Registration number: 07692638

# CRESCO Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

**Edmund Carr LLP**
**Chartered Accountants & Statutory Auditor**
**146 New London Road**
**Chelmsford**
**Essex**
**CM2 0AW**

## CRESCO Multi Academy Trust

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## CRESCO Multi Academy Trust

## Reference and administrative details

| | |
|---|---|
| **Members** | J Houchell |
| | S Hillier (resigned 14 September 2023) |
| | K Moore (resigned 14 September 2023) |
| | H Scarnell (appointed 14 September 2023) |
| | J Noles (appointed 14 September 2023) |
| **Trustees (Directors)** | J Gibbon, (Chair) |
| | D Pye, CEO (accounting officer) |
| | T Slater (resigned 17 September 2022) |
| | P McCann |
| | T Tong |
| | K Jordan (resigned 26 February 2023) |
| | P Whitchurch (resigned 15 September 2022) |
| | P Morgan |
| | J Oddy |
| | M Sandercock |
| | K Moore (appointed 14 September 2023) |
| | S Falvey (appointed 13 September 2023) |

## Reference and administrative details (continued)

| | |
|---|---|
| **Senior Management Team** | D Pye, CEO and Headteacher at Great Berry Primary School<br>H Phelps-Knights, Headteacher at Janet Duke Primary School<br>L Patient, Headteacher at Noak Bridge Primary School |
| **Principal and Registered Office** | Great Berry Primary School<br>Forest Glade<br>Langdon Hills<br>Basildon<br>Essex<br>SS16 6SG |
| **Company Registration Number** | 07692638 |
| **Auditors** | Edmund Carr LLP<br>Chartered Accountants & Statutory Auditor<br>146 New London Road<br>Chelmsford<br>Essex<br>CM2 0AW |
| **Bankers** | Lloyds Bank Plc<br>Southend on Sea Branch<br>77 High Street<br>Southend on Sea<br>Essex<br>SS1 1HT |
| **Solicitors** | Essex County Council Legal Services<br>Seax House<br>Victoria Road South<br>Chelmsford<br>Essex<br>CM1 1QH |

## CRESCO Multi Academy Trust

## Trustees' Report for the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2023.

The Charitable Company was incorporated 4 July 2011 and became an academy on 1 August 2011. The name of the company was changed from Great Berry Primary School to CRESCO Multi Academy Trust (CRESCO) on 23 June 2017. This followed the Approval by the ESFA to the formation of a multi academy trust initially consisting of Great Berry Primary School, Janet Duke Primary School and Noak Bridge Primary School. The original intention was that the multi academy trust would begin on 1st September 2017. However, due to unforeseen delays in the academisation process for the Janet Duke and Noak Bridge schools, largely in the area of property transfer arrangements from relevant local authorities, these schools became academies on 2 January 2018 and joined Cresco Multi Academy Trust The multi academy trust commenced on 1st September 2017 with only Great Berry Primary School as a participant.

### Principal Activities

The Multi Academy Trust's object is to advance, for the public benefit, education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.

The Multi Academy Trust is at the heart of its community, promoting community cohesion and sharing facilities with the wider community. There are assessments of the pupils' performance and there will be an emphasis on the needs of individual pupils including pupils with special needs

### Structure, governance and management

#### *Constitution*

The Multi Academy Trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The company registration number is 07692638.

The governors act as the trustees for the charitable activities of CRESCO Multi Academy Trust and are also the directors of the charitable company for the purposes of company law.

Details of the Members and Trustees who served throughout the year except as noted 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 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.

#### *Trustees' indemnities*

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

***Method of recruitment and appointment or election of Trustees***

The governing body is responsible for arranging the recruitment of, and for the appointment of, Parent and Community Governors. New governors will be appointed to the board in accordance with the rules and regulations set down in the company Memorandum and Articles of Association.

Where possible, governors are recruited on the skills that they will bring to the governing body based on a proposal to the governing body or based on a proposal to the governing body by representative groups.

The Governing Bodies may appoint Co-opted Governors. However, they may not co-opt an employee as a Co-opted Governor if by so doing the number of Governors who are employees would then exceed one third of the total number of Governors. The Secretary of State may also appoint such "Additional Governors" or "Further Governors" as he thinks fit (see Articles of Association for more details).

The Governing Bodies are responsible for the arrangements for the nomination of Community Governors. Nominations may be sought from governors, staff, and parents of pupils from the school and from the local community. The nominee must be from the community served by the school and be committed to the good governance and success of the school. Community Governors are appointed by the governing Body. A quorum must be present and election will be based on a simple majority.

When a vacancy arises for a Parent Governor, nominations are sought from parents of pupils at the school and any contested election decided by election. The Governing Body is responsible for the notification of the election to all those entitled to vote and the conduct of the election. Election will be based on a simple majority.

When a vacancy arises for a Staff Governor, the Headteacher will be responsible for arrangements for election. Any contested election must be decided by a ballot, with the election based on a simple majority.

Details of the MAT trustees can be found on the first page of this document.

***Policies and procedures adopted for the induction and training of Trustees***

The Governors believe it is essential that all new Trustees and Local Governors receive a comprehensive induction covering a broad range of issues and topics. There is a commitment to ensure that new trustees and governors are given the necessary information, training and support to fulfil their role with confidence. The process is seen as vital in creating effective governance and the retention of governors.

New governors will receive

- The Department of Education and Skill's "Guide to the Law for Governors"
- The relevant school prospectus
- The education Authority's governor training programme
- Details of Governing Body committees and their terms of reference
- Dates for future governors' meetings and committee meetings
- Details of how to contact other governors.

*Organisational structure*

Decision Making

Members of the Trust Board recognise that all decisions must be made by the Board unless it has delegated the function to a committee or to an individual. A simple majority decides any matter put to the vote. In the event of a tie, the Chair has a casting vote. Voting in the election of the chair or vice-chair where there is a contest will be held by secret ballot. There is no casting vote in the election of the chair.

Decisions of the Trustees are binding on all its members. Decisions of the Trust Board (or any of its committees) may be amended or rescinded at a subsequent meeting of the Trustees only if a proposal to amend or rescind appears as a specific agenda item.

Delegation of Functions

All Local Governing Bodies are accountable to the board of Directors and sub-committees of the Board and will cease to remain in control of individual schools if the school falls into a category of concern.

Schools not falling into a category of concern will be able to maintain their own committee structure ie Curriculum, Finance and Personnel through their own local Governing Body with the exception of any decisions normally made by these committees which are delegated to a Director level through the Scheme of Delegation.

Performance Management Reviews of individual school head teachers will be completed by an agreed board consisting of local governors, Trustees and an appointed external advisor.

Headteachers of all schools within the Multi Academy Trust will be invited to attend all meetings of the Board and its sub-committees

The Board has set up the following Committees
• Audit, Finance and Risk committee
Committees to which the Board has delegated any of its functions will act strictly in accordance with the terms of delegation.

All committees and individuals with delegated powers will report to the next meeting of the Board about any decisions taken or action taken. All committees with delegated powers will keep formal minutes, and copies will be presented to the next meeting of the Trustees for information.

***Arrangements for setting pay and remuneration of key management personnel***

The Board has adopted the DFE School Teachers Pay and Conditions document as a basis for setting pay. Any key management personnel crossing a benchmark at UPS1 and above are only approved after analysis and review by the Personnel, Performance Management and Pay sub- committee of each Local Governing Body. There is also a separate sub- committee for the Headteachers pay review which includes an external advisor.

There was no trade union facility time granted in the year

***Risk management***

The Board have assessed the major risks to which the Academy Trust is exposed in particular to those related to the operation and finances of the academy and are satisfied that systems and procedures are in place to mitigate exposure to major risks. In addition, a detailed disaster recovery plan is being developed. A formal review of risk management will be undertaken on an annual basis. Key controls used by the Academy Trust include:

- Formal agendas and minutes for all committee activities
- Terms of reference for all committees
- Comprehensive planning, budgeting and management reporting
- An established organisation structure and clear lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable.

In addition to practical risk issues, the Trustees assess that the principal risk to the Trust are material changes in funding arrangements as a result of political decisions outside the control of the Trustees.
It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

***Connected organisations, including related party relationships***

The Academy Trust has no relationships to report.

***Managing conflicts of interest***

At the first Board and Local Governing Body meetings of the year a record of business interest form is completed. At every meeting there is the opportunity for any changes to the ROBI to be made and records are updated accordingly. Governors and Trustees are invited to declare any conflicts of interests in agenda items at the start of every meeting.

## Objectives and activities

### *Objects and aims*

The Multi Academy Trust's objects are:
• to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum.
• to promote for the benefit of the inhabitants of the surrounding area the provision of facilities for recreation or other leisure time occupation.

In furtherance of the objects the Academy Trust:
• may draw cheques and other instruments and operate bank accounts in the name of the Academy Trust.
• may raise funds and invite and receive contributions provided that in raising such funds, the Academy Trust shall not undertake any substantial permanent trading activities and shall conform to any relevant statutory regulations
• may acquire, alter, improve and (subject to any consents that may be required by law) to charge or dispose of property
• will employ such staff as are necessary for the proper pursuit of the objects and make all reasonable and necessary provision for the provision for the payments of pensions and superannuation to staff and their dependants
• may establish or support, financially or otherwise, any charitable trusts, associations or institutions formed for any of the objects
• may deposit or invest any funds of the Academy Trust not immediately required for the furtherance of its objects (but to invest only after obtaining such advice from a financial expert that the governors consider necessary)

### *Public benefit*

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

In setting objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

## Strategic Report

**Achievements and performance**

Great Berry was formally joined by Janet Duke and Noak Bridge Primary in January 2018. The main objective of the trust is to provide the best education possible for all pupils within CRESCO. We also aim to raise attainment and progress across all our academies, work collaboratively, share good practice and seek to gain the best financial value possible across the trust.

As a trust we have agreed the following as our main area of focus and improvement for 2023-2024:
Raise progress and attainment in writing across the school. Cross MAT target
Ensure regular Cross Mat events include opportunities for more KS1 participation. Cross MAT target

**The following are also key areas of improvement at the individual academies:**

Great Berry Primary School:

| | |
|---|---|
| The Quality of Education | Subject leaders can show progression made and key skills learnt in their subjects as children move through the school |
| Quality of Education | Ensure progress in Year 6 is in line with KS1 Data |
| Quality of Education | Introduce and embed new scheme for teaching Music across the school |
| Quality of Education | Reorganise curriculum groups in light of staffing changes |
| Behaviour and Attitudes | Improve attendance back to pre-covid levels of 97% |
| Behaviour and Attitudes | Ensure behaviour remains at a consistently high level at all times. |
| Personal Development | Embed Essex RE scheme into school RE Curriculum |
| Personal Development | Continue to ensure school is fully compliant with current safeguarding legislation. |
| | |
| Leadership and management | Complete a full review of current wraparound and holiday provision |
| Leadership and management | Oversee the smooth running of the CIF building project |

## Strategic Report

Janet Duke Primary School:

| | |
|---|---|
| The Quality of Education | Development of vocabulary across all subjects.<br>To develop writing across the school including:<br>To reduce the gap in key groups across the school for disadvantaged and boys |
| Quality of education in early years | Develop the EYFS outdoor area to improve learning opportunities |
| Personal Development | To develop effective transition in every step of a child's education.<br>To develop children's learning values. |
| Behaviour and Attitudes | To reduce the number of persistent absentees across the school. |
| Leadership and Management | To re-establish community links.<br>For governors to monitor the clear vision of the school.<br>To streamline SEND paperwork is meaningful and manageable. |
| Personnel | To obtain the health Schools Award for Mental Health<br>To embed Trauma Perceptive Practice (TPP) training into policy and practice. |
| Premises | Fire and electrical improvement work to be completed in line with the successful CIF bid<br>Pond are to be developed to improve accessibility and safety for pupils using the area for learning. |

Noak Bridge Primary School

| | |
|---|---|
| Quality of education | 1)To further improve the quality of writing across the whole school.<br>2)To further improve the spelling ability of pupils across the whole school.<br>3)For teachers to create an environment that focuses on pupils. |
| Behaviour | 1)To continue to reduce absence and persistent absence rates to below National averages.<br>2)To increase the opportunities for pupils to contribute to the life of the school and wider community.<br>3)To introduce dojos as a new system for praise related to school values and expectations. |
| Personal development | 1)To review / audit school resources which reflect the needs of the school and promote equality and diversity.<br>2)To ensure that pupils have an age-appropriate understanding of healthy relationships. (NEW RSHE guidance) |
| Leadership and management | 1)To continue to support the wellbeing of staff.<br>2)(OFSTED) For subject leads to deliver staff training for new SOW/curriculum maps/plans, in order for the subject to be delivered well.<br>3)(OFSTED) Subject Leads to ensure that monitoring identifies how well pupils are remembering and building on the key learning. |
| Quality of education in early years | 1)To develop a coherently planned and sequenced curriculum, which builds on what children know and can do, and ensures that most children achieve the ELGs (particularly in Maths and English).<br>2) To improve pupils' oral language skills and vocabulary. |

## Strategic Report

Assessment data for 2022-23 shows frequent examples children achieving highly and making excellent progress throughout the trust. The trust combined data is higher than the national average figures in 9 key areas.

**Great Berry:**
- In Foundation Stage 64% of children achieved a good level of development at the end of the EYFS and 75% of Y1 children reached the required standard in phonics
- In KS1 we achieved pleasing results across each area. In Reading, Writing and Maths, Great Berry was higher than 2023 National figures for Children reaching the expected standard (Great Berry reading 82% - 68% nationally, Great Berry Writing 83%-60% Nationally, Great Berry Maths 85% - 70% nationally) and also exceeding the expected standard in Reading, Writing and Maths (Great Berry reading 30% - 19% nationally, Great Berry writing 22% - 8% nationally, Great Berry Maths 22% - 15% nationally). 76% of KS1 Children reached the expected standard in all areas compared to the local authority figure of 56%.
- In KS2 we once again achieved very high maths, reading, writing and SPaG scores. 65% of our children reached the expected standard in Maths, Reading and Writing (compared to 59% nationally). Individual results Reading 84% (73%), Writing 72% (71%) Maths 83% (73%) and SPaG 83% (72%) were all above national figures (in brackets) Children achieving Greater Depth at KS2 in Reading 33% (29%), Writing 24% (13%) SPaG 35% (30%) and Maths 25% (24%) was also above National figures in all areas.

Despite this cohort achieving very highly at KS1 our progress figures for Reading, Writing and Maths were all higher than our pre-pandemic figures from 2019.
Our 2023 data is now at least in-line and in may cases exceeding our 2019 pre-pandemic data.

Key data: (taken from October 2023 Census data and updated November 2023)

| | |
|---|---|
| Number on Roll | 435 |
| % Disadvantaged pupils | 1.2% (23.2% nationally) |
| % Pupils eligible for free school meals | 1% (23.8% nationally) |
| % EAL pupil | 14.7% 64 pupils (22% nationally) |
| Attendance Figure | 95% (2022-2023 academic year) |

Inclusion/SEN/Equal Opportunities:

1.8% of pupils (8 children) have an Education, Health and Care plan compared to 4.3% nationally
7.1% of pupils (31 children) are listed as having SEND support compared to 13% nationally
We continue to track closely the level of progress of key identified groups, provide training to further the support given to SEN pupils and continue to track and support pupils on the school's list of vulnerable pupils.

## Strategic Report

**Janet Duke:**

Data for the 2022-2023 academic year showed:

Early Years Foundation Stage 51% of children achieved a good level of development at the end of the EYFS - On entry this cohort were working significantly below age-related expectation in all areas. No children were on track to reach GLD in September 2022. 80%+ of children have made better than expected progress in each area. 5 children have EHCPs with 22 children are on the SEND register, 25 EAL children.

40% of Y1 children reached the required standard in phonics, with 7 EHCPs/ medical IPRA in the cohort with all children making expects progress from their starting points.
64% of Year 2 pupil who needed to retake the phonics check reached the required standard

In KS1 assessment shows pupils achieved in reading 64%, writing 48%, Maths 57%, with a combined achievement of 47%. Those pupils exceeding the expected standard in reading was 26%, writing 3% and Maths 6%

In KS2 42% of our pupils achieved Age Related Expected in Maths, Reading and Writing combined. Individual subject results Reading 55%, Writing 64%, Maths 58% and SPaG 59%
KS 2 greater depth reading GD 16%, writing GD 8%, maths GD 11% , SPAG GD 12% .

Turbulence continues to be an issue at Janet Duke. Between September 2022 and July 2023 there were 83 new pupils admitted outside the normal round of admissions and 41 left the school. Of those being admitted 32 were previously educated abroad and 12 from outside of Essex.

Key data: (July 2023)

| | |
|---|---|
| Number on Roll | 660 |
| % Disadvantaged pupils | 70% (23.2% nationally) |
| % Pupils eligible for free school meals | 53% 340 pupils (23.8% nationally) |
| % EAL pupil | 19.5% 114 pupils with 33 additional languages (22% nationally) |
| Attendance Figure | 91% |

Inclusion/SEN/Equal Opportunities: (July 2023)

5% of pupils (30 children) had an Education, Health and Care plan or IPRA funding compared to 4% nationally
20% of pupils (125 children) were listed as having SEND support compared to 13% nationally
Total SEND of the school population 24%
We continue to track closely the level of progress of key identified groups, provide training to further the support given to SEN pupils. We have an inclusion and SEND team that support pupils with anxiety, those on part-time tables, challenging behaviour and those attending alternative provision. We have the trust DMHL that works with pupils and staff and a play therapist that works with our vulnerable pupils as well as those with SEMH needs.

## Strategic Report

Vulnerable families (July 2023)

1 children looked after, 8 pupils with Child Protection plans, 5 Child in Need, 4 children under family solutions, 15 children under Team Around the Family, 1 under assessment
Our community hub in association with ATF (Achieve Thrive Flourish) continues to provide support to families through housing, citizen advice, SEN, financial advice, how to write a CV, applying for jobs. We have also continue to provide a food bank and uniform bank, that launched in July 2022, and continues to have a large of families accessing this throughout the year. We hold SEND mornings to discuss and support issues with our parents of SEND pupils. MHST hold parent support networks meetings in the community hub in order to suggest strategies and provide support for families of anxious pupils, school refusers, and mental health issues.

**Noak Bridge:**

In Foundation Stage 60% of children achieved a good level of development at the end of the EYFS.
80% of Y1 children reached the required standard in phonics.

In KS1 assessment shows pupils achieved in reading 74% , Writing 58%, Maths 71%
Pupils exceeding the expected standard in Reading 10%, Writing 0% and Maths 13%
55% of KS1 Children reached the expected standard in all areas.

In KS2 we once again achieved high Maths and GPS scores. Individual results Reading 72% (73% National), Writing 76% (71% National) Maths 93% (73% National) and GPS 90% (72% National). Children achieving Greater Depth at KS2 in Reading 38% (29% National), Writing 7% (13% National) GPS 55% (30% National) and Maths 28% (24% National) 66% of our children reached the expected standard in Maths, Reading and Writing (compared to 59% Nationally).

Key data: (as at 14/11/2023)

| | |
|---|---|
| Number on Roll | 209 |
| % Disadvantaged pupils | 20% (23.2% nationally) |
| % Pupils eligible for free school meals | 16% (23.8% nationally) |
| % EAL pupil | 14% (22% nationally) |
| Attendance Figure | 94.1 % (2022-2023 academic year) |

Inclusion/SEN/Equal Opportunities:

2% of pupils (5 children) have an Education, Health and Care plan compared to 4.3% nationally
12.4% of pupils (26 children) were listed as having SEND support compared to 13% nationally
We continue to track closely the level of progress of key identified groups, provide training to further the support given to SEN pupils and continue to track and support pupils on the school's list of vulnerable pupils.

## Strategic Report

Vulnerable families (July 2023)

1 child looked after, 3 pupils post looked after, 3 pupils with Child Protection plans, 1 Child in Need, 4 children under family solutions, 5 children under Team Around the Family.

Community development:

Across the academies open class evenings, parent forums, parent consultation sessions and the introduction of some very well received parent workshops have enabled greater liaison between the schools and parents. We continued to work with the Basildon Education Partnership (BEP) and the Billericay TSA (teaching Schools Alliance). Two schools also work in partnership with the NESTT Teacher training programme.

The facilities at both Great Berry and Janet Duke are regularly let out to local clubs and community groups. Noak Bridge has regular weekend and evening lettings of the Astro-turf and a weekly hall letting.

***Going concern***

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

**Financial review**

The surplus for the Academy Trust in the year to 31 August 2023 was £2,314,098. Most of the Academy income is obtained from the ESFA in the form of recurrent grants the use of which is restricted to particular purposes.

During the year ended 31 August 2023, total expenditure was £8,480,410 and was covered by the recurrent grant funding from ESFA together with other incoming resources. The excess income over expenditure for the unrestricted and restricted general funds (excluding FRS 17 adjustments for pension deficit gains and losses and costs, and capital movements) was £66,549 (2022: excess expenditure over income of £18,357).

At 31 August 2023 the net book value of the fixed assets was £17,495,751 and movement in tangible assets are shown in note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the children of the Academy.

All schools received additional funding through the catch-up grant, recovery premium funding and school led tutoring grant. Funds are being used in the following ways:

- Before and after school small group catch-up sessions delivered by school staff.
- Additional 1:1 tutoring for disadvantaged and vulnerable pupils during school hours.
- Additional Learning Assistant support specifically aimed at mental health and wellbeing through nurture groups.

***Financial and risk management objectives and policies***

In common with other Academy Trusts, the Trustees aim to minimise financial risk as part of their overall responsibilities for risk management. The measures used by the Trustees to manage financial risk are included in the separate Statement on Internal Control.

***Reserves policy***

The trust's reserves were in line with the budgeted reserves. Budgeted reserves were £1,073,007 and the actual year end reserves, consisting of unrestricted funds and general restricted funds, were £1,145,209.

The trustees have determined that the appropriate level of restricted reserves to be held for non-earmarked expenditure should equate to 8% of total funds to provide sufficient working capital to cover delays in the spending and receipt of grants and to provide a cushion for unexpected emergencies. The trustees have determined that there will be no limit on the level of unrestricted reserves to be held but there should be clear plans on how the funds will be utilised.

The Academy is currently making payments towards the local government pension scheme, and it is envisaged that should this amount be increased it will be met from budgeted annual income. The valuation of the pension scheme as at 31 August 2023 a net asset of £65,000. However this net asset has not been recognised in the financial statements.

The Trustees are content that the net liability on the restricted reserve relating to the pension scheme deficit will not crystallize in the foreseeable future and it is anticipated that employee and employer contributions will continue to offset these deficits in the coming year.

At the balance sheet date, the Academy had total restricted reserves of £19,753,131 (2022: £17,949,470), of which £210,552 (2022: £244,825) was general restricted reserves and £19,542,579 (2022: £17,949,470) was in the restricted fixed asset reserve. The Academy had unrestricted reserves of £934,657 (2022: £891,395).

***Investment policy***

The Governors aim to maximise investment return while taking a zero-risk approach to investment.

***Principal risks and uncertainties***

The Directors have assessed the major risks to which the Academy Trust is exposed in particular to those related to the operation and finances of the academy and are satisfied that systems and procedures are in place to mitigate exposure to major risks. In addition, a detailed disaster recovery plan is being developed. A formal review of risk management will be undertaken on an annual basis. Key controls used by the Academy Trust include

- Formal agendas and minutes for all committee activities
- Terms of reference for all committees
- Comprehensive planning, budgeting and management reporting
- An established organisation structure and clear lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable.

In addition to practical risk issues, the Directors assess that the principal risk to the Trust are material changes in funding arrangements as a result of political decisions outside the control of the Directors. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

**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***

The auditors Edmund Carr LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 13/12/23 and signed on its behalf by:

.....
J Gibbon
Trustee

## CRESCO Multi Academy Trust

## Governance statement

**Scope of responsibility**

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

The Governing Body has delegated the day-to-day responsibility to D Pye, Head Teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between CRESCO Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the and in the Trustees' report. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|---|---|
| J Gibbon | 4 | 4 |
| D Pye | 4 | 4 |
| T Tong | 3 | 4 |
| P McCann | 4 | 4 |
| P Morgan | 3 | 4 |
| K Jordan | 2 | 2 |
| J Oddy | 2 | 4 |
| M Sandercock | 1 | 4 |

**Governance reviews**

The impact and effectiveness of governors is discussed regularly at meetings and governors contribute to the school development plan using the current OFSTED framework and key performance data for guidance. The Multi Academy Trust also has a trustee responsible for keeping the governors skills matrix up to date and addressing any gaps or needs that are identified through governor training, CPD and the appointment of associate governors with specific areas of expertise to sub committees of the governing body.

## Governance statement (continued)

The Audit & Risk Committee is a sub-committee of the main Governing Body. Its purpose is to monitor the efficiency and accuracy of the schools financial systems, to receive reports from the internal auditors and to assess the risks the Trust may face. Attendance at meetings during the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|---|---|---|
| D Pye | 5 | 5 |
| J Gibbon | 4 | 5 |
| P McCann | 5 | 5 |
| P Morgan | 4 | 5 |
| K Jordan | 2 | 2 |
| J Oddy | 3 | 3 |

**Review of value for money**

As accounting officer, the governor has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received. The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available.

We aim to achieve best value for money by combining resources across the schools in our MAT. By working together, we can share knowledge, expertise and cost, ensuring best value at all times. We aim to have at least one INSET day per year as a Cross MAT event for all staff and termly cross MAT staff meetings which allow our staff to share best practice are now firmly embedded. In addition to this we always include the opportunity for staff from each academy to participate in any relevant CPD taking place across the CRESCO schools.

Contracts and service level agreements are reviewed regularly to ensure the service remains suitable for the needs of the schools and tenders / quotations are obtained where appropriate to ensure value for money. CRESCO continues to work with external groups and other educational providers such as BEP (Basildon Educational Partnership) and the Billericay Teaching School Alliance to improve sharing of good practice and joint procurement of services.

All schools in the trust have had recent condition survey reports produced and as a result of successful CIF bids Great Berry and Janet Duke are both currently undertaking large electrical and fire safety improvement projects. The projects involve full rewires and the installation of new lighting, fire systems and fire doors.

In summer 2023 all three schools commissioned a chartered surveyor report to confirm that RAAC was not present in any of the trust schools.

## Governance statement (continued)

**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 ongoing 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 CRESCO Multi Academy Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Governing Body has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

**The risk and control framework**

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

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

The Governing Body has decided to buy in internal services to support the Governor appointed Responsible Officer.

## Governance statement (continued)

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

On a termly basis, the Responsible Officer reports to the Governing Body, through the audit committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

There were no material control or other issues reported by the Responsible Officer to date.

**Review of effectiveness**

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

- the work of the responsible officer;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;
- correspondence from ESFA: FNtI/NtI and 'minded to' letters.

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

Approved by order of the members of the Governing Body on 13/12/23 and signed on its behalf by:

J Gibbon
Chair

D Pye
CEO and Headteacher

## CRESCO Multi Academy Trust

## Statement of regularity, propriety and compliance

As accounting officer of CRESCO Multi Academy Trust I have considered my responsibility to notify the academy trust Governing Body and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust 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 2022.

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

DPye

D Pye
Accounting officer

Date: 13/12/23

## CRESCO Multi Academy Trust

## Statement of Trustees' Responsibilities

The Trustees (who are 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 Annual Accounts Direction published by the Education 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 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board on 13/12/23 and signed on its behalf by:

J Gibbon
Chair

## CRESCO Multi Academy Trust

## Independent Auditor's Report on the Financial Statements to the Members of CRESCO Multi Academy Trust

### Opinion

We have audited the financial statements of CRESCO Multi Academy Trust (the 'Academy') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet as at 31 August 2023, Statement of Cash Flows for the year ended 31 August 2023, 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 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

### 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.

### 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.

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

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 21], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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

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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the academy sector.

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

- Considered the internal controls in place to mitigate the risks of fraud and non-compliance with laws and regulations.
- Understanding the design of the company's remuneration policies.

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

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Tested journal entries to identify unusual transactions.

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

- Agreeing financial statement disclosures to underlying supporting documentation
- Reading the minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation and claims.

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

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

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

**Use of our report**

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

Edmund Carr LLP

Stewart Martin (Senior Statutory Auditor)
For and on behalf of Edmund Carr LLP, Statutory Auditor

146 New London Road
Chelmsford
Essex
CM2 0AW

Date: 13/12/2023

## CRESCO Multi Academy Trust

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

In accordance with the terms of our engagement letter dated 19 April 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by CRESCO Multi Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**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 29 July 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

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

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

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

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

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

The work undertaken to draw to our conclusion includes:

**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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Edmund Carr LLP

Stewart Martin
For and on behalf of Edmund Carr LLP, Chartered Accountants

146 New London Road
Chelmsford
Essex
CM2 0AW

Date: 13/12/2023

## CRESCO Multi Academy Trust

## Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

| | Note | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2022/23 Total £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and capital grants | 2 | 31,233 | 2,282 | 2,272,163 | 2,305,678 |
| Other trading activities | 4 | 360,598 | 54,288 | - | 414,886 |
| Investments | 5 | 172 | - | - | 172 |
| *Charitable activities:* | | | | | |
| Funding for the Academy trust's educational operations | 3 | - | 7,288,772 | - | 7,288,772 |
| Total | | 392,003 | 7,345,342 | 2,272,163 | 10,009,508 |
| **Expenditure on:** | | | | | |
| *Charitable activities:* | | | | | |
| Academy trust educational operations | 7 | 131,433 | 7,612,363 | 736,614 | 8,480,410 |
| Net income/(expenditure) | | 260,570 | (267,021) | 1,535,549 | 1,529,098 |
| Transfers between funds | | (217,308) | 159,748 | 57,560 | - |
| **Other recognised gains and losses** | | | | | |
| Actuarial gains on defined benefit pension schemes | 26 | - | 785,000 | - | 785,000 |
| Net movement in funds | | 43,262 | 677,727 | 1,593,109 | 2,314,098 |
| **Reconciliation of funds** | | | | | |
| Total funds/(deficit) brought forward at 1 September 2022 | | 891,395 | (467,175) | 17,949,470 | 18,373,690 |
| Total funds carried forward at 31 August 2023 | | 934,657 | 210,552 | 19,542,579 | 20,687,788 |

## CRESCO Multi Academy Trust

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

| | Note | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2021/22 Total £ |
|---|---|---|---|---|---|
| **Income and endowments from:** | | | | | |
| Donations and capital grants | 2 | 19,975 | 2,878 | 272,853 | 295,706 |
| Other trading activities | 4 | 283,209 | 56,189 | - | 339,398 |
| Investments | 5 | 170 | - | - | 170 |
| *Charitable activities:* | | | | | |
| Funding for the Academy trust's educational operations | 3 | - | 6,668,887 | - | 6,668,887 |
| Total | | 303,354 | 6,727,954 | 272,853 | 7,304,161 |
| **Expenditure on:** | | | | | |
| *Charitable activities:* | | | | | |
| Academy trust educational operations | 7 | 82,880 | 7,513,849 | 252,286 | 7,849,015 |
| Net income/(expenditure) | | 220,474 | (785,895) | 20,567 | (544,854) |
| Transfers between funds | | (232,108) | 148,167 | 83,941 | - |
| **Other recognised gains and losses** | | | | | |
| Actuarial gains on defined benefit pension schemes | 26 | - | 4,078,000 | - | 4,078,000 |
| Net movement in (deficit)/funds | | (11,634) | 3,440,272 | 104,508 | 3,533,146 |
| **Reconciliation of funds** | | | | | |
| Total funds/(deficit) brought forward at 1 September 2021 | | 903,029 | (3,907,447) | 17,844,962 | 14,840,544 |
| Total funds/(deficit) carried forward at 31 August 2022 | | 891,395 | (467,175) | 17,949,470 | 18,373,690 |

## CRESCO Multi Academy Trust

## (Registration number: 07692638)
## Balance Sheet as at 31 August 2023

| | Note | 2023 £ | 2022 £ |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 12 | 17,495,751 | 17,711,774 |
| **Current assets** | | | |
| Stocks | 13 | 2,737 | 2,437 |
| Debtors | 14 | 2,173,562 | 396,613 |
| Cash at bank and in hand | | 1,558,687 | 1,417,048 |
| | | 3,734,986 | 1,816,098 |
| **Liabilities** | | | |
| Creditors: Amounts falling due within one year | | (542,949) | (442,182) |
| Net current assets | | 3,192,037 | 1,373,916 |
| Total assets less current liabilities | | 20,687,788 | 19,085,690 |
| Net assets excluding pension asset | | 20,687,788 | 19,085,690 |
| Defined benefit pension scheme liability | 26 | - | (712,000) |
| **Total net assets** | | **20,687,788** | **18,373,690** |
| **Funds of the Academy:** | | | |
| **Restricted funds** | | | |
| Restricted general fund | 16 | 210,552 | 244,825 |
| Restricted fixed asset fund | 16 | 19,542,579 | 17,949,470 |
| Pension reserve | 16 | - | (712,000) |
| | | 19,753,131 | 17,482,295 |
| **Unrestricted funds** | | | |
| Unrestricted general fund | 16 | 934,657 | 891,395 |
| **Total funds** | | **20,687,788** | **18,373,690** |

The financial statements on pages 28 to 56 were approved by the Trustees, and authorised for issue on 13/12/2023 and signed on their behalf by:

J Gibbon
Chair

## CRESCO Multi Academy Trust

## Statement of Cash Flows for the year ended 31 August 2023

| | Note | 2023 £ | 2022 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Net cash used in operating activities | 20 | (2,119,934) | (103,364) |
| Cash flows from investing activities | 21 | 2,261,573 | 146,606 |
| Change in cash and cash equivalents in the year | | 141,639 | 43,242 |
| Cash and cash equivalents at 1 September | | 1,417,048 | 1,373,806 |
| Cash and cash equivalents at 31 August | 22 | 1,558,687 | 1,417,048 |

## 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 (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

**Going concern**

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

**Income**

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

***Grants***

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

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

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

**1 Accounting policies (continued)**

***Sponsorship income***

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

***Donations***

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

***Other income***

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

***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.

**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.

1 Accounting policies (continued)

*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.

**Tangible fixed assets**

Assets costing £3,000 (£500 for ICT equipment) 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 leasehold land & building | Over term of lease |
| Fixture, fittings and equipment | 20% Straight line |
| ICT equipment | 20% - 33.3% Straight line |
| Leasehold Property Improvements | 10% 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.

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

**Stock**

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

**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 Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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 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 based on 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 net income/(expenditure) 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 the Department for Education Group.

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

## 1 Accounting policies (continued)

***Critical accounting estimates and assumptions***

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

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 26, will impact on the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

## 2 Donations and capital grants

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | 2022/23 Total £ | 2021/22 Total £ |
|---|---|---|---|---|---|
| Capital grants | - | - | 2,272,163 | 2,272,163 | 272,853 |
| Other donations | 31,233 | 2,282 | - | 33,515 | 22,853 |
| | 31,233 | 2,282 | 2,272,163 | 2,305,678 | 295,706 |

## 3 Funding for the Academy Trust's educational operations

| | Restricted General Funds £ | 2022/23 Total £ | 2021/22 Total £ |
|---|---|---|---|
| **Educational operations** | | | |
| **DfE/ESFA revenue grants** | | | |
| General Annual Grant (GAG) | 5,816,718 | 5,816,718 | 5,528,933 |
| UIFSM | 144,927 | 144,927 | 126,564 |
| Pupil Premium | 571,253 | 571,253 | 528,395 |
| Other DfE grants | 471,835 | 471,835 | 267,553 |
| | 7,004,733 | 7,004,733 | 6,451,445 |
| **Other government grants** | | | |
| SEN Fund | 276,371 | 276,371 | 193,912 |
| Other local authority | 7,668 | 7,668 | 23,530 |
| | 284,039 | 284,039 | 217,442 |
| Total grants | 7,288,772 | 7,288,772 | 6,668,887 |

## 4 Other trading activities

| | Unrestricted Funds £ | Restricted General Funds £ | 2022/23 Total £ | 2021/22 Total £ |
|---|---|---|---|---|
| Hire of facilities | 74,119 | - | 74,119 | 51,308 |
| Catering income | 304 | 51,098 | 51,402 | 56,726 |
| School shop sales | 312 | - | 312 | 394 |
| Other sales - includes trips | 285,863 | 3,190 | 289,053 | 230,970 |
| | 360,598 | 54,288 | 414,886 | 339,398 |

## 5 Investment income

| | Unrestricted Funds £ | 2022/23 Total £ | 2021/22 Total £ |
|---|---|---|---|
| Short term deposits | 172 | 172 | 170 |

## 6 Expenditure

| | Non Pay Expenditure | | | | |
|---|---|---|---|---|---|
| | Staff costs £ | Premises £ | Other costs £ | 2022/23 Total £ | 2021/22 Total £ |
| **Academy's educational operations** | | | | | |
| Direct costs | 3,433,611 | - | 371,142 | 3,804,753 | 3,567,569 |
| Allocated support costs | 2,879,497 | 1,316,183 | 479,977 | 4,675,657 | 4,281,446 |
| | 6,313,108 | 1,316,183 | 851,119 | 8,480,410 | 7,849,015 |

## 6 Expenditure (continued)

**Net income/(expenditure) for the year includes:**

| | 2022/23 £ | 2021/22 £ |
|---|---|---|
| Operating leases - plant and machinery | 42,698 | 39,539 |
| Fees payable to auditor - audit | 14,400 | 13,800 |
| - other audit services | 1,365 | 1,310 |
| Depreciation | 226,785 | 226,017 |

## 7 Charitable activities

| | 2022/23 £ | 2021/22 £ |
|---|---|---|
| Direct costs - educational operations | 3,804,753 | 3,567,569 |
| Support costs - educational operations | 4,675,657 | 4,281,446 |
| | 8,480,410 | 7,849,015 |

| | Educational operations £ | 2022/23 Total £ | 2021/22 Total £ |
|---|---|---|---|
| **Analysis of support costs** | | | |
| Support staff costs | 2,879,497 | 2,879,497 | 2,983,502 |
| Depreciation | 226,785 | 226,785 | 226,017 |
| Premises costs | 1,089,398 | 1,089,398 | 651,277 |
| Legal costs | 69,193 | 69,193 | 67,969 |
| Other support costs | 390,566 | 390,566 | 333,920 |
| Governance costs | 20,218 | 20,218 | 18,761 |
| Total support costs | 4,675,657 | 4,675,657 | 4,281,446 |

## 8 Staff

### Staff costs

| | 2022/23 £ | 2021/22 £ |
|---|---|---|
| **Staff costs during the year were:** | | |
| Wages and salaries | 4,732,051 | 4,276,754 |
| Social security costs | 419,558 | 378,115 |
| Pension costs | 1,161,499 | 1,593,689 |
| | 6,313,108 | 6,248,558 |

### Staff numbers

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

| | 2022/23 No | 2021/22 No |
|---|---|---|
| Teachers | 64 | 58 |
| Administration and support | 143 | 131 |
| Management | 11 | 10 |
| | 218 | 199 |

### Higher paid staff

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

| | 2022/23 No | 2021/22 No |
|---|---|---|
| £60,001 - £70,000 | 2 | 2 |
| £70,001 - £80,000 | 1 | - |
| £80,001 - £90,000 | 1 | 1 |
| £110,001 - £120,000 | - | 1 |
| £120,001 - £130,000 | 1 | - |

### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £472,606 (2022: £444,666).

### 9 Central services

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

• Administration charges - During the year there was a fixed charge of £10,636 per school, then further charrges are calculated on a per pupil basis and recharged to the three schools at £66 per pupil.

The actual amounts charged during the year were as follows:

| | 2023/22<br>£ |
|---|---|
| Great Berry Primary School | 39,233 |
| Noak Bridge Primary School | 24,089 |
| Janet Duke Primary School | 52,378 |
| | 115,700 |

### 10 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:

D Pye (Headteacher and CEO):

Remuneration: £85,000 - £90,000 (2022 - £80,000 - £85,000)
Employer's pension contributions: £20,000 - £25,000 (2022 - £15,000 - £20,000)

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

### 11 Trustees' and officers' insurance

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

## 12 Tangible fixed assets

| | Leasehold land and buildings £ | Furniture and equipment £ | Computer equipment £ | Leasehold Improvements £ | 2022/23 Total £ |
|---|---|---|---|---|---|
| **Cost** | | | | | |
| At 1 September 2022 | 18,404,094 | 162,121 | 150,655 | 482,851 | 19,199,721 |
| Additions | - | 10,762 | - | - | 10,762 |
| Disposals | - | - | (62,941) | - | (62,941) |
| At 31 August 2023 | 18,404,094 | 172,883 | 87,714 | 482,851 | 19,147,542 |
| **Depreciation** | | | | | |
| At 1 September 2022 | 926,392 | 55,553 | 121,115 | 384,887 | 1,487,947 |
| Charge for the year | 147,233 | 33,959 | 15,611 | 29,982 | 226,785 |
| Eliminated on disposals | - | - | (62,941) | - | (62,941) |
| At 31 August 2023 | 1,073,625 | 89,512 | 73,785 | 414,869 | 1,651,791 |
| **Net book value** | | | | | |
| At 31 August 2023 | 17,330,469 | 83,371 | 13,929 | 67,982 | 17,495,751 |
| At 31 August 2022 | 17,477,702 | 106,568 | 29,540 | 97,964 | 17,711,774 |

## 13 Stock

| | 2023 £ | 2022 £ |
|---|---|---|
| Books and stationery | 2,737 | 2,437 |

## 14 Debtors

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Trade debtors | 6,093 | 3,100 |
| Prepayments | 55,919 | 93,819 |
| Accrued grant and other income | 2,027,804 | 258,262 |
| VAT recoverable | 83,746 | 41,432 |
| | 2,173,562 | 396,613 |

## 15 Creditors: amounts falling due within one year

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Trade creditors | 20,323 | 13,025 |
| Other taxation and social security | 93,597 | 81,515 |
| Pension scheme creditor | 116,933 | 108,822 |
| Accruals | 207,340 | 145,881 |
| Deferred income | 104,756 | 92,939 |
| | 542,949 | 442,182 |

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| **Deferred income** | | |
| Deferred income at 1 September 2022 | 92,939 | 100,679 |
| Resources deferred in the period | 104,756 | 92,939 |
| Amounts released from previous periods | (92,939) | (100,679) |
| Deferred income at 31 August 2023 | 104,756 | 92,939 |

The deferred income at 31 August 2023 is in respect of amounts received in advance relating to the 23/24 year and free school meals.

## 16 Funds

| | Balance at 1 September 2022 £ | Incoming resources £ | Resources expended £ | Gains, losses and transfers £ | Balance at 31 August 2023 £ |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| *Restricted general funds* | | | | | |
| General Annual Grant | 244,825 | 5,816,718 | (6,013,033) | 159,748 | 208,258 |
| UIFSM | - | 144,927 | (144,927) | - | - |
| Pupil Premium | - | 571,253 | (571,253) | - | - |
| Other DfE Grants | - | 471,835 | (469,541) | - | 2,294 |
| SEN funding | - | 276,371 | (276,371) | - | - |
| Other restricted funds | - | 64,238 | (64,238) | - | - |
| Pension reserve | (712,000) | - | (73,000) | 785,000 | - |
| Total restricted general funds | (467,175) | 7,345,342 | (7,612,363) | 944,748 | 210,552 |
| *Restricted fixed asset funds* | | | | | |
| Transfer from local authority on conversion | 17,477,702 | - | (147,233) | - | 17,330,469 |
| DfE/ESFA capital grants | 213,829 | - | (59,315) | 10,762 | 165,276 |
| Private sector capital donations | 20,237 | - | (20,237) | - | - |
| CIF funding | 231,429 | 2,190,247 | (443,778) | 57,560 | 2,035,458 |
| Devolved formula capital grant | 6,273 | 81,916 | (66,051) | (10,762) | 11,376 |
| Total restricted fixed asset funds | 17,949,470 | 2,272,163 | (736,614) | 57,560 | 19,542,579 |
| Total restricted funds | 17,482,295 | 9,617,505 | (8,348,977) | 1,002,308 | 19,753,131 |
| *Unrestricted general funds* | | | | | |
| Unrestricted funds | 891,395 | 392,003 | (131,433) | (217,308) | 934,657 |
| Total funds | 18,373,690 | 10,009,508 | (8,480,410) | 785,000 | 20,687,788 |

**16 Funds (continued)**

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

| | Balance at 1 September 2021 £ | Incoming resources £ | Resources expended £ | Gains, losses and transfers £ | Balance at 31 August 2022 £ |
|---|---|---|---|---|---|
| **Restricted funds** | | | | | |
| *Restricted general funds* | | | | | |
| General Annual Grant | 200,682 | 5,528,933 | (5,632,957) | 148,167 | 244,825 |
| UIFSM | - | 126,564 | (126,564) | - | - |
| Pupil Premium | 19,648 | 528,395 | (548,043) | - | - |
| Other DfE Grants | 8,754 | 267,553 | (276,307) | - | - |
| Catch-up premium | 22,469 | - | (22,469) | - | - |
| SEN funding | - | 193,912 | (193,912) | - | - |
| Other restricted funds | - | 59,067 | (59,067) | - | - |
| Other local authority funds | - | 23,530 | (23,530) | - | - |
| Pension reserve | (4,159,000) | - | (631,000) | 4,078,000 | (712,000) |
| Total restricted general funds | (3,907,447) | 6,727,954 | (7,513,849) | 4,226,167 | (467,175) |
| *Restricted fixed asset funds* | | | | | |
| Transfer from local authority on conversion | 17,624,935 | - | (147,233) | - | 17,477,702 |
| DfE/ESFA capital grants | 159,057 | - | (71,645) | 126,418 | 213,830 |
| Private sector capital donations | 27,376 | - | (7,140) | - | 20,236 |
| CIF funding | - | 246,543 | (15,114) | - | 231,429 |
| Devolved formula capital grant | 33,594 | 26,310 | (11,154) | (42,477) | 6,273 |
| Total restricted fixed asset funds | 17,844,962 | 272,853 | (252,286) | 83,941 | 17,949,470 |
| Total restricted funds | 13,937,515 | 7,000,807 | (7,766,135) | 4,310,108 | 17,482,295 |
| *Unrestricted general funds* | | | | | |
| Unrestricted funds | 903,029 | 303,354 | (82,880) | (232,108) | 891,395 |
| Total funds | 14,840,544 | 7,304,161 | (7,849,015) | 4,078,000 | 18,373,690 |

The academy trust is not subject to GAG carried forward limits.

### 16 Funds (continued)

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

The General Annual Grant (GAG), other DfE funding and local authority funds must be used for the normal running costs of the Academy.

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 31 August 2023.

The SEN funding represents grants received in order to provide additional teaching resources for children with special learning needs. The cost of these teaching resources has been set against income.

A total of £57,560 was transferred from unrestricted funds to restricted fixed assets to represent school contributions to CIF projects. A further £159,748 of unrestricted funds has been transferred to restricted funds to eliminate negative balances on specific restricted funds.

**16 Funds (continued)**

**Analysis of academies by cost**

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

| | Teaching and Educational Support Staff Costs £ | Other Support Staff Costs £ | Educational Supplies £ | Other Costs (excluding Depreciation) £ | Total 2023 £ |
|---|---|---|---|---|---|
| Great Berry Primary School | 1,557,225 | 372,599 | 99,031 | 468,258 | 2,497,113 |
| Noak Bridge Primary School | 747,868 | 122,961 | 31,770 | 291,134 | 1,193,733 |
| Janet Duke Primary School | 2,755,663 | 624,575 | 109,361 | 960,208 | 4,449,807 |
| Central services | 51,312 | 7,904 | 166 | 53,590 | 112,972 |
| Academy Trust | 5,112,068 | 1,128,039 | 240,328 | 1,773,190 | 8,253,625 |

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

| | Teaching and Educational Support Staff Costs £ | Other Support Staff Costs £ | Educational Supplies £ | Other Costs (excluding Depreciation) £ | Total 2022 £ |
|---|---|---|---|---|---|
| Great Berry Primary School | 1,518,967 | 502,699 | 48,669 | 326,001 | 2,396,336 |
| Noak Bridge Primary School | 707,458 | 185,227 | 50,305 | 224,405 | 1,167,395 |
| Janet Duke Primary School | 2,379,289 | 917,269 | 101,659 | 572,792 | 3,971,009 |
| Central services | 22,509 | 15,136 | 1,383 | 49,229 | 88,257 |
| Academy Trust | 4,628,223 | 1,620,331 | 202,016 | 1,172,427 | 7,622,997 |

**16 Funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Great Berry Primary School | 114,278 | 88,351 |
| Noak Bridge Primary School | 386,326 | 396,900 |
| Janet Duke Primary School | 635,736 | 650,640 |
| Central services | 8,869 | 329 |
| Total before fixed assets and pension reserve | 1,145,209 | 1,136,220 |
| Restricted fixed asset fund | 19,542,579 | 17,949,470 |
| Pension reserve | - | (712,000) |
| Total | 20,687,788 | 18,373,690 |

### 17 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|---|---|---|---|---|
| Tangible fixed assets | - | - | 17,495,751 | 17,495,751 |
| Current assets | 934,657 | 753,501 | 2,046,828 | 3,734,986 |
| Current liabilities | - | (542,949) | - | (542,949) |
| Total net assets | 934,657 | 210,552 | 19,542,579 | 20,687,788 |

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

| | Unrestricted Funds £ | Restricted General Funds £ | Restricted Fixed Asset Funds £ | Total Funds £ |
|---|---|---|---|---|
| Tangible fixed assets | - | - | 17,711,774 | 17,711,774 |
| Current assets | 891,395 | 687,007 | 237,696 | 1,816,098 |
| Current liabilities | - | (442,182) | - | (442,182) |
| Pension scheme liability | - | (712,000) | - | (712,000) |
| Total net assets | 891,395 | (467,175) | 17,949,470 | 18,373,690 |

### 18 Capital commitments

| | 2023 £ | 2022 £ |
|---|---|---|
| Contracted for, but not provided in the financial statements | 2,158,802 | 249,856 |

### 19 Long-term commitments, including operating leases

*Operating leases*

At 31 August 2023 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Amounts due within one year | 61,207 | 39,836 |
| Amounts due between one and five years | 97,176 | 65,900 |
| | 158,383 | 105,736 |

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

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Net income/(expenditure) | 1,529,098 | (544,854) |
| Depreciation | 226,785 | 226,018 |
| Capital grants from DfE and other capital income | (2,272,163) | (272,853) |
| Interest receivable | (172) | (170) |
| Defined benefit pension scheme obligation inherited | 73,000 | 631,000 |
| (Increase)/decrease in stocks | (300) | 478 |
| Increase in debtors | (1,776,949) | (193,558) |
| Increase in creditors | 100,767 | 50,575 |
| Net cash used in Operating Activities | (2,119,934) | (103,364) |

### 21 Cash flows from investing activities

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Dividends, interest and rents from investments | 172 | 170 |
| Purchase of tangible fixed assets | (10,762) | (126,417) |
| Capital funding received from sponsors and others | 2,272,163 | 272,853 |
| Net cash provided by investing activities | 2,261,573 | 146,606 |

### 22 Analysis of cash and cash equivalents

| | 2023 | 2022 |
|---|---|---|
| | £ | £ |
| Cash in hand and at bank | 1,558,687 | 1,417,048 |
| Total cash and cash equivalents | 1,558,687 | 1,417,048 |

### 23 Analysis of changes in net cash

| | At 1 September 2022 | Cash flows | At 31 August 2023 |
|---|---|---|---|
| | £ | £ | £ |
| Cash | 1,417,048 | 141,639 | 1,558,687 |
| Total | 1,417,048 | 141,639 | 1,558,687 |

### 24 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.

### 25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest.

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 10.

### 26 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 Essex County Council. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £116,933 (2022 - £108,822) were payable to the schemes at 31 August and are included within creditors.

**26 Pension and similar obligations (continued)**

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £596,980 (2022: £556,475).
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**

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 2023 was £605,000 (2022 - £505,000), of which employer's contributions totalled £491,000 (2022 - £407,000) and employees' contributions totalled £114,000 (2022 - £98,000). The agreed contribution rates for future years are 25% per cent for employers and 5.5% - 12.5% per cent for employees.

**26 Pension and similar obligations (continued)**

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

**Principal actuarial assumptions**

| | 2023<br>% | 2022<br>% |
|---|---|---|
| Rate of increase in salaries | 3.90 | 3.90 |
| Rate of increase for pensions in payment/inflation | 2.90 | 2.90 |
| Discount rate for scheme liabilities | 5.30 | 4.30 |
| Commutation of pensions to lump sums | 50.00 | 50.00 |

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

| | 2023 | 2022 |
|---|---|---|
| **Retiring today** | | |
| Males retiring today | 20.70 | 21.00 |
| Females retiring today | 23.20 | 23.50 |
| **Retiring in 20 years** | | |
| Males retiring in 20 years | 22.00 | 22.30 |
| Females retiring in 20 years | 24.60 | 24.90 |

**26 Pension and similar obligations (continued)**

**Sensitivity analysis**

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Discount rate +0.1% | 4,915 | 4,948 |
| Discount rate -0.1% | 5,109 | 5,187 |
| Mortality assumption – 1 year increase | 5,150 | 5,212 |
| Mortality assumption – 1 year decrease | 4,874 | 4,925 |
| CPI rate +0.1% | 5,106 | 5,181 |
| CPI rate -0.1% | 4,917 | 4,954 |

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

| | 2023<br>£ | 2022<br>£ |
|---|---|---|
| Equities | 2,954,000 | 2,450,000 |
| Gilts | 65,000 | 84,000 |
| Other bonds | - | 193,000 |
| Property | 398,000 | 412,000 |
| Cash and other liquid assets | 148,000 | 130,000 |
| Other | 1,510,000 | 1,085,000 |
| Total market value of assets | 5,075,000 | 4,354,000 |

The actual return on scheme assets was £218,000 (2022 - £11,000).

The local government pension scheme was valued by an actuary as a net asset amounting to £65,000 (2022: £712,000 net liability). This net asset has not been recognised in these financial statements.

**26 Pension and similar obligations (continued)**

**Amounts recognised in the statement of financial activities**

| | 2022/23 £ | 2021/22 £ |
|---|---|---|
| Current service cost | 541,000 | 972,000 |
| Interest income | (197,000) | (69,000) |
| Interest cost | 218,000 | 133,000 |
| Admin expenses | 2,000 | 2,000 |
| Total amount recognized in the SOFA | 564,000 | 1,038,000 |

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

| | 2022/23 £ | 2021/22 £ |
|---|---|---|
| At start of period | 5,066,000 | 8,095,000 |
| Current service cost | 541,000 | 972,000 |
| Interest cost | 218,000 | 133,000 |
| Employee contributions | 114,000 | 98,000 |
| Actuarial (gain)/loss | (928,000) | (4,136,000) |
| Benefits paid | (1,000) | (96,000) |
| At 31 August | 5,010,000 | 5,066,000 |

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

| | 2022/23 £ | 2021/22 £ |
|---|---|---|
| At start of period | 4,354,000 | 3,936,000 |
| Interest income | 195,000 | 67,000 |
| Actuarial gain/(loss) | (143,000) | (58,000) |
| Employer contributions | 491,000 | 407,000 |
| Employee contributions | 114,000 | 98,000 |
| Benefits paid | (1,000) | (96,000) |
| At 31 August | 5,010,000 | 4,354,000 |