets	170	553
Total market value of assets	<u>11,470</u>	<u>12,559</u>

The actual return on scheme assets was £1,252,000 (2021 - £2,021,000).

Amounts recognised in the statement of financial activities

	2022	2021
	£ 000	£ 000
Current service cost	1,957	1,641
Interest income	220	1,641
Interest cost	388	317
Total amount recognised in the SOFA	<u>2,565</u>	<u>3,599</u>

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

	2022	2021
	£ 000	£ 000
At start of period	22,746	18,577
Current service cost	1,957	1,641
Interest cost	388	317
Employee contributions	230	219
Actuarial (gain)/loss	(10,818)	2,104
Benefits paid	(120)	(112)
At 31 August	<u>14,383</u>	<u>22,746</u>

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

	2022	2021
	£ 000	£ 000
At start of period	12,559	9,759
Interest income	220	173
Actuarial gain/(loss)	(1,472)	1,848
Employer contributions	695	672
Employee contributions	230	219
Benefits paid	(120)	(112)
At 31 August	<u>12,112</u>	<u>12,559</u>

The Education Village Academy Trust

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

25 Related party transactions

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 11.