

Company Registration Number: 07875164 (England & Wales)

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details	1 - 2
Trustees' Report	3 - 18
Governance Statement	19 - 24
Statement on Regularity, Propriety and Compliance	25
Statement of Trustees' Responsibilities	26
Independent Auditor's Report on the Financial Statements	27 - 30
Independent Reporting Accountant's Report on Regularity	31 - 32
Statement of Financial Activities Incorporating Income and Expenditure Account	33 - 34
Balance Sheet	35 - 36
Statement of Cash Flows	37
Notes to the Financial Statements	38 - 69

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	A Taylor R Eade I Griffiths J Hart J Loughton Revd Canon T Pullen M Cooper
Trustees	A Taylor, Chair ^{1,2} N Bell (resigned 3 December 2021) R Donovan (appointed 23 March 2022) ² S Hampton, CEO and Principal Accounting Officer ^{1,2} P Jones D McCauley (resigned 31 January 2022) M Oldroyd (term in office ended 8 January 2022) Dr S Rich-Mahadkar (resigned 24 May 2022) ¹ Dr C Rolph S Stanyard ^{1,2} M Trobe CBE R Vasey K Wyer (resigned 30 June 2022) ¹ N Frith (appointed 23 March 2022) K Hodson (appointed 6 October 2022) ¹ Members of the Finance and General Purposes commit ² Members of the Audit and Risk committee
Company registered number	07875164
Company name	Archway Learning Trust
Principal and registered office	Bluecoat Academy Aspley Lane Nottingham NG8 5GY
Company secretary	M Lysenko (resigned 19 July 2022) M Walshe (appointed 19 July 2022)
Senior management team	S Hampton, Chief Executive Officer S Anderson, Regional Education Director N Jeremiah, Operations Director D Lewis, Interim Chief Financial Officer (resigned 21 December 2021) E Rodrigues, Chief Finance Officer (appointed 25 October 2021, resigned 14 October 2022) S Bird, Chief Finance Officer (appointed 17 October 2022) D Stanley, People Strategy Director (resigned 30 January 2022) K Woolls, People Strategy Director (appointed 1 January 2022) M Walshe, Corporate Services Director

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditor	Mazars LLP Chartered Accountants Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Lloyds Bank 12 - 16 Parliament Street Nottingham NG1 3DA
Solicitors	Browne Jacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The Trust operates nine academies serving a catchment area in Nottingham and three academies serving a catchment area in Derbyshire:

- Bluecoat Aspley Academy for students aged 11-19. It has a student capacity of 1,400 and had a roll of 1,386 in the Academy census (October 2022).
- Bluecoat Beechdale Academy for students aged 11-16. It has a student capacity of 900 and had a roll of 902 in the Academy census (October 2022).
- Bluecoat Primary Academy for students aged 3 to 11. It has a student capacity of 446 and had a roll of 441 in the Academy census (October 2022).
- Bluecoat Wollaton Academy for students aged 11-16. It has a student capacity of 750 and had a roll of 788 in the Academy census (October 2022).
- Nottingham Emmanuel School for students aged 11-19. It has a student capacity of 1,150 and had a roll of 1,146 in the Academy census (October 2022).
- Alvaston Moor Academy for students aged 11-16. It has a student capacity of 1,200 and had a roll of 875 in the Academy census (October 2022).
- Lee Brooks Community School for students aged 11-19. It has a student capacity of 1,147 and had a roll of 1,111 in the Academy census (October 2022).
- The Long Eaton School for students aged 11-19. It has a student capacity of 1,237 and had a roll of 1,079 in the Academy census (October 2022).
- Bluecoat Trent Academy for students aged 11 – 16. It has student capacity of 1200, had a roll of 421 in the Academy census (October 2022) and has a planned growth to reach capacity in 2025.

Structure, governance and management

a. Constitution

The Trust is a company limited by guarantee and an exempt charity. Archway Learning Trust's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of Archway Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Archway Learning Trust.

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

b. Members' liability

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

c. Trustees' indemnities

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any one claim. The cost of this insurance is included in the total insurance cost.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

In line with the Articles of Association, Members of the Trust appoint a minimum of five Trustees so that at all times the total number of Trustees appointed by the Members represents at least 50% of the total number of Trustees.

Trustees are appointed for a period of four years. At the end of a four year term, retiring Trustees are eligible for re-appointment.

The Trustees have set up procedures which will enable regular reviews of the mix of skills that should be available to the Board. New Trustees are then sought with these skills as replacements when existing Trustees stand down. It is anticipated that most new Trustees will be drawn from the local community or others who have shown an interest in the future well-being of the Trust, the academies within the Trust and the students. Recruitment will be through a combination of approaches to individuals with known skills and by wider communications to those within Nottinghamshire and Derbyshire. During 2021/22, we were able to enhance the experience of the Board in educational leadership and business operations through the recruitment of new Trustees.

e. Policies adopted for the induction and training of Trustees

Individual Trustees engaged training programmes online organised by appropriate bodies in order to ensure their knowledge and understanding is up to date. Briefings for the Board of the Trust are carried out based on areas of potential interest and/or concern. In October 2022 a two day, Leadership Conference was arranged across the Trust. All Trustees were invited to attend the Conference as well as representation from the AABs, all Principals and the Executive Leadership Team.

f. Organisational structure

The Board of Trustees has overall accountability and legal responsibility for all the academies in the Trust. They are Trustees for the purposes of charity law and fulfil the role of appointed Directors in regard to company legislation.

The Board of Trustees holds at least five full board meetings a year with the ability to hold additional meetings if required to consider specific agenda items. The Board has established five Trust Board sub- committees to consider specific issues and make recommendations to the Board:

- Curriculum and Standards Committee
- Audit and Risk Committee
- Finance and General Purposes Committee
- Remuneration Committee
- Policy Committee

The Board reserves the right to delegate powers to these Committees to make decisions on behalf of the Board. All decisions reserved to the Trustees are taken by the Board as a whole.

The Trust Board has established committees to be known as the Academy Advisory Boards (AABs). There is an AAB for each academy within the Trust.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

The membership of these AABs include two parent members and one staff member. These positions must be elected. A number of further members, which the Trustees may determine. In the case of a non-faith academy, there will be a minimum of four further members, while in the case of a Church of England academy a majority of two over the other members nominated by the Diocese.

The AAB's are:

- responsible for providing assurance to the Board of Trustees that the academy's work has been scrutinised with an eye to performance improvement and impact on the local community, and that Trust-wide and statutory policies are being properly followed
- accountable for the decisions made as part of a panel within the parameters of our policies on complaints and exclusions
- responsible for engaging with collaborative development or quality assurance activities or supporting the process whereby decisions affecting the academy are made
- responsible for ensuring that they have the right membership and balance of skills to do an effective job
- charged with engaging fully with our communities, championing and challenging our Trust and each academy in equal measure, developing work that will support positive attitudes to learning among future pupils, parents and others

The Trust Board review the Terms of Reference for the AAB's at least annually.

The Chief Executive Officer (CEO) who is appointed by the Board has delegated responsibility for the day-to-day strategic and operational leadership and management of all aspects of the Trust's activity. The CEO, in turn, delegates responsibility for specific aspects of the Trust's operations to the Deputy CEO and members of the Executive Leadership Team (ELT), who are accountable, via the CEO, to the Trustees. The CEO also delegates responsibility for the day-to-day management of each academy to the Principal / Head teacher of that academy.

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

With the exception of the CEO, members of the Board of Trustees are not entitled to receive any remuneration as a result of their post as a Trustee of Archway Learning Trust.

In the Autumn term each year, the Remuneration Committee will receive recommendations based on benchmarking against other Trusts from the People Strategy Director about the salary of the CEO. Any recommendation for movement up the CEO's salary range, on which the CEO is currently paid, will identify the recommended number of progressed points proposed. The Board of Trustees may decide to pay additional payments to the CEO in accordance with paragraph ten of the Standard Teachers Pay and Conditions Document.

At the time of appointing a new Principal or member of the Executive Leadership Team, the Trustees shall determine the individual range for the post and the salary point on the individual range to be paid. The Remuneration Committee will consider recommendations from the CEO that any Principal or member of the Executive Leadership Team be paid additional points subject to the maximum of the individual range and/or any additional payments recommended. Structures are benchmarked across the Trust and there is a regular review of salary ranges compared to national market rates.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	11
Full-time equivalent employee number	9.6

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	7
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£000
Total cost of facility time	27
Total pay bill	52,225
Percentage of total pay bill spent on facility time	0.0517 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
---	-----

i. Related parties and other connected charities and organisations

Archway Learning Trust works in close partnership with the Diocese of Southwell and Nottingham and the Nottingham Bluecoat School Foundation Trust. The former are the legal freehold owners of the land that Bluecoat Aspley Academy, Bluecoat Wollaton Academy and The Nottingham Emmanuel School is situated upon and the latter hold this land as custodian trustee.

Bluecoat Academy Trading Limited is a wholly owned subsidiary of Archway Learning Trust which operates the letting service of the academies facilities.

There are no related parties other than those described above which either control or significantly influence the decisions and operations of Archway Learning Trust.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons) (Section 172 Statement)

Archway Learning Trust is fully engaged with its workforce. The Trust regularly communicates and engages with all staff on matters of concern to them. Archway Learning engages fully with unions supporting our staffing base. These are:

- NEU, NASUWT, ASCL, NAHT, GMB, Unison

The Trust fully communicates and engages staff in each academy's performance with regularly set inset days, Thursday afternoons dedicated to Continuous Professional Learning (CPL), annual Festival of Learning and an annual staff awards event. The Trust undertakes bi-annual staff engagement surveys and respond to the feedback from these. A Trust wide and Academy based staff well-being group ensures that any matters of concern are raised and addressed.

Archway Learning Trust prides itself as a fully inclusive employer dedicated to ensuring equality and diversity within its workforce. The Trust works with employees to ensure reasonable adjustments to the workplace are made enabling all staff to access the workplace, relevant training, career development and promotion. The Trust has recently launched a new staff rewards package in order to allow all staff to enjoy work benefits in a range of areas. Staff are regularly given opportunities to feedback their thoughts and ideas to help improve the Trust.

During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

The Trust aims to ensure that there is effective communication with all employees who, subject to practical and commercial considerations, are consulted on and involved in decisions that affect their current roles and future prospects. In order to facilitate this process, the Trust has set up a staff and Trade Union consultation process in relation to all Human Resources policies. This includes a monthly Trade Union consultation meeting led by the People Strategy Director to which all recognised Trade Union colleagues are invited to attend to discuss all Human Resources policy reviews and other matters relevant for consultation. Formal staff consultation also takes place in relation to all Human Resources policy review processes. The Trust also operate a Staff Wellbeing Committee led by Human Resources to facilitate discussion in relation to all relevant health and wellbeing matters, membership of which is open to all staff across the Trust.

k. Engagement with suppliers, customers and others in a business relationship with the Academy Trust (Section 172 Statement)

Archway Learning Trust is funded through the Education Skills Funding Agency (ESFA). The Trust works closely with the ESFA and complies with all reporting requirements laid down by the ESFA.

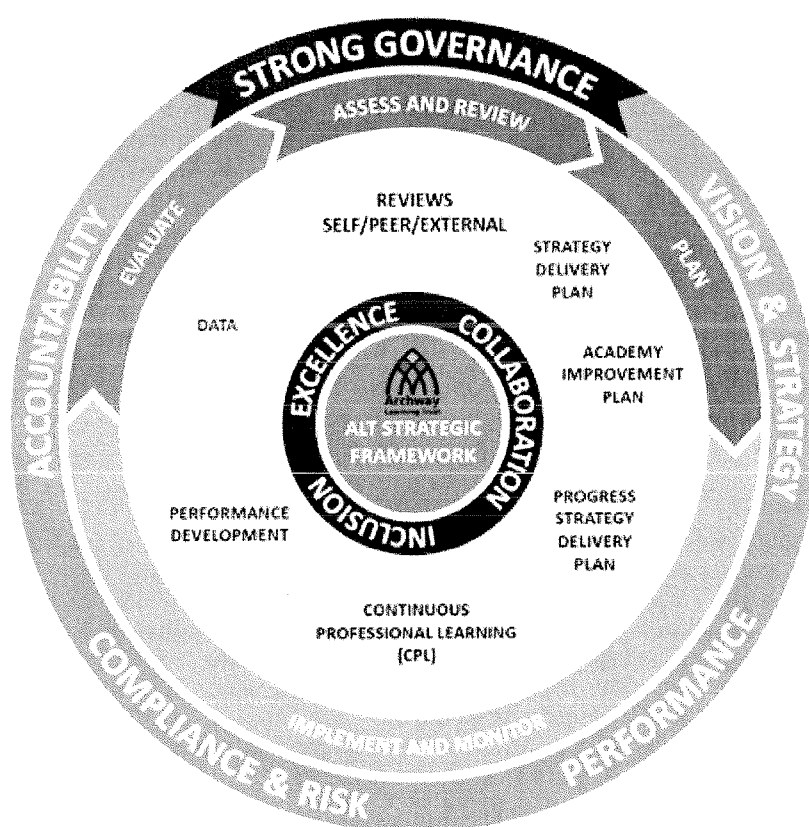
The Trust is fully engaged with its suppliers and ensures probity in its procurement processes. Best value is sought through obtaining quotes from multiple suppliers on all procurement in excess of £5,000. Formal competitive tenders are carried out on all procurement in excess of £50,000.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities

a. Objectives and Activities

Throughout the year the Trust has systematically reviewed and refined our strategic plan. To underpin the delivery of the strategic plan it has established an agreed Strategic Framework as set out below:



For the year under review, Archway Learning Trust had the following core objectives:

1. Educational Excellence
 - Ensure every child is a fluent reader
 - Develop our comprehensive School Improvement Model
 - Embed our Quality Assurance system, including scrutiny and peer reviews
 - Grow our Instructional Coaching programme
2. Courageously Inclusive
 - Develop our SEND offer across the Trust
 - Embed our Equality, Diversity & Inclusivity agenda
 - Develop our Careers offer
 - Define and embed converged behaviour routines across the Trust
 - Grow our Enrichment offer, Arts, Rewards, Mental Health

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities (continued)

3. Invest in People
 - Define the Archway Way
 - Grow our Archway People Offer
 - Establish our competency framework
 - Embed values based recruitment, retention and performance development
4. Strong resources and business services
 - Embed the business offer for each academy
 - Define and launch our Estates, IT and Sustainability Strategy
 - Develop our due diligence framework for new academies joining the trust
 - Strengthen our use of ICFP across the Trust
 - Develop the Archway Intranet

b. Public benefit

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document "The Advancement of Education for the Public Benefit") into consideration in preparing their Statement on Regularity, Propriety and Compliance contained within this Annual Report.

In accordance with its charitable objectives, the Charitable Company strives to advance the education of the students attending the Academies within the Trust. The Charitable Company's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout the Academies within the Trust.

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the Trustees gather evidence of the success of each Academy within Archway Learning Trust activities.

Strategic report

Achievements and performance

Academic success

2021-22 has been a successful year for Archway Learning Trust:

In the context of 2021-22 we have started to emerge from a global pandemic and our efforts have been focused on ensuring each and every student is provided with the support they need to recover their lost learning. During the year and despite the immense challenges of recovering from the pandemic, we have much to celebrate, as described below.

During 2021-22 national exams testing restarted following two years of teacher assessed grades. It is safe to say, this is not an instant return to the normal testing regime prior to the pandemic. Grade boundaries have been adjusted this year and national proportions of students achieved 4+ and 7+ has been fixed half way between the 2019 and 2021 proportions so any increase in attainment must be seen through that lens. Due to the nature of these grades the Trust has taken the decision not to publish these more widely as they are not comparable with any other data sets nationally and may give inaccurate information if comparisons are made.

Since The Long Eaton School, Lees Brook Community School and Alvaston Moor Academy (formally known as Merrill Academy) joined Archway Learning Trust last year, significant progress has been made at these academies to drive rapid school improvement. We continue to be excited about the improvement journey these schools are on and work closely with each school community to bring about sustained improvement.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

The Trust has strengthened our offer to each academy during the year, providing robust support from the Central Education Team and Central Services Team. This includes the recruitment of our new Director of Education and Deputy CEO. A Trust Lead for SEND is also working across all schools to improve and embed good practice on every site and meet our statutory obligations.

The Trust core value of collaboration has been at the heart of new networks that have been deliberately put into place to reduce staff workload and bring about school improvement. These exist for the teaching and learning team, the SEND teams, the data and standards teams as well as business teams and a Principals Development Group.

The Trust's newly appointed Director of Safeguarding has also embed on a full training programme for DSLs and Deputy DSLs and is working closely with Trustees and AABs to keep them informed and ensure there is more than compliance and a culture of safeguarding runs through all the work undertaken. A full review has taken place of all Single Central Registers across the Trust with appropriate training put in place where necessary.

Through this newly strengthened team the Trust is on a journey to converge our curriculum across the Trust, starting initially with English, Math's and Science. This hugely exiting piece of work brings together our curriculum expertise across the Trust to settle on the right curriculum for each subject. This creative, collaborative processes has allowed us to live our values and tangibly reduce workload across our workforce.

During the year the Trust also built on our online blended learning platform built so that students could continue their lessons on line as well as a staff CPL platform so that staff could use time to build their skill sets and learn new skills.

Trust wide training through the year focused on New Staff induction events, whole staff inset days as well as a full range of NPQ qualifications launching Instructional Coaching and Values Based Performance Development during the year.

The Trust Operations Team supported Principals across the year and focused on the safe working across our schools, developing our sustainability agenda and starting to build out our new IT strategy for the years ahead. A number of capital projects were delivered through the year including:

1. Refreshed 3G Football Pitch at Lees Brook Academy
2. Opening of Maid Marion Way Post 16 Centre
3. Increased catering facilities at Bluecoat Aspley and Nottingham Emmanuel School
4. Refreshed IT systems across all our academies.

The Finance team has worked with the Executive Leadership team to ensure we maximized value from every pound we spend and that Principals were trained and up to date with matters relating to their academies.

HR continue to provide strong advice and commenced developing our people offer and values based performance development.

Safeguarding remained a priority for the Trust during the year and we are excited by our new appointment as Director of Safeguarding to continue to drive this vital agenda. During the summer, summer schools were held across the Trust's secondary schools to provide pupils additional opportunities for learning and catch up.

In summary, the Trust emerged from two years of the pandemic and started to return to normality, in doing this we have sought to embed new, exciting practice across our Trust; with a constant focus on working together, transforming lives.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The Trustees consider the following to be key measures, along with financial measures further discussed in the financial review section of this report, to assess the success of the activities of the charitable company: average teacher cost, contact ratio, % expenditure compared to income, % staffing costs against income, average class size, cost per lesson and curriculum bonus

Trustees have accepted that this year the KPIs of national data sets will not be applicable in the same way as in previous years. They have seen the Results for each Academy and are content that the schools have made progress. In addition reports have been provided to them on safeguarding, attendance data and curriculum developments and blended learning.

Trustees have been kept fully informed about the activity of the trust through regular Trustee meetings, regular Academy Advisory Board meetings and most recently a Leadership Conference with over 40 attendees from across the Trust where the key note speaker was, Leora Cruddas, CEO of the Confederation of Schools Trusts. Members were invited and did join this meeting in order to oversee the activities of the Trust Board. There was also a full strategy afternoon to review the priorities of the Trust in July 2022.

The Trust is delighted with the achievement of the staff teams during what has been another extraordinary year. The work of the Operations Team, IT Teams, Finance Teams, and HR and Educational Leadership teams has allowed the 'emergence from the pandemic to drive improvement across the trust, underpinned by strong and clear leadership through this unprecedented period.

Other achievements in the year included:

- March 2022 saw the best ever admission data for Archway Learning Trust. 1,540 secondary place available for September 2021 with over 2,900 applications
- Bluecoat Trent Academy continues to thrive and all 240 places were taken up this year.
- The Trust hosted its first Festival of Learning for all employees at Derby arena where all Trust staff received high quality professional training as well as networking opportunities.
- Bluecoat Beechdale has its Ofsted visit and received a good inspection report.
- Bluecoat Primary received its first Ofsted report and was judged to be good overall but outstanding in three categories.

A Trust wide careers event saw all secondary schools in the trust meeting a range of employers and training organisations from across Derby and Nottingham.

- Church of England SIAMS inspections took place at Bluecoat Wollaton and Nottingham Emmanuel School- both received the highest award possible, 'excellent'.
- The Long Eaton School is oversubscribed for first time in 5 years.
- The Central Education Team is now a highly flexible and responsive team which has many of its members working on national platforms such as Ofqual, Early Career Framework, Assessment and national data teams.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, The Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies. The Trust has reserves to ensure that it will continue in operation as a Going Concern. As at 31st August 2022 the Trust held £795k in unrestricted reserves and £1,450k in restricted reserves (excluding pension). It is not envisaged that the pension fund liability will materialise in the foreseeable future. As at 31st August 2022 the Trust held £5,421k in its bank accounts. These bank balances are adequate to meet the needs of the Trust for the foreseeable future.

c. Promoting the success of the company (Section 172 statement)

In accordance with Section 172 of the Companies Act 2006, the Trustees (who form our Board of Trustees) complied with their duty to promote the success of Archway through their approval of the strategic plan and on-going review of performance against this. All decisions are made in line with Archway's strategic and financial plans, with the long-term interest of the charity and its stakeholders in mind.

Our inclusive culture underpinned with strong employee welfare and engagement are important to Trustees. As a Trust, we already support flexible working practices and communicate with all staff to embed our vision and strategic aims. We have actively developed and continue to improve our career development programme for teachers which is seen as first class and we are about to embark on the expansion of this programme to cover all support staff employed across the trust.

Trustees understand the importance of maintaining productive relationships with stakeholders, underlined by a strong sense of purpose. Members of the Executive Team proactively collaborate with variety of stakeholders within the education sector to share knowledge and learning as appropriate.

Trustees are mindful of Archway's impact on the community and environment. Our communities, social action and enrichment sit at the heart of everything we do, and this is reflected in our curriculum. Environmental matters form part of this work and our goal is to be as green as possible.

As an exempt charity, we are committed to making the biggest difference to our pupils, inside and outside the classroom, regardless of their background. Archway's reputation and business conduct are paramount to its future success and ability to deliver value to its various stakeholders. Archway has an experienced Trustee Board who are responsible for ensuring corporate governance best practice is followed, supported by the Audit and Risk Committee, Finance and General Purpose Committee and Curriculum and Standards Committee.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Financial review

Most of the Trust's income in the year was obtained from the DfE (Department of Education) and the ESFA in the form of recurring grants, the use of which is restricted to particular purposes. The grants received for the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In accordance with the Charities SORP Accounting by Charities, grants and donations for capital are shown in the Statement of Financial Activities as restricted fixed asset funds. The balance sheet restricted fixed asset fund is reduced by transfers of amounts equivalent to any depreciation charges over the expected useful life of the assets concerned.

Total incoming resources amounted to £61,495k (2021 - £86,108k) and total resources expended amounted to £69,046k (2021 - £53,411k) leading to a net deficit for the year of £7,551k (2021 - net surplus of £32,697k). The level of funding the Trust receives is based on student numbers.

The Trust's cash flow position is still strong despite the year on year decrease in the year-end cash balance for the period of £1,840k.

As at 31 August 2022, the net assets and total funds of the Trust were £132,567k (2021 - £97,264k), including fixed assets of £140,608k (2021 - £141,873k) and a pension scheme liability of £10,286k (2021 - £47,487k). The assets were used exclusively for providing education and the associated support services to the students of the academies within the Trust. The Trustees consider that the overall balance sheet position represents a strong and stable platform from which the Trust can develop and grow.

As at the 31 August 2022, the Trust had net current assets of £2,715k (2021 - £2,878k) including cash at bank of £5,421k (2021 - £7,261k). Net cash provided by operating activities was negative at £1,785k (2021 was a positive inflow £2,914k) but long term cash flow projections show that the Trust will continue to generate sufficient resources to cover its liabilities.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management and limits of delegated authority for spending. Other policies reviewed and updated included the Lettings Policy, the Health and Safety Policy and a variety of Human Resource policies.

Key financial performance indicators	2022 £'000	2021 £'000
Total incoming resources	61,495	86,108
Net income/(expenditure)	(7,551)	32,697
Net current assets	2,715	2,878
Cash at bank	5,421	7,261
Net cash provided from operations	(1,785)	2,914

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

a. Reserves policy

The Trustees' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the Trust and to fund future projects. The Trustees will ensure that the levels of reserves that can be carried forward at the end of the financial year will be in line with the guidance received from the DfE on the treatment of GAG income and other grants. Archway Learning Trust will try to match income with expenditure in the current year and will only carry forward reserves that it considers are necessary for future year's expenditure having regard for:

- Forecasts of levels of income in future years
- Forecasts for expenditure in future years
- Analysis of any future development needs and opportunities that could not be met out of annual income
- Analysis and forecast of cash flow and fund management

The Trust aims to maintain reserves at 5% of annual general grant funding, which for 21/22 would be £2,374k, the actual amount that is being retained is £2,245k.

Over the next five years the Trust has set surplus budgets to build up the reserves to the level required in the policy. The restructuring of the central teams to include a procurement manager will ensure that a procurement strategy is in place to increase value for money and reduce cost across the Trust. Additional reserves may be held to fund a future project which cannot be funded from income in year. Currently the Trust plans to construct a new sports hall at the Bluecoat Wollaton Academy. It is expected that this work will commence during the 2022/23 academic year.

At the balance sheet date, the charitable company had total reserves amounting to £132,567k of which £795k were unrestricted reserves and £1,450k related to GAG carry forward.

The Trustees intend to continue to utilise reserves during the forthcoming year to improve the infrastructure of the Trust's premises that were inherited from the local authority.

As at 31 August 2022, The Fixed Asset Reserve amounted to £140,608k. This reserve can only be realised by disposing of the Trust's fixed assets, which the Trust cannot do without approval from the Secretary of State.

As at 31 August 2022, The Restricted Pension Reserve amounted to a deficit £10,286k. It should be noted that this does not present the Trust with any current liquidity problems.

b. Investment policy

The Trustees' investment powers are set down in the charitable company's Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The charitable company's current policy is to invest surplus funds in short-term cash deposits.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

c. Financial and risk management objectives and policies

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that have been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Board of Trustees actively review the cash flow position of the Trust both in the short and medium term and aim to maintain a level of cash resources designed to ensure that the Trust has sufficient funds for its operations. The Trust makes little use of other financial instruments and the Trustees consider that price risk, liquidity risk, and credit risk is not material for the assessment of assets, liabilities, financial position or financial performance of the Trust.

d. Principal risks and uncertainties

The Trustees have assessed the major risks to which the Trust is exposed. The Trustees are satisfied that systems and procedures are in place to mitigate the exposure to major risks. Systems and procedures have been implemented covering both operational (e.g. in relation to teaching, health and safety, trips, vetting of new staff, supervision of Trust grounds) and financial risks (comprehensive system of internal controls explained in more detail in the Governance Statement). Where significant financial risk still remains, Trustees have ensured they have adequate insurance cover.

The Trust has undertaken a full review of the main areas of risks which it faces. This includes all health and safety and child protection policies and procedures. In addition, a review of all financial risks is undertaken on a regular basis.

The Trust has a formal risk management process to assess business risks and to implement risk management strategies. The process involves identifying the types of risk the Trust faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. A risk register is maintained and reviewed on a regular basis.

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

- The Trust has considerable reliance on continued Government funding through the Education and Skills Funding Agency and whilst the current level of funding is expected to continue there is no assurance that government policy or practice will remain the same or that public funding will continue at the same level or on the same terms. The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline to ensure standards are high, student numbers are buoyant and funding is maximised.
- The success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Failures in governance/management and in particular the risk that arises from the potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees, supported by the Audit, Finance and General Purposes Committee continue to review and ensure that appropriate measures are in place to mitigate these risks. The Trust has appointed internal Auditors to carry out checks on financial systems and records as required by the Academy Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

d. Principal risks and uncertainties (continued)

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

Fundraising

In July 2020 the Trust launched a crowdfunding campaign across all of its academies in order to raise money from parents and other members of the local community to buy Reader Pens and this continued into financial year 2020/21.

We understand that 'crowd funding is the practice of funding a project or venture by raising small amounts of money from a large number of people, typically via the Internet. Crowd funding is a form of crowd sourcing and alternative finance'.

Crowd funding is a new fundraising venture for us and we are hopeful that it will be a major success in raising much needed extra funds for the benefits of our pupils.

Whilst all of the work associated with the campaign is undertaken by staff it sits on 'DonateMySchool' which is a dedicated crowdfunding platform for state schools. It is a trading platform of Karadoo Finance Limited which is authorised and regulated by the Financial Conduct Authority and registered with The Fundraising Regulator"

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Streamlined energy and carbon reporting

The Academy Trust's greenhouse gas emissions and energy consumption are as follows:

	2022	2021
Energy consumption used to calculate emissions (kWh)	11,993,126	9,637,358
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	1,418	1,213
Owned transport	3	3
Total scope 1	1,421	1,216
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	644	613
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	10	2
Total gross emissions (in tonnes of CO2 equivalent):	2,075	1,831
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	0.28	0.239

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines.

We have also used the GHG Reporting Protocol – Corporate Standard and have used the Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

We have installed smart meters across all sites and increased video conferencing technology for staff meetings, to reduce the need for travel between sites.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Plans for future periods

Having established itself as a multi academy trust, Archway Learning Trust plans to continue to ensure an excellent educational provision is provided at its current academies and plans to continue to share its expertise to develop staff training opportunities across the Trust by supporting other schools and academies in Nottingham and beyond.

The key priorities for Archway Learning Trust into the future is to continue to strive for educational excellence across all the academies in the Trust, ensuring that all academies are good or outstanding. The Trust is committed to providing an inclusive and nurturing environment for all students. Archway Learning Trust plans to minimise permanent exclusions and provide an outstanding alternative provision and outstanding support for SEN and other vulnerable groups.

Archway Learning Trust has been successful in its bid to open a free school in Nottingham which opened to Year 7 in September 2021.

Growth has continued to be a priority this year and over the next few years with aims to grow to 15 academies including a number of primaries.

To achieve its priorities Archway Learning Trust will invest in developing the strongest teachers, leaders and support staff, ensure high staff retention rates and will provide consistency in learning and pedagogy to achieve high standards. In 2022-23, Archway Learning Trust will continue to invest in the Continuous Professional Learning of our staff. At the heart of this CPL provision is the opportunity for staff to attend, read, watch, share and engage with the learning platform provided by The National College, which develops expertise for all staff whatever their role in school.

Funds held as custodian on behalf of others

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the Academy Trust received £4k (2021 - £114k) and disbursed £14k (2021 - £89k) from the fund. An amount of £87k (2021 - £97k) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on Dec 22, 2022 and signed on its behalf by:



.....
A Taylor
Chair

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year.

Board members also attended up to 15 other delegated subcommittee meetings to maintain effective management and oversight. Whilst there have been fewer than 6 meetings of the Board of Trustees this year, the Trustees are comfortable that an appropriate level of effective oversight has been maintained through well-planned meetings, open dialogue throughout the year, and the regular meeting of the 4 other oversight committees.

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

Trustee	Meetings attended	Out of a possible
A Taylor, Chair	5	5
N Bell (resigned 3 December 2021)	1	1
R Donovan (appointed 23 March 2022)	3	3
S Hampton, CEO and Principal Accounting Officer	5	5
P Jones	5	5
D McCauley (resigned 31 January 2022)	1	2
M Oldroyd (resigned 8 January 2022)	1	2
Dr S Rich-Mahadkar (resigned 24 May 2022)	1	3
Dr C Rolph	4	5
S Stanyard	3	5
M Trobe CBE	5	5
R Vasey	2	5
K Wyer (resigned 30 June 2022)	4	4
N Frith (appointed 23 March 2022)	2	3

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Working groups comprising Trustees and local governors, reporting directly to the Board of Trustees, met as follows:

Audit and Risk

The primary purpose of the Audit and Risk (A&R) committee is to assist the Trust Board in ensuring risks facing the Trust are effectively assessed and reviewed; and to assist the Board to ensure that the annual financial statements give a true and fair view of the Trust and its activities. The CEO is a member of the A&R committee but does not participate in matters relating to audit.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
R Donovan (appointed 23 March 2022)	2	2
Dr S Rich-Mahadkar (resigned 24 May 2022)	2	2
S Stanyard	3	3
A Taylor	3	3

Finance & General Purposes

The primary purpose of the Finance & General Purposes (F&GP) committee is to assist the Trust Board in fulfilling its oversight responsibilities of the Trust's management of finance and resources.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Dr S Rich-Mahadkar (resigned 24 May 2022)	0	1
S Stanyard	3	3
A Taylor	3	3
K Wyer (resigned 30 June 2022)	3	3

Policies

The primary purpose of the Policy Committee is to review the policies operational across the Trust, ensure adequate consultation is carried out with all stakeholders including trade unions and recommend updates and policy drafts to the Board of Trustees for approval.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Hampton (CEO and Accounting Officer)	4	4
Rev P Jones	4	4
M Oldroyd (resigned 8 January 2022)	2	2
S-E Shaw	3	4
R Tanner	4	4

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Curriculum and Standards

The primary purposes of the Curriculum and Standards Committee are to assist the Board of Trustees in fulfilling its oversight responsibilities for the educational provision across the Trust in line with the Trust's Vision & Ethos statement, its policies and its Strategic Plan; to assist the Board in monitoring student progress and driving improvement; and to assist the Board to ensure the safety and wellbeing of all learners and staff across the Trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Hampton (CEO and Accounting Officer)	4	4
D McCauley (resigned 31 January 2022)	3	3
M Oldroyd (resigned 8 January 2022)	2	2
C Rolph	3	4
M Trobe	4	4
R Vasey	3	3

Governance review

The Trust and each AAB, working with Senior Leaders, will review its effectiveness during the course of each academic year. These reviews will also examine the effectiveness of individual Governors to ensure that the Board of Trustees and each AAB possesses the necessary mix of skills to maximise their effectiveness. This has been carried out throughout the year and new Trustees and Academy Advisory Board members have been appointed where deficits in skills were identified. Changes to the composition of the Board have been made where required. The Trust holds a Leadership Conference annually in the Autumn Term providing high level training to Trustees, AAB Chairs and Principals, the Executive Leadership Team and members of Academy Senior Leadership Teams.

Managing Conflicts of Interest

The Trust and Trustees take appropriate steps to ensure conflicts of interest are managed in line with guidance to ensure they do not put themselves in a position whereby their duty to act in the best interests of the charity conflicts with personal interest. To manage this the Trust has processes to identify, prevent and record conflicts. All Trustees and local Advisory Board members complete a declaration of interest form at least annually and a register of interest is maintained, this register of interest is used to identify any potential conflicts of interest, where appropriate an individual assessment is done and controls recorded and circulated to the relevant people including the Clerks and Chairs. Declarations of interest are a standing item for all meetings, either to update the register or to highlight any potential conflicts on the agenda. Trustees are encouraged to seek and act upon professional advice where necessary and guidelines and training are provided to enable Trustees to understand where and how conflicts arise. In March 2022, the Board received conflicts of interest training delivered by a Senior Associate from the Education Law department of Browne Jacobson law firm.

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- The Central Education Team is now a highly flexible and responsive team delivering and supporting local academy leaders to deliver improved outcomes.
- The Trust continues to deliver its CPL offer across all academies in the Trust. Due to our size the Trust is able to deliver this CPL not only to a very high standard but also in a cost effective manner. Thursdays afternoons continue to provide capacity in the timetable for continued professional development. In addition a highly successful Festival of Learning is organised bi-annually enabling high quality training and networking opportunities.
- The integrated IT platforms across the Trust have enabled a seamless transition from face to face CPL for staff to delivery of highly effective CPL online ranging from MA qualifications, various ECT programmes, peer led training and coaching programmes.
- Roll out of a blended learning approach for students enabling minimal disruption to teaching and learning despite the challenges of operating during a pandemic.
- A new Director of Safeguarding has been appointed and now sits on the ELT to ensure that safeguarding remains paramount in all of our processes. All safeguarding processes are up to date including training for both staff and students on Harmful Sexual Behaviour. Ongoing training is provided for Trustees and reporting on safeguarding is provided to the curriculum and standards sub-committee of Trustees which assesses on-going audits and actions. The Trust wide team for safeguarding has grown to provide further capacity to maintain continuous profile and training in respect of safeguarding.
- The Bluecoat School Centred Initial Teacher Training School continues to flourish and recruits approximately 30 trainees annually. It supports a partnership in excess of 30 schools and academies in Nottingham City and neighbouring counties.
- A new procurement manager was appointed during the year within the finance team to establish and promote preferred suppliers and to ensure the trust benefits from pricing that commensurate with its spend levels.
- A new energy advisor (Powerful Allies) was appointed in year to enable the trust to reduce energy usage across the sites and to obtain better prices from its gas and electricity suppliers.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the 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 at Archway Learning Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the 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
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Trustees has decided to employ Academy Advisory as internal auditor.

A regular report is prepared by internal audit and is presented to the Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. In particular the checks carried out in the current year to 31 August 2022 included testing over the following areas:

- Fixed assets
- Purchasing
- Payroll – joiners and leavers
- Expense claims
- Bank & cash

Two audit visits have taken place during the financial year, they resulted in one significant control issue regarding payroll sign-off which along with other more minor recommendations will now be noted and actioned.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As Accounting Officer, the CEO 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 Academy Advisory (internal auditor);
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the resource self-assessment;
- the work of the Senior Leaders within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- correspondence from ESFA e.g. 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 Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



.....
A Taylor
Chair

Date: Dec 22, 2022



S Hampton (Dec 22, 2022 10:27 GMT)

.....
S Hampton
Accounting Officer

Date: Dec 22, 2022

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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


S Hampton [Dec 22, 2022 10:27 GMT]

.....
S Hampton
Accounting Officer

Date: Dec 22, 2022

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

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

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

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

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

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



.....
A Taylor
Chair

Date: Dec 22, 2022

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ARCHWAY LEARNING TRUST**

Opinion

We have audited the financial statements of Archway Learning Trust (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2020 to 2021 issued by the Education & 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 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ARCHWAY LEARNING TRUST**

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees'

As explained more fully in the Trustees' Responsibilities Statement set out on page 26, the Trustees' 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' is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ARCHWAY LEARNING TRUST**

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Academy Trust and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, non-compliance with implementation of government support schemes relating to COVID-19, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022.

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ARCHWAY LEARNING TRUST**

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit report

This report is made solely to the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Trust and the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.


David Hoose (Jan 4, 2023 13:39 GMT)

David Hoose (Senior Statutory Auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Jan 4, 2023

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ARCHWAY LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Archway Learning Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Archway Learning Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Archway Learning Trust's funding agreement with the Secretary of State for Education dated 26 March 2014 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ARCHWAY LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

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


Mazars LLP (Jan 4, 2023 13:40 GMT)

Mazars LLP
Chartered Accountants
Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Jan 4, 2023

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Income from:						
Donations and capital grants:						
Transfer of existing academy into the Academy Trust	3	-	88	-	88	37,810
Other donations and capital grants		12	-	1,735	1,747	1,291
Other trading activities	5	285	-	-	285	185
Investments	6	5	-	-	5	17
Charitable activities:						
Academy Trust educational operations	4	705	58,315	-	59,020	46,424
Teaching school hub	4	-	350	-	350	381
Total income		1,007	58,753	1,735	61,495	86,108
Expenditure on:						
Raising funds	7	183	-	-	183	155
Charitable activities	8	988	62,563	5,017	68,568	52,914
Teaching school hub	7	-	295	-	295	342
Total expenditure		1,171	62,858	5,017	69,046	53,411
Net (expenditure)/ income carried forward		(164)	(4,105)	(3,282)	(7,551)	32,697

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

		Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
	Note					
Net (expenditure)/ income brought forward		(164)	(4,105)	(3,282)	(7,551)	32,697
Transfers between funds	17	(31)	(941)	972	-	-
Net movement in funds before other recognised gains/(losses)		(195)	(5,046)	(2,310)	(7,551)	32,697
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	42,854	-	42,854	(6,160)
Net movement in funds		(195)	37,808	(2,310)	35,303	26,537
Reconciliation of funds:						
Total funds brought forward		990	(46,644)	142,918	97,264	70,727
Net movement in funds		(195)	37,808	(2,310)	35,303	26,537
Total funds carried forward		795	(8,836)	140,608	132,567	97,264

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07875164

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £000	2021 £000
Fixed assets			
Tangible assets	14	140,138	141,873
		<u>140,138</u>	<u>141,873</u>
Current assets			
Debtors	15	3,043	1,805
Cash at bank and in hand	22	5,421	7,261
		<u>8,464</u>	<u>9,066</u>
Creditors: Amounts falling due within one year	16	(5,749)	(6,188)
Net current assets		<u>2,715</u>	<u>2,878</u>
Total assets less current liabilities		<u>142,853</u>	<u>144,751</u>
Net assets excluding pension liability		<u>142,853</u>	<u>144,751</u>
Defined benefit pension scheme liability	26	(10,286)	(47,487)
Total net assets		<u><u>132,567</u></u>	<u><u>97,264</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	17	140,608	142,918
Restricted income funds	17	1,450	843
Pension reserve	17	(10,286)	(47,487)
Total restricted funds	17	<u>131,772</u>	<u>96,274</u>
Unrestricted income funds	17	<u>795</u>	<u>990</u>
Total funds		<u><u>132,567</u></u>	<u><u>97,264</u></u>

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 33 to 69 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
A Taylor
Chair

Date: Dec 22, 2022

The notes on pages 38 to 69 form part of these financial statements.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(1,785)	2,914
Cash flows (used in)/provided by investing activities	21	(55)	630
Cash flows used in financing activities	20	-	(133)
Change in cash and cash equivalents in the year		(1,840)	3,411
Cash and cash equivalents at the beginning of the year		7,261	3,850
Cash and cash equivalents at the end of the year	22, 23	<u>5,421</u>	<u>7,261</u>

The notes on pages 38 to 69 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the 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 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **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.

- **Transfer on conversion**

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

- **Transfer of existing academies into the Academy Trust**

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

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.5 Tangible fixed assets

Assets costing £3k or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	- 45 - 50 years
Freehold land and buildings	- 50 - 125 years
Long leasehold land and buildings	- 45 - 50 years
Fixtures, fittings and equipment	- 4 - 10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.6 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.

1.7 Leased assets

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. Accounting policies (continued)

1.8 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. Accounting policies (continued)

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated 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 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.

1.11 Agency arrangements

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the Academy Trust does not have control over the charitable application of the funds. The funds received and paid, and any balances held are disclosed in note 29.

1.12 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

Bluecoat All Church of England Academies (Bluecoat Aspley Academy, Bluecoat Wollaton Academy, The Nottingham Emmanuel School and Bluecoat Primary Academy) have entered into church supplementary agreements for the use of the land and buildings they operate on, and as a result these land and buildings are included within fixed assets under long leasehold land and buildings.

The Trust occupies certain land and buildings under a Private Finance Initiative (PFI) agreement for a period of 25 years, at which point the lease transfers to the Trust. We benefit from the risks and rewards of the asset so for this reason, the land and buildings have been included on the balance sheet as a fixed asset.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Income from donations and capital grants

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Transfer of existing academy into the Academy Trust	-	88	-	88	37,810
Donations	12	-	-	12	30
Capital Grants	-	-	1,735	1,735	1,261
Total 2022	<u>12</u>	<u>88</u>	<u>1,735</u>	<u>1,835</u>	<u>39,101</u>
Total 2021	<u>30</u>	<u>(13,941)</u>	<u>53,012</u>	<u>39,101</u>	

Within transfers of existing academy into the Academy Trust there is an increase to income of £88k of additional funds transferred.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	47,472	47,472	37,594
Other DfE/ESFA grants				
Start Up Grants	-	215	215	270
Pupil Premium	-	3,076	3,076	2,708
Teachers' Pay/Pensions Grant	-	317	317	1,661
Other DfE/ESFA grants	-	1,912	1,912	951
	-	52,992	52,992	43,184
Other Government grants				
Local authority grants	-	2,330	2,330	940
Special educational projects	-	1,627	1,627	807
Other income from the Academy Trust's educational operations	705	853	1,558	858
	705	4,810	5,515	2,605
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	513	513	38
Other DfE/ESFA COVID-19 funding	-	-	-	597
	-	513	513	635
Teaching school hub				
Other income	-	350	350	381
Total 2022	705	58,665	59,370	46,805
Total 2021	358	46,447	46,805	

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Income from other trading activities

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Hire of facilities	48	48	8
Income from other charitable activities	237	237	177
Total 2022	<u>285</u>	<u>285</u>	<u>185</u>
Total 2021	<u>185</u>	<u>185</u>	

6. Investment income

	Unrestricted funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Short term deposits	<u>5</u>	<u>5</u>	<u>17</u>
Total 2021	<u>17</u>	<u>17</u>	

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Expenditure

	Staff Costs	Premises	Other	Total	Total
	2022	2022	2022	2022	2021
	£000	£000	£000	£000	£000
Expenditure on raising funds:					
Direct costs	-	132	51	183	155
Academy Trusts' educational operations:					
Direct costs	39,855	-	4,021	43,876	34,742
Allocated support costs	12,170	5,880	6,642	24,692	18,172
Teaching school	200	9	86	295	342
Total 2022	52,225	6,021	10,800	69,046	53,411
Total 2021	41,565	3,584	8,262	53,411	

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Charitable activities

	2022	2021
	£000	£000
Direct costs - educational operations	43,876	34,742
Direct costs - teaching school hub	295	342
Support costs - educational operations	24,692	18,172
	<u>68,863</u>	<u>53,256</u>

	2022	2021
	£000	£000
Analysis of support costs		
Support staff costs	12,170	9,163
Depreciation	3,567	3,366
Technology costs	704	523
Premises costs	5,880	3,584
Legal costs - conversion	-	5
Legal costs - other	23	36
Other support costs	2,292	1,453
Governance costs	56	42
	<u>24,692</u>	<u>18,172</u>

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2022	2021
	£000	£000
Operating lease rentals	2,271	1,273
Depreciation of tangible fixed assets	3,567	3,364
Fees paid to auditor for:		
- audit	33	29
- other services	12	10
	<u></u>	<u></u>

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£000	£000
Wages and salaries	33,402	28,172
Social security costs	3,386	2,752
Pension costs	13,012	9,219
	<hr/>	<hr/>
	49,800	40,143
Agency staff costs	2,204	1,068
Staff restructuring costs	221	354
	<hr/>	<hr/>
	52,225	41,565
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

	2022	2021
	£000	£000
Redundancy payments	25	354
Severance payments	197	-
	<hr/>	<hr/>
	222	354
	<hr/> <hr/>	<hr/> <hr/>

b. Severance payments

The Academy Trust paid 10 severance payments in the year, disclosed in the following bands:

	2022
	No.
£0 - £25,000	6
£25,001 - £50,000	4
	<hr/> <hr/>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £113k (2021 - £Nil). Individually, the payments were: £5k £10k, £10k, £14k, £20k £24k and £30k.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Staff (continued)

d. Staff numbers

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

	2022 No.	2021 No.
Teachers	490	477
Administration and support	756	565
Management	51	53
	<u>1,297</u>	<u>1,095</u>

e. Higher paid staff

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

	2022 No.	2021 No.
In the band £60,001 - £70,000	19	24
In the band £70,001 - £80,000	10	13
In the band £80,001 - £90,000	3	-
In the band £90,001 - £100,000	2	2
In the band £100,001 - £110,000	-	1
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-
	<u>1</u>	<u>-</u>

f. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £815k (2021 - £900k).

11. Central services

No central services were provided by the Academy Trust to its academies during the year and no central charges arose.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Trustees' remuneration and expenses

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

		2022	2021
		£000	£000
S Hampton, CEO and Principal Accounting Officer	Remuneration	150 - 155	145 - 150
	Pension contributions paid	35 - 40	30 - 35

During the period ended 31 August 2022, travel and subsistence expenses totalling £Nil were reimbursed or paid directly to nil trustees (2021 - £Nil to no Trustees).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 or unlimited cover for certain schools on any one claim. The cost of this insurance is included in the total insurance cost.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

14. Tangible fixed assets

	Freehold land and buildings £000	Long leasehold land and buildings £000	Fixtures, fittings and equipment £000	Assets under construction £000	Total £000
Cost					
At 1 September 2021	21,371	132,360	8,745	81	162,557
Additions	211	653	1,005	14	1,883
Disposals	-	-	(4,776)	-	(4,776)
At 31 August 2022	21,582	133,013	4,974	95	159,664
Depreciation					
At 1 September 2021	2,805	11,315	6,564	-	20,684
Charge for the year	383	2,356	828	-	3,567
On disposals	-	-	(4,725)	-	(4,725)
At 31 August 2022	3,188	13,671	2,667	-	19,526
Net book value					
At 31 August 2022	18,394	119,342	2,307	95	140,138
At 31 August 2021	18,566	121,045	2,181	81	141,873

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

15. Debtors

	2022	2021
	£000	£000
Due within one year		
Trade debtors	24	63
Amounts owed by group undertakings	45	-
VAT recoverable	470	145
Other debtors	382	378
Prepayments and accrued income	2,122	1,219
	<u>3,043</u>	<u>1,805</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand.

16. Creditors: Amounts falling due within one year

	2022	2021
	£000	£000
Trade creditors	1,733	232
Other taxation and social security	828	815
Other creditors	960	1,085
Accruals and deferred income	2,228	4,056
	<u>5,749</u>	<u>6,188</u>
	2022	2021
	£000	£000
Deferred income at 1 September 2021	1,621	671
Resources deferred during the year	661	1,621
Amounts released from previous periods	(1,621)	(671)
	<u>661</u>	<u>1,621</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance as follows:

- £36k (2021 - £641k) DfE Grants
- £469k (2021 - £651k) LA Grants
- £105k (2021 - £262k) Other Grants
- £43k (2021 - £55k) Trip income
- £Nil (2021 - £12k) Donations
- £8k (2021 - £Nil) Charity

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General Funds	990	1,007	(1,171)	(31)	-	795
Restricted general funds						
General Annual Grant (GAG)	843	47,472	(45,924)	(941)	-	1,450
Start up grant	-	215	(215)	-	-	-
Pupil Premium	-	3,076	(3,076)	-	-	-
Teachers Pay/Pension grant	-	317	(317)	-	-	-
Other restricted funds	-	7,673	(7,673)	-	-	-
Pension reserve	(47,487)	-	(5,653)	-	42,854	(10,286)
	<u>(46,644)</u>	<u>58,753</u>	<u>(62,858)</u>	<u>(941)</u>	<u>42,854</u>	<u>(8,836)</u>

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Restricted fixed asset funds						
DfE/ESFA capital grants	8,591	1,735	(1,664)	-	-	8,662
Inherited funds	117,817	-	(2,941)	-	-	114,876
Capital expenditure from GAG	6,877	-	(172)	972	-	7,677
Capital expenditure from Unrestricted funds	812	-	(20)	-	-	792
Private sector capital	8,821	-	(220)	-	-	8,601
	<u>142,918</u>	<u>1,735</u>	<u>(5,017)</u>	<u>972</u>	<u>-</u>	<u>140,608</u>
Total Restricted funds	<u>96,274</u>	<u>60,488</u>	<u>(67,875)</u>	<u>31</u>	<u>42,854</u>	<u>131,772</u>
Total funds	<u><u>97,264</u></u>	<u><u>61,495</u></u>	<u><u>(69,046)</u></u>	<u><u>-</u></u>	<u><u>42,854</u></u>	<u><u>132,567</u></u>

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the movements on the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

Transfers from restricted funds to restricted fixed asset funds represent GAG funds used in relation to capital expenditure.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

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

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Unrestricted funds						
General Funds	1,105	590	(705)	-	-	990
Restricted general funds						
General Annual Grant (GAG)	789	37,594	(36,677)	(863)	-	843
Start up grant	-	270	(270)	-	-	-
Transfer on conversion	-	429	(429)	-	-	-
Pupil Premium	-	2,708	(2,708)	-	-	-
Teachers Pay/Pension grant	-	1,661	(1,661)	-	-	-
Catch-up Premium	-	38	(38)	-	-	-
Other DfE/ESFA COVID 19 funding	-	597	(597)	-	-	-
Other restricted funds	-	3,579	(3,579)	-	-	-
Pension reserve	(23,576)	(14,370)	(3,381)	-	(6,160)	(47,487)
	<u>(22,787)</u>	<u>32,506</u>	<u>(49,340)</u>	<u>(863)</u>	<u>(6,160)</u>	<u>(46,644)</u>

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2021 £000
Restricted fixed asset funds						
DfE/ESFA capital grants	7,360	1,261	(30)	-	-	8,591
Inherited funds	68,897	51,751	(2,830)	-	-	117,818
Capital expenditure from GAG	6,206	-	(192)	863	-	6,877
Capital expenditure from Unrestricted funds	844	-	(32)	-	-	812
Private sector capital	9,102	-	(282)	-	-	8,820
	<u>92,409</u>	<u>53,012</u>	<u>(3,366)</u>	<u>863</u>	<u>-</u>	<u>142,918</u>
Total Restricted funds	<u>69,622</u>	<u>85,518</u>	<u>(52,706)</u>	<u>-</u>	<u>(6,160)</u>	<u>96,274</u>
Total funds	<u>70,727</u>	<u>86,108</u>	<u>(53,411)</u>	<u>-</u>	<u>(6,160)</u>	<u>97,264</u>

Total funds analysis by academy

The Academy Trust pools GAG reserves centrally. There are no material unspent non GAG funds held at year end in any of the Academy Trust schools.

Fund balances at 31 August 2022 were allocated as follows:

	2022 £000	2021 £000
Trust	2,245	1,833
Restricted fixed asset fund	140,608	142,918
Pension reserve	(10,286)	(47,487)
Total	<u>132,567</u>	<u>97,264</u>

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
Trust	7,525	1,194	712	852	10,283	9,198
Bluecoat Wollaton Academy	3,640	523	393	312	4,868	4,863
Bluecoat Primary Academy	1,913	160	161	55	2,289	2,073
Bluecoat Beechdale Academy	4,504	684	724	388	6,300	6,316
The Nottingham Emmanuel School	5,002	740	594	472	6,808	6,920
Alvaston Moor Academy	4,144	433	387	1,807	6,771	3,742
Lees Brook Community School	5,125	668	346	612	6,751	4,111
The Long Eaton School	4,971	304	412	1,223	6,910	4,270
Bluecoat Trent Academy	885	109	181	60	1,235	-
Archway Learning Trust	2,264	7,433	193	3,374	13,264	8,552
Academy Trust	39,973	12,248	4,103	9,155	65,479	50,045

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Analysis of net assets between funds

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	140,138	140,138
Current assets	795	7,199	470	8,464
Creditors due within one year	-	(5,749)	-	(5,749)
Provisions for liabilities and charges	-	(10,286)	-	(10,286)
Total	795	(8,836)	140,608	132,567

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

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Restricted fixed asset funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	-	-	141,873	141,873
Current assets	990	7,031	1,045	9,066
Creditors due within one year	-	(6,188)	-	(6,188)
Provisions for liabilities and charges	-	(47,487)	-	(47,487)
Total	990	(46,644)	142,918	97,264

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

19. Reconciliation of net (expenditure)/income to net cash flow from operating activities

	2022	2021
	£000	£000
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(7,551)	32,697
Adjustments for:		
Depreciation	3,567	3,364
Capital grants from DfE and other capital income	(1,735)	(1,261)
Interest receivable	(5)	(17)
Defined benefit pension scheme obligation inherited	-	14,370
Defined benefit pension scheme cost less contributions payable	4,860	2,880
Defined benefit pension scheme finance cost	793	501
Increase in debtors	(1,238)	(848)
(Decrease)/increase in creditors	(439)	3,408
Loss on disposal of fixed assets	51	-
Donated assets	-	(51,751)
Transfer of existing academies into the Academy Trust	(88)	(429)
Net cash (used in)/provided by operating activities	(1,785)	2,914

20. Cash flows from financing activities

	2022	2021
	£000	£000
Repayments of borrowing	-	(133)

21. Cash flows from investing activities

	2022	2021
	£000	£000
Dividends, interest and rents from investments	5	17
Purchase of tangible fixed assets	(1,883)	(1,077)
Capital grants from DfE	1,735	1,261
Cash transferred on existing academies into the Academy Trust	88	429
Net cash (used in)/provided by investing activities	(55)	630

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

22. Analysis of cash and cash equivalents

	2022	2021
	£000	£000
Cash in hand and at bank	5,421	7,261
	<u>5,421</u>	<u>7,261</u>

23. Analysis of changes in net debt

	At 1 September 2021 £000	Cash flows £000	At 31 August 2022 £000
Cash at bank and in hand	7,261	(1,840)	5,421
	<u>7,261</u>	<u>(1,840)</u>	<u>5,421</u>

24. Conversion to an academy trust

On 1 September 2021 Bluecoat Trent Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Archway Learning Trust from Nottingham City Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets	-	-	-	-
Cash - representing budget surplus on LA funds	-	-	-	-
Pension scheme liability	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

25. Contingent liabilities

With regards to the Harpur Trust v Brazel court case which the Supreme Court concluded on in July 2022, the impact of the outcome on the Trust cannot be reasonably estimated at this time and therefore no provision recognised in the financial statements.

26. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Nottinghamshire County Council and Derbyshire 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 £831k were payable to the schemes at 31 August 2022 (2021 - £814k) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £4,758k (2021 - £4,042k).

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 pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £3,328k (2021 - £2,635k), of which employer's contributions totalled £2,581k (2021 - £2,046k) and employees' contributions totalled £747k (2021 - £589k). The agreed contribution rates for future years are 20.8% for employers and 5.5% to 12% for employees.

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

CPI assumption

Pension Increase Orders are used to set the level of pension increases with effect from 1 April of each year, with reference to the change in CPI inflation over the 12 months to the previous September, which was announced in October. This was 10.1% and was considerably higher than the CPI assumption set by employers as at 31 August 2022. Although Pension Increase orders have always been set with reference to the September CPI for the last 10 years and the September RPI for the preceding 20 years, they are not automatically set and they are only known with absolute certainty when the Pension Increase Order is enacted by Parliament, which is usually in April of the following year. Similarly, the likely level of the forthcoming Pension Increase Order 2023 was not known at 31 August. Consequently, no adjustment has been made to recognise the possible 2023 Pension Increase Order within the CPI assumption.

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	3.75 - 3.90	3.60 - 3.85
Rate of increase for pensions in payment/inflation	2.90 - 3.05	2.85 - 2.90
Discount rate for scheme liabilities	4.20 - 4.25	1.65 - 1.70

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

26. Pension commitments (continued)

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

	2022 Years	2021 Years
Retiring today		
Males	21.1 - 21.7	21.3 - 21.6
Females	23.8 - 24.4	23.9 - 24.3
Retiring in 20 years		
Males	22.2 - 23.0	22.5 - 22.9
Females	25.6 - 25.8	25.7 - 25.8

Sensitivity analysis on the defined benefit obligation

	2022 £000	2021 £000
Discount rate -0.1%	1,208	2,299
Mortality assumption - 1 year increase	1,304	3,112
CPI rate +0.1%	1,221	2,066
Salary rate +0.1%	100	202

Share of scheme assets

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

	2022 £000	2021 £000
Equities	18,926	18,666
Gilts	481	606
Corporate bonds	3,587	3,517
Property	3,896	2,614
Cash	1,480	1,267
Other	2,436	2,070
Total market value of assets	30,806	28,740

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

26. Pension commitments (continued)

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

	2022 £000	2021 £000
Current service cost	(7,432)	(4,862)
Past service cost	-	(56)
Interest income	507	332
Interest cost	(1,300)	(833)
Administrative expenses	(9)	(8)
Total amount recognised in the Statement of Financial Activities	(8,234)	(5,427)

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

	2022 £000	2021 £000
At 1 September	76,227	37,981
Transfer of existing academies into the Academy Trust	-	23,177
Current service cost	7,432	4,862
Interest cost	1,300	833
Employee contributions	747	589
Actuarial (gains)/losses	(44,090)	9,041
Benefits paid	(524)	(312)
Past service costs	-	56
At 31 August	41,092	76,227

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

26. Pension commitments (continued)

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

	2022	2021
	£000	£000
At 1 September	28,740	14,405
Transfer of existing academies into the Academy Trust	-	8,807
Interest income	507	332
Actuarial (losses)/gains	(1,236)	2,881
Employer contributions	2,581	2,046
Employee contributions	747	589
Benefits paid	(524)	(312)
Administrative expenses	(9)	(8)
At 31 August	30,806	28,740

27. Operating lease commitments

At 31 August 2022 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£000	£000
Not later than 1 year	2,256	2,073
Later than 1 year and not later than 5 years	8,790	8,254
Later than 5 years	9,698	11,232
	20,744	21,559

On transfer of existing academies into the Academy Trust, the Private Finance Initiative ("PFI") property used by the Trust was transferred from Derby City Council And Derbyshire County Council to the trust via a donation. No liability has arisen as a result of this transaction as Derby City Council and Derbyshire County Council retained ultimate responsibility for the outstanding capital finance. However a financial commitment exists for the Trust in the form of PFI charges to cover the service charge element of the unitary charge payable. The commitment currently amounts to approximately £2,139k per annum plus PFI benchmarking charges. These charges are subject to an increase which is linked to the retail price index. The PFI contributions are recognised in the Statement of Financial Activities. The Academy Trust has received income of £830k from the ESFA to assist with the PFI costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

28. 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.

29. Related party transactions

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

Foundation Trust. During the year the Academy Trust made capital repayments against outstanding loans to the Bluecoat Foundation Trust amounting to £Nil (2021 - £133k) and the balance remaining at the year end was £Nil (2021 - £Nil).

Bluecoat Academy Trading Limited - a 100% wholly owned subsidiary.

- The Academy Trust recharged salaries and professional services to Bluecoat Academy Trading Limited totalling £38k (2021 - £5k) during the year. At the year end Bluecoat Academy Trading owed the Academy Trust £45k (2021 - £5k). During the year an amount of £9k (2021 - £Nil) was gift aided to the Trust from Bluecoat Academy Trading Limited.

GDM Education Limited - a company controlled by the spouse of D McCauley (a Trustee until 31 January 2022).

- The Academy Trust purchased educational services from GDM Education Limited totalling £17k (2021 - £Nil) during the year. At the year end the Academy Trust owed GDM Education Limited £Nil (2021 - £Nil).

30. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the Academy Trust received £4k (2021 - £114k) and disbursed £14k (2021 - £89k) from the fund. An amount of £87k (2021 - £97k) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

ARCHWAY LEARNING TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

31. Principal subsidiaries

Bluecoat Academy Trading Limited

Subsidiary name	Bluecoat Academy Trading Limited
Company registration number	08407677
Basis of control	100% owned subsidiary
Total assets as at 31 August 2022	£142k
Total liabilities as at 31 August 2022	£(49k)
Total equity as at 31 August 2022	£93k
Turnover for the year ended 31 August 2022	£137k
Expenditure for the year ended 31 August 2022	£(45k)
Profit for the year ended 31 August 2022	£92k

