

The Ormiston Trust
Annual Report comprising
Trustees' Report and Financial Statements
For the year ended 31 August 2022

Company No. 09648958
Charity Registration No. 1164358

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**The Ormiston Trust
Trustees' Report
for the year ended 31 August 2022**

The Board presents its report together with financial statements for the period from 1 September 2021 to 31 August 2022.

Reference and administrative information

The name of the charity is The Ormiston Trust.

The charity is registered with the Charity Commission under number 1164358 and is a company limited by guarantee with registered number 09648958.

The registered office and principal office address of the trust is Suite 1 Windmill Oast, Benenden Road, Rolvenden, Cranbrook, Kent, England, TN17 4PF.

The trust is a general charitable trust, income or capital may be distributed at the trustees' discretion.

The trust's main activities are the sponsorship of academies and provision of grants to other Ormiston organisations that support children and families.

These accounts consolidate Ormiston Trust and other charities under its control which are its sponsored academies.

The charity trustees who served during the year were: -

Peter Murray OBE, Chairman
Duncan Murray
Diana Murray
Steve MacLeod
Peter Cornforth (appointed 19 September 2022)
Nicola Kidston (appointed 19 September 2022)
Ian Brookman (resigned 1 August 2022)

Chief Executive: James Murray

Auditors

RSM UK Audit LLP
10th Floor
103 Colmore Row
Birmingham
B3 3AG

Bankers

Barclays Bank PLC
35 Market Hill
Sudbury
Suffolk
CO10 2EP

Investment Portfolio Manager

Barclays Wealth and Investment Management
1 Churchill Place
Canary Wharf
London
E14 5HP

Property Portfolio Manager

Kemsley LLP
113 New London Road
Chelmsford
Essex
CM2 0QT

Solicitors

Ashton KCJ
Waterfront House
Wherry Quay
Ipswich
Suffolk
IP4 1AS

Structure, Governance and Management

Constitution

The trust is a private company limited by guarantee and a registered charity. The charitable company's articles of association are the primary governing documents of the trust.

The trustees act as the directors of the charitable company for the purposes of company law, as well as fulfilling their obligations as trustees for the charitable activities of Ormiston Trust. The charitable company is known as The Ormiston Trust.

Details of the charity's trustees who served during the year are included in the reference and administrative details page of the Trustees' Report.

Trustees are responsible and accountable for creating and setting the organisation's strategy, key objectives, holding the chief executive to account for delivery of the charity's goals. In addition, the trustees, with the advice of the chief executive and external professionals make key decisions regarding property and equity investments, and grants to beneficiaries over £5,000. The chief executive is responsible for all other day to day operations of the trust.

The trust has majority membership control and the power to appoint the majority of directors of the subsidiaries that it sponsors: The Gateway Learning Community, Birmingham Ormiston Academy, and Ormiston Academies Trust.

Each of the subsidiaries has a board of directors, who set the strategy, strategic aims and objectives and hold the organisation's executive to account for achieving these goals. Their executive teams run the trusts on a day-to-day basis.

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.

Trustees' indemnities

There are no qualifying third party indemnity provisions in respect of trustees, other than trustees' and officers' insurance which is in place.

Method of recruitment and appointment or election of trustees

Potential new trustees are identified by the Board and CEO, ensuring that the skills and experience of new trustees are complementary to those of existing board members.

Structure, Governance and Management (continued)

Policies and procedures adopted for the induction and training of trustees

The training and induction provided for new trustees will depend on their existing experience. Where necessary the induction process will provide training on charity, educational, legal and financial matters. All new trustees are encouraged to visit supported organisations, academies and funded projects, and to meet with staff, students and other beneficiaries. All trustees are provided with copies of procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees. Appropriate on-going training is available as necessary, delivered or co-ordinated mainly through the operational team.

Organisation

The charity's trustees meet at regular intervals throughout the year to oversee governance, strategy, performance and risk management.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration of key management personnel in the sponsored academies is determined by the respective academy trustees, taking into account a variety of contributory factors such as: role and responsibilities, guidance from the Education and Skills Funding Agency (ESFA), market factors, and result of annual performance review processes. The pay and remuneration of the charity's chief executive officer is determined by the trustees using similar criteria.

Objectives and Activities

The principal object of Ormiston Trust is the support of children and their families

Vision

We are committed to increasing the life chances of young people in England.

Mission

We achieve this vision by providing strategic and operational advice, capacity, tools, and grants for supported organisations who share our vision and values.

Values

Four core values underpin the Ormiston Trust approach.

Value 1: Empower • We support people and organisations to become more self-reliant. • We work with people and organisations in meaningful trusted partnership.	Value 2: Impact • We strive for continuous improvement and to make the best use of resources. • We are not afraid to support innovative projects and to take risks.
Value 3: Care • We develop caring and supportive relationships and the development of the whole child. • We listen to and respond to the views of our stakeholders and especially young people.	Values 4: Sustainability • We monitor our impacts as well as our outcomes and embed continuous learning. • We want our support to enabled sustained success.

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's objectives and aims and in planning future activities for the year. The trustees consider that the trust's aims are demonstrably to the public benefit.

Strategic Report

Financial Review

Consolidation

The trustees have prepared consolidated accounts for the year to include the operations, assets and liabilities of academies sponsored by Ormiston Trust as the operation of Multi Academy Trusts is a major part of the trust's objectives.

However, Ormiston Trust itself is primarily a grant making charity. It does not own its subsidiary entities, although it has the power to appoint their boards. The academies supported by Ormiston Trust are separate bodies, financed mainly by public funding, to which The Ormiston Trust does not have access.

Charity – Ormiston Trust

The Trust funds its grant making activities from the income generated from investments, primarily rental income together with additional external funding to support specific projects. During the current year no additional external funding was received (2021: £995k).

Ormiston Trust made grant commitments of £2.9 million (2021: £1.2 million) during the year, some of which will be paid out over the next few years, and which are recorded within creditors at the year-end. The Trust recorded an unrestricted deficit before investment gains of £855k (2021: £1,148k surplus) and an unrestricted surplus of £818k after investment gains (2021: £1,318k) which has been added to the Trust's unrestricted fund with a balance carried forward of £8.4 million (2021: £7.5 million) at 31 August 2022.

The Ormiston Trust finance and investment committee, in partnership with external advisors, are continually seeking to reinvest these funds into various asset categories to provide a recurring income source to support its ongoing charitable activities.

The restricted grant of £995k received during 2021 from the National Lottery Community Fund #iwill was fully spent during the year.

The trust has a significant endowment fund of £31 million (2021: £27 million) which is invested in investment properties and generated investment gains of £3,916k (2021: £3,062k) in the year.

Group

The group results reflect the performance of the trust and its sponsored academies, and the trustees consider the overall financial performance for the year to be satisfactory.

The group's total income was £339 million (2021: £259 million) mainly from public sector funding for its subsidiary's activities of educating and developing young people. The accounts show a surplus for the year of £208 million (2021: deficit of £28 million) which is after accounting for net assets acquired on the conversion of schools into the academy trusts of £52 million (2021: £nil million), capital funding and donations of £17 million (2021: £11 million) and after adjusting for the impact of the remeasurement of the group's participation in local government pension schemes which resulted in a gain of £165 million (2021: £23 million loss).

These large movements relate to capital assets and pension liabilities which are accounted for in separate restricted funds, the movement on unrestricted income funds for the year was a surplus of £4 million (2021: surplus of £1 million).

The group has net current assets of £37 million (2021: £31 million) which is represented mainly by unrestricted funds and restricted general funds balances. This provides sufficient working capital for the group's operations.

The deficit on and movement in the Pension Reserve is expected, like other academy groups, the support staff of the academies are members of various local government pension schemes (LGPSs), in which there are funding deficits. Details of these obligations and the actuarial assumptions applied in the valuation of the liability are included in the notes to the financial statements. It should be noted that, due to the increase in the discount rate assumption this year, there has been a significant reduction in the overall pension liability at 31 August 2022 which is expected to reverse to a large extent during the current financial year.

Achievements and performance

The Ormiston Trust Operation

Ormiston Trust is run by a team of dedicated staff and trustees to provide strategic and operational advice, capacity, tools, and grants for supported organisations who share our vision and values. Ormiston Trust funded projects are assessed according to their fit with specific outcomes and project impact principles, which focus typically on the extent of impact on beneficiaries, and the quality of project plans and evaluation processes.

In addition to providing grants and capacity, staff and trustees also fulfil the role of sponsor for its academy subsidiaries including Ormiston Academies Trust, The Gateway Learning Community, and Birmingham Ormiston Academy, by attending annual general meetings, meetings with the chairman of their boards and reviewing reports about performance. As the parent company, Ormiston Trust has a degree of control exercised over subsidiaries through its majority membership and ability to appoint subsidiary Directors.

Ormiston Trust benefits from its subsidiaries as they deliver the Ormiston Trust's strategic aim to make a significant positive impact on the life chances of young people within educational settings.

The Ormiston Trust has further enhanced its strategic and operational approach over the last year. In particular it has:

- Invested a further £1m in youth social action programmes in schools in England.
- Run best practice sharing events in relation to innovations in programmes in support of young people.
- Helped Birmingham Ormiston Academies with their plans to open two new schools.
- Set up a youth advisory council to increase our understand of the needs of young people and to get their help in strategic, operational and grant giving practices.

Ormiston Trust is increasingly focused on funding fewer projects but at greater scale and impact. During this period the trust has supported and or funded over 150 individual schools and or projects that have supported more than 40,000 young people, and families. The grant summaries below outline some of the examples of our funded work.

Grant funding impact – Academy network

The academies sponsored by the Ormiston Trust used our funding to run specific activities for students, their families, and surrounding communities. For example, Ormiston Trust funded:

- A grant for Birmingham Ormiston Academy Group to support students' art related enrichment trips and the hire of space and equipment to help a new Academy to open. (Arts focus)
- A grant piloted a healthy eating baking celebration and competition – called the Ormiston Academy Trust Bake Off - during key school calendar points engaging students and staff across 40 academies. (Healthy living focus)
- A grant providing disengaged young people with the experience of working in a team, developing new skills, taking responsibility, developing coping strategies and resilience by taking part in a four-day sailing trip with Ocean Youth Trust South. Students from Ormiston NEW Academy and Ormiston SWB Academy engaged on the voyage. (Character)
- A grant for an enrichment programme at George Salter Ormiston Academy which provides students with the opportunity to participate in enrichment activities, visits to universities and organisations in order to raise their career and life aspirations, self-confidence, self-awareness, resilience, and communication skills. This project focused on the top 10% of pupils identified as Higher Achieving in this academy many of whom were students on free school meals. (Aspirations, Career choices)

Grant funding impact – Academy network (Continued)

- A grant to run an inclusive poetry programme across Primary and Secondary Ormiston Academy Trust Alternative Provision schools which provided students with a number of different creative writing workshops, allowing students the opportunity to express their voices and experiences through poetry. Participating pupils submitted their work to an anthology which was shared and showcased to a wider audience. (Art)
- A grant to contribute to the hire of an Art Therapist on-site one day per week who introduced Art Therapy to 30 students, and pupils at Ormiston Bridge Academy. The programme provided students with one-to-one engagement opportunities to address the issues related to adverse childhood experiences and supported them to develop hope and aspirations for their futures. (Aspiration, Wellbeing)
- A grant to embed mental health and wellbeing within the curriculum at George Salter Academy. The programme trained staff on how to build a 'resilient classroom' and teach students, parents, carers, and the wider community about mental health management and relevant coping strategies. (Wellbeing, Resilience)
- A core cost grant for Ormiston Families to expand their central team and capacity in relation to youth engagement, monitoring and fundraising posts. (Capacity building)
- A grant to enable Ormiston Families to provide an early intervention wellbeing service for mothers and mothers-to-be, that strengthened relationships and supported their mental health and wellbeing. The programme offered one-to-one counselling sessions, physical activities to improve fitness and wellness, and help accessing community services. (Wellbeing)
- A grant for Ormiston Families to offer one-to-one and non-time limited wellbeing services and support for women that strengthened their family and peer support relationships and increased their self-esteem. The programme in particular supported mothers whose children have previously been removed into care and helped them to develop key life skills, improve emotional health and wellbeing, improve sexual and reproductive health. (Wellbeing)
- A grant for George Salter Ormiston Academy to support a school-wide character education programme which provided students with a number of character-building and skill-development opportunities in order to prepare them for life at and after school. A range of leadership opportunities, house competitions, academic lectures, additional qualifications and curriculum enrichment were provided for 100's of students. (Character)
- A grant for Birmingham Ormiston Academy (BOA) to contribute to the costs of the Executive / Artistic Director hired to manage the Old Rep Theatre part of the BOA Group. The new hire worked directly with the CEO and Board of Directors to set an artistic vision for the organisation and provided artistic leadership, oversaw all aspects of programming focused on maintaining the highest values and standards of service, performance, and management. The focus of the Old Rep is running the venue as a theatre for young people, run by young people. (Art, Agency)

Grant funding impact - Ormiston Families

Ormiston Families used Ormiston Trust funding to deliver the three delivery and capacity building projects below

- A grant to offer one-to-one and non-time limited wellbeing services and support for women that strengthened their family and peer support relationships and increased their self-esteem. The programme in particular supported mothers whose children have previously been removed into care and helped them to develop key life skills, improve emotional health and wellbeing, improve sexual and reproductive health. (Wellbeing)
- A grant to provide an early intervention wellbeing service for mothers and mothers-to-be, that strengthened relationships and supported their mental health and wellbeing. The programme offered one-to-one counselling sessions, physical activities to improve fitness and wellness, and help accessing community services. (Wellbeing)

Grant funding impact - Ormiston Families (Continued)

- A grant to expand their central team and capacity in relation to youth engagement, monitoring, and fundraising posts. (Capacity building)

#WeWill Youth Social Action

The Ormiston Trust had a significant interest during this period in driving a Youth Social Action (YSA) programme in schools. This programme aimed to inspire and empower young people to meaningfully engage at scale, in sustainable social action projects which had a positive impact on themselves and others.

The Ormiston Trust is acting as a match funder and awarding grants on behalf of the #iwill Fund. The #iwill Fund is made possible thanks to £66 million joint investment from The National Lottery Community Fund and the Department for Culture, Media and Sport (DCMS) to support young people to access high quality social action opportunities.

The Ormiston Trust plan by September 2023 was to engage over 10,000 young people in over 100 social action projects across over 150 schools. We are on track to achieve this target, and as of September 2022 9,346 young people had been engaged in over 80 social action projects across 66 schools.

This large scale programme focused on:

- Establishing an Ormiston Trust led steering group of key school, staff, and youth stakeholders to drive the programme;
- Extensive networking and collaboration opportunities to share best practice and ideas;
- Strengthening youth engagement structures in schools and ensuring they drove and determined youth action;
- Delivering an extensive range of training workshops for young advisors to prepare them to act;
- Creating and testing in schools' a range of YSA related resources (i.e. skills training guides, implementation guides, curriculum guides, youth passports etc) to make implementation as easy as possible for staff and students;
- Enabling social action topics to be discussed and integrated within a school's curriculum;
- Creating practices that could largely be self-sustained by the schools themselves; and
- An extensive evaluation which is assessing a range of key outcomes.

So far evaluation data indicates that over 75% of school staff members felt that the #WeWill YSA Programme was beneficial for their schools and pupils, and 91% reported that the programme was beneficial for the wider community.

Ormiston Trust Youth Advisory Council and Committees

Related but separate to the above work on youth social action, over the past year, Ormiston Trust's Youth Advisory Council (YAC) has taken further significant steps towards creating a fully developed forum for young people to engage with and support our work. Currently 12 young advisors aged 14 – 20 from within the Ormiston network and beyond have been recruited and engaged every 6 weeks in various strategic discussions about our work and focus. Further addition sub committees to this main group meet to discuss specific workstreams that focus on our external communications and branding, resource creation and grants. Key achievements include:

- Adoption of the YAC's terms of reference and code of conduct created and led by young advisors;
- Election of the inaugural chair, secretary, and officers for the council;
- YAC members supporting the Trust to become a signatory to the #iWill Campaign's Power of Youth Charter;
- Delivery of student leadership skills workshops;
- Youth advisors assisting bidding for funds and assessing grant applications;
- Supporting the development of the #WeWill toolkit resources;
- Assisting the running of youth social action awards and events; and
- Creating an inclusion and diversity checklist to add to Ormiston's grant guidelines.

Sponsored academies

Ormiston Trust is involved in reviewing sponsored academy performance by attendance at boards, committees and other networks and forum and conducting visits of academies and head office functions. The sections below provide a high level overview of sponsored academies performance. Individual subsidiary accounts, available from Companies House, contain significantly more detailed information.

Ormiston Academies Trust

Ormiston Academies Trust (OAT) is an educational charity and one of the largest not-for-profit multi-academy trusts in England serving the needs of children nationally and within 18 local authorities. They are also one of the longest established trusts and have been sponsoring academies since our incorporation in 2009.

As of 31 August 2022, the trust was made up of 43 academies, 32 secondary schools, six primary schools, four alternative provision schools and one special school. OAT were especially pleased to take on the four Alternative Provision schools in London and to add specialist capability in this area to the network.

Within these they educated 33,288 children and young people during 2021–22:

- 526 pupils at Early Years
- 1,977 pupils at Key Stage 1 to 2
- 28,892 pupils at Key Stage 3 to 4
- 1,893 at Key Stage 5 with 13 of our 32 secondary schools also providing post-16 provision.

They also serve a diverse set of communities:

- 25% of their primary and 38% of their secondary students receive pupil premium.
- 20% of their primary pupils and 18% of their secondary students have special education needs.
- 15% of their primary pupils and 12% of their secondary students speak English as an additional language.
- 81% of their primary pupils are White British and 74% of their secondary students.

OAT are passionate about making a difference by achieving more together – whether it be working collaboratively within OAT or in partnership with others. They aim to inspire, educate, support, and develop all their children and young people so that they are empowered with the knowledge, skills, confidence, and resilience to go onto live happy and fulfilling lives. 80% of their academies are good or outstanding.

For more detailed information please see the Ormiston Academies Trust accounts on the Companies House website or www.ormistonacademiestrust.co.uk.

Birmingham Ormiston Academy Trust

Birmingham Ormiston Academy (“BOA”), sponsored by Ormiston Trust and Birmingham City University, is a 14 to 19 academy group specialising in Creative, Digital and Performing Arts. There are three academies within the BOA Trust - BOA Performing Arts, BOA Stage and Screen and BOA Digital Technologies. The academies aim to be at the forefront of the development of the arts and the creative industries. BOA's strategy is to enable each student to achieve at the highest level possible, in an orderly, caring, friendly community, committed to promoting high standards for all.

The key aims of the Academy Trust during the year ended 31 August 2022 are summarised below:

- To continue to raise standards of achievements and ensure teaching and learning supports introduction and efficacy of curriculum intent and curriculum implementation.
- To ensure that the process of education is a partnership between the learner, the school and the parents, together with the Trustees, employers and the community.
- To strive to equalise the opportunities for each student to develop their talents to the fullest extent.

Birmingham Ormiston Academy Trust (Continued)

- To provide students with individual, personalised learning plans through a specialist curriculum focused on the creative, digital and performing arts.
- To ensure a successful opening for BOA Stage and Screen Production Academy, providing an excellent standard of provision for all students within the technical arts sector.
- To prepare for the opening of BOA Digital in September 2022.
- To develop and implement the structures for a Multi Academy Trust.

The academy trust's are one hundred percent selective based on aptitude within the specialism (rather than academic ability) and, as a result, is unique in its admissions.

BOA Performing Arts key stage 4 and 5 students attend the academy trust to primarily study BTEC Level 2 and Level 3 vocational courses. Students in Year 10 and 11 study an additional eight GCSEs (including English, Maths and Science), whilst some of the students in both Years 12 and 13 opt to study one or two additional A level subjects.

BOA Stage and Screen provides post 16 students an education focused around the technical arts. Working with the creative industries, students study a series of professional practice qualifications, building their skills to provide and test their technical support for those in the BOA Creative, Digital and Performing Arts academy and the shows at The Old Rep Theatre.

BOA Digital Technologies students in key stage 3, 4 and 5 access a creative and distinctive digital focused curriculum in a brand new, purpose-built academy. They aim to make learning interesting, relevant, and engaging. They achieve this by providing unrivalled opportunities for students to gain real-life industry experience, and through their creative teaching, a commitment to digital skills development, state of the art technologies, and a digital-led curriculum delivered in partnership with industry professionals.

All of their academies are good or outstanding.

For more detailed information please see the Birmingham Ormiston Academies group accounts on the Companies House website or at www.boa-academy.co.uk/the-boa-group/boa-digital-technologies-academy.

The Gateway Learning Community

The Gateway Learning Community ("GLC") opened as a Multi Academy Trust ("MAT") in 2012. The MAT currently includes one secondary school and four primary schools with the aim to provide a high quality, broad and balanced education for pupils of all abilities in the area.

The GLC's mission is to develop confident, aspirational, resilient, high achieving, healthy, caring and fulfilled members of a diverse, truly fair and equal community. Key strategic aims include:

- High quality teaching that deliberately develops competencies of curiosity, creativity, communication and critical thinking.
- An inspiring and meaningful curriculum.
- The development of productive relationships by instilling the values of compassion, resilience, responsibility and aspiration to prepare their young people for learning and life.
- A commitment to the wellbeing of our staff.
- A culture of professional generosity, collaboration, challenge and support.
- The development of effective external partnerships for the benefit and wellbeing of their community.

Common to each GLC academy is that Ofsted judged pupils' personal development, behaviour, and welfare to be consistently good. Governance also continues to be a strength of the GLC recognised both by Ofsted and the Regional Commissioner.

All of their academies are good or outstanding.

For more detailed information please see the Gateway Learning Community group accounts on the Companies House website or at www.theglc.org.uk.

Reserves Policy – Ormiston Trust

At 31 August 2022, the trust had total funds of £39.4 million (2021: £35.6 million) of which £31.0 million (2021: £27.0 million) related to endowment funds. The endowment funds are not available for the general purposes of the trust.

The trustees periodically review the level of reserves retained in unrestricted funds. The trustees retain these reserves to the extent considered necessary to ensure that adequate funds are available to cover future expenditure items, both of a capital and revenue nature, which may not otherwise be covered by incoming resources. The level of these reserves should not, other than in exceptional circumstances, drop below £800,000, which would be regarded as a contingency reserve.

The trustees are mindful that investment income, which is the trust's main source of income, is susceptible to variation through market changes. Trustees therefore consider it appropriate to hold free reserves, unrestricted reserves not held in tangible fixed assets, to meet both the trust's commitment to provide future grants and match funding for projects, which can be in excess of £1million at any one time and to cover its obligations to support connected charities who support the aims and objectives of the charity. In addition, trustees hold free funds in anticipation of significant special projects to support young people and families.

The free reserves of the trust at 31 August 2022 amounted to £8 million (2021: £7 million), which the trustees believe is sufficient given the trust's foreseeable commitments.

At 31 August 2022, the Group had total funds of £613.2 million (2021: £405.2 million) of which £566.6 million (2021: £366 million) related to restricted funds and £31 million (2021: £27.1 million) related to endowment funds. The restricted funds and endowment funds are not available for the general purposes of the Group.

At 31 August 2022, the group held free reserves of £15.4 million (2021: £11.9 million) which the trustees believe is sufficient to support the group's charitable objectives and foreseeable commitments. The level of actual reserves varies from one academy to another from time to time.

The restricted fixed asset fund includes £577m (2021: £519m) which includes land and buildings which cannot be disposed without the approval of ESFA. Similar to other trusts, the support staff of the Trust and its academies are members of various local government pension schemes (LGPSs), in which there are significant funding deficits. Details of these obligations and the actuarial assumptions applied in the valuation of the liability are included in the notes to the financial statements.

Arrangements vary between the different LGPSs however the deficits on each scheme are being funded through additional contributions. The Trustees are satisfied that the funding of the pension schemes does not represent a going concern risk for the Group.

The academy trusts hold restricted funds funded from public funding; these are shown in note 24 in line with guidance provided by the Education & Skills Funding Agency.

Investment Policy – Ormiston Trust

The charity's long term investment aims: -

- To achieve a stable long term income for the trust to enable a consistent stream of income to support young and families.
- To protect, as far as possible, both the income and the underlying assets, against the effects of inflation.

The Charity invests available cash resources in short term liquid deposits and stocks and shares, and property using Barclays Wealth Investment Management and Kemsley LLP respectively to maximise return on these resources. The OT trustees consider the income return on investments of 4.5% during the year to be reasonable when measured against the various published indices used to monitor performance and the prevailing market conditions. The fair value of the Charity's investments at 31 August 2022 amounted to £43.6m (2021: £43.2m).

Risk management

The trustees have assessed the major risks to which the trust is exposed, in particular those relating to generating sufficient income to cover its grant commitments, pensions, academic performance, provision of facilities, finance and other operational areas of the group, and its finances. The trustees have adopted procedures to mitigate these risks for the executive team to implement and report on.

Where financial risk still remains, they have ensured they have insurance cover. The trust has an effective system of internal financial controls. The principal operational risks and uncertainties relating to the group are:

Risk	Mitigation
The impact of grants on young people and families is limited and / or not sustained	Key underlying impact and sustainability grant giving principles guide the decisions of trustees in review of all applications for funding.
The possibility of a medium and or long-term decline in asset values reduces the amount available for operational expenditure in the trust	Sufficient headroom is maintained in respect of asset values and grants committed to mitigate this risk.
Safeguarding policies and procedures are deemed to be inadequate or a serious safeguarding incident occurs which puts a child at risk	Safeguarding audits are carried out across all academies on a regular basis. There are regular safeguarding reports prepared for trustees.
Incident which could damage the reputation of the group	Great care is taken at all times to maintain high standards of performance and care across the group and be watchful for possible incidents and issues. Marketing staff are equipped to provide reactive support to provide an accurate account regarding an issue.
Further incidents of industrial strike action	Positive and open dialogue is maintained with relevant education unions about strike action and pay discussion. Where strikes occur, schools in the networks are supported to adapt provision well in advance to manage reduced staffing levels, school closures and or remote learning if necessary.
Lack of clarity regarding governance and sponsorship roles of the sponsored academies and Ormiston Trust respectively	Schemes of delegation are clearly explained, key AGM and performance reporting activities are conducted according to good practice guidelines.
Exam results and/or Ofsted judgements are significantly below expectations within an academy or more generally	Projected results are closely monitored by school improvement committees and head office school improvement staff engage regularly with academies.
Unexpected changes in funding of academies reduces academy income	All academies produce annual budgets and longer term plans which are recommended by their local governing body and governors for approval by the academy trustee board. Academies are challenged if budgetary projections are not realistic and robust.

Risk management (Continued)

Risk	Mitigation
Group overall is unable to produce a balanced budget	All academies produce annual budgets and longer term plans which are recommended by their local governing body for approval by the academy trustee board. Academies are challenged if budgetary projections are not realistic and robust. Restructuring plans can be put into place to reduce costs, if necessary, and more is being done to share back office facilities between academies.

Fundraising

Fundraising has been undertaken through salaried members of the group. No professional fundraisers or commercial participators have been engaged.

The group abides by the code of fundraising practice. Fundraising activities in this financial year consisted of applications to grant making trusts including the National Lottery Community Fund. No appeals to members of the public have been made by the charity.

The fundraising function of the group is monitored through regular line management, the review of grant applications and the monitoring and evaluation of grants received.

Funds held as custodian trustee on behalf of others

The trust does not act as custodian trustee on behalf of any others.

Plans for the future

The Ormiston Trust

The Ormiston Trust aims to make further progress implementing its three year strategic plan to provide outstanding support for its subsidiaries and supported organisations; provide more grants over longer periods; increase the emphasis on evaluating 'what works'; increase the voice of young people in our decision making; and invest prudently in targeted assets classes to continue to generate income to pursue the trust's goals. The Trust will also have a specific focus on expanding our youth social action programme, Maritime Futures programme and ensuring young people have key skills for life and a passion to help others.

Ormiston Academies Trust

OAT are committed to ensuring the best possible education to their children and young people, all with the aim of improving their life chances and equipping them with the skills they will need in life. Over the next five years, we want our impact to be realised in further tangible improvements to outcomes. Our strategy will focus on ensuring: every pupil can reach their potential and attain the very best outcomes; everyone who attends an OAT academy or works for OAT, feels safe and can thrive; pupils can fulfil their potential, learning both inside; staff can realise their professional goals.

Birmingham Ormiston Academy

The BOA group will focus on continuing to raise standards of achievement, focusing on: improving the quality of teaching and learning; quality assurance and accountability and ensuring the process of education is a partnership between the learning, the school, the parents and other key stakeholders. BOA Digital will also receive special attention as the newly opened state-funded 11 to 18 academy.

The Gateway Learning Community

The GLC trustees aims to secure the GLC as a successful, sustainable, and respected organisation, characterised by an integrated culture of professional generosity, collaboration, challenge, and support, all within an institutionally positive ethos. Specifically the GLC aims to enable students to; use vocabulary and resources to demonstrate understanding and reasoning, logical thinking and problem solving; confidently communicate their thoughts and feelings through writing; read fluently and be interested in reading and understand its importance as a gateway to learning; and embed sustainability and a connection to nature into the curriculum. Furthermore they want to be a Trust that explores opportunities for growth and expansion and advance education for the public good in their communities.

Employee consultation and disabled employees

The group encourages the involvement of its employees in its management through regular meetings of the worker/trustee councils which have responsibility for the dissemination of information of particular concern to employees (including financial and economic factors affecting the performance of the trust) and for receiving their views on important matters of policy.

The group will employ disabled persons when they appear to be suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration when such vacancies arise. There is a training scheme in operation so that employees who have been injured or disabled in the course of their employment can, where possible, continue in employment with the group.

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.

Post Balance Sheet Events

On 1 September 2022 BOA Digital Technologies Academy opened as a free school for 11-18 years old. On 28 October 2022, a new school building valued at £2,425k was donated to Ormiston Sir Stanley Matthews Academy by the City of Stoke on Trent City Council.

Streamlined energy and carbon reporting

UK greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022

Ormiston Trust meets the definition of a 'large' consolidated group and therefore should apply the guidelines. However, as a stand-alone company Ormiston Trust does not meet the relevant criteria as it falls below the 40,000kWh threshold and only one of the UK subsidiaries singularly meet the criteria. As one of the UK entities qualify at an individual level, the Group has disclosed the information for Ormiston Academies Trust only.

	2021–22	2020–21
Energy consumption used to calculate emissions [kWh]	39,452,541	31,923,892
Gas [kWh]	25,050,345	20,991,000
Oil [kWh]	0	1,322,727
LPG [kWh]	220,699	31,783
Electricity [kWh]	0	0
Electricity renewables [kWh]	13,391,385	9,189,638
Transport fuel [kWh]	790,112	388,744
Scope 1 emissions in metric tonnes CO₂e	5,197.50	3,938.40
Gas consumption	5,066.93	3,859.62
Oil consumption	0.00	20.01
LPG consumption	50.83	5.84
Owned transport – mini-buses	79.74	52.97

Streamlined energy and carbon reporting (continued)

UK greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022 (Continued)

Scope 2 emissions in metric tonnes CO₂e	0.00	0.00
Purchased electricity	0.00	0.00
Purchased electricity renewables	0.00	0.00
Scope 3 emissions in metric tonnes CO₂e	135.80	43.60
Business travel in employee-owned vehicles [petrol/diesel]	135.80	43.60
Business travel in employee-owned vehicles [electric]	0.00	0.00
Total gross emissions in metric tonnes CO₂e	5,333.30	3,982.60
Total number of pupils within the trust	32,532.00	32,406.00
Intensity ratio – tonnes CO₂e per pupil	0.16	0.12

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 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The intensity measure we are using as a trust assessed the tonnes of CO₂e emitted per pupil.

Measures planned to improve energy efficiency

- We have invested in LED lighting across the trust estate with the aim of reducing energy consumption.
- We are installing PV panels on the roof of the trust's academies with the aim of reducing energy consumption.
- We have installed smart meters across all sites to improve our understanding of energy consumption.

Together, these improvements should result in an energy reduction of over 20%.

Section 172 statement

In accordance with Section 172 of the Companies Act 2006, the directors (who form the Board of Trustees) complied with their duty to promote the success of the Group through their oversight of the BOA, OAT and GLC strategic plans and on-going review of performance against this. All decisions are made in line with these strategic plans, with the long-term interests of the charity and its stakeholders in mind.

Culture, and employee welfare and engagement are important to Trustees. This is evidenced by the creation of employee consultation groups which has been established to focus on these areas. Our academy trusts support flexible working practices, have improved communication with staff in recent years and place emphasis on staff wellbeing.

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

Trustees are mindful of the Group'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 academies curriculum. We are committed to making the biggest difference to our pupils, inside and outside the classroom, regardless of their background.

Section 172 statement (Continued)

As a charity, we are committed to making the biggest difference to our beneficiaries regardless of their background. The Group's reputation and business conduct are paramount to its future success and ability to deliver value to its various stakeholders. The Group has an experienced Trustee Board who are responsible for ensuring corporate governance best practice is followed.

Statement of Trustees' Responsibilities

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the Trustees' Report (including the incorporated Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 in the Charities SORP;
- make judgements and 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 and group will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

A resolution proposing re-appointment of RSM UK Audit LLP will be put to the members.

Statement as to disclosure of information to auditor

The trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report which also includes the Directors Report required by company law is approved on behalf of the board of trustees and the strategic report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 30/05/23 2023 and signed on its behalf by:



P G Murray

Chair of Trustees



S MacLeod

Trustee

Opinion

We have audited the financial statements of The Ormiston Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Charity and Consolidated Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2022 and of the group's 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.

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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 group's or parent charitable company'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.

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 contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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, which includes the Directors' Report and the Strategic Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company'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 group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory framework that the group and parent charitable company operates in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to the Education Inspection Framework under the Education Act 2005 (as amended), Keeping Children Safe in Education under the Education Act 2002, the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. We performed audit procedures to inquire of management and those charged with governance whether the group is in compliance with these law and regulations and inspected correspondence with regulatory authorities.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

Use of our report

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Oxtoby

Paul Oxtoby (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
West Midlands
B3 3AG

Date: 30/05/23

The Ormiston Trust
Consolidated statement of financial activities (incorporating income and expenditure account)
for the year ended 31 August 2022

	Note	Unrestricted funds £'000	Endowment funds £'000	Restricted funds £'000	2022 Total £'000	2021 Total £'000
Income and endowments from:						
Donations and grants	2	289	-	16,671	16,960	10,974
Donations – transfer into the group	35	-	-	52,080	52,080	-
Other trading activities	3	2,534	-	595	3,129	2,267
Investments	4	1,953	-	-	1,953	2,086
Charitable activities:						
Funding for the Academies educational operations	5	3,329	-	261,614	264,943	243,589
Total income		8,105	-	330,960	339,065	258,916
Expenditure on:						
Raising funds	7	763	-	-	763	794
Charitable activities						
Academy educational operations		4,339	-	294,580	298,919	266,388
Grant making	8	1,199	-	995	2,194	954
Total expenditure	6	6,301	-	295,575	301,876	268,136
Net gains on Investments	16	1,673	3,916	-	5,589	4,227
Net income/(expenditure)		3,477	3,916	35,385	42,778	(4,993)
Gross transfers between funds		29	-	(29)	-	-
Net income/(expenditure) before other recognised gains and losses		3,506	3,916	35,356	42,778	(4,993)
Other recognised gains and losses:						
Actuarial gain/(loss) on remeasurement of defined benefit pension schemes	29	-	-	165,227	165,227	(23,440)
Net movement in funds		3,506	3,916	200,583	208,005	(28,433)
Total funds brought forward		12,159	27,077	365,988	405,224	433,657
Funds carried forward at 31 August 2022		15,665	30,993	566,571	613,229	405,224

	Notes	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	15	227	225
Investments	16	43,597	43,150
		43,824	43,375
Current assets			
Debtors	18	567	1,095
Cash at bank and in hand		2,456	2,630
		3,023	3,725
Creditors: Amounts falling due within one year	19	(2,028)	(990)
Net current assets		995	2,735
Total assets less current liabilities		44,819	46,110
Creditors: Amounts falling due after more than one year	20	(5,468)	(10,498)
Net assets		39,351	35,612
Funds			
Endowment funds	23	30,993	27,077
Restricted funds	24	-	995
Unrestricted funds	25	8,358	7,540
Total funds		39,351	35,612

As permitted by s408 Companies Act 2006, the trust has not presented its own Statement of Financial Activities and related notes as it prepared group accounts. The trust's surplus for the year was £3,739k (2021: £5,375k).

30/05/23

The financial statements were approved by the board of trustees and authorised for issue on 30/05/23 and are signed on their behalf by:



P G Murray
Chair of Trustees

Steve MacLeod

S MacLeod
Trustee

**The Ormiston Trust
Consolidated Balance Sheet
as at 31 August 2022**

Company Number: 09648958

	Notes	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	15	567,136	510,613
Intangible assets	14	203	172
Investments	16	43,597	43,150
		<u>610,936</u>	<u>553,935</u>
Current assets			
Stock	17	383	359
Debtors	18	9,152	9,232
Cash at bank and in hand		52,488	41,713
		<u>62,023</u>	<u>51,304</u>
Creditors: Amounts falling due within one year	19	(25,322)	(20,260)
		<u>36,701</u>	<u>31,044</u>
Total assets less current liabilities		<u>647,637</u>	<u>584,979</u>
Creditors: Amounts falling due after one year	20	(6,522)	(12,236)
Provisions for liabilities	21	(1,273)	(1,567)
		<u>639,842</u>	<u>571,176</u>
Net assets excluding pension liability			
Pension scheme liability	29	(26,613)	(165,952)
		<u>613,229</u>	<u>405,224</u>
Net assets including pension liability			
Funds			
Endowment funds	23	30,993	27,077
		<u>566,571</u>	<u>365,988</u>
Restricted funds			
Restricted fixed asset fund	24	576,737	518,971
Restricted general fund	24	16,447	12,969
Restricted pension reserve	24	(26,613)	(165,952)
		<u>566,571</u>	<u>365,988</u>
Total restricted funds			
Unrestricted funds			
General funds	25	15,665	12,159
		<u>613,229</u>	<u>405,224</u>
Total funds			

The financial statements were approved by the board of trustees and authorised for issue on 30/05/23 and are signed on their behalf by:



P G Murray
Chair of Trustees

Steve MacLeod

S MacLeod
Trustee

The Ormiston Trust
Consolidated Statement of Cash Flows
for the year ended 31 August 2022

	Notes	2022 £'000	2021 £'000
Cashflows from operating activities			
Net cash provided by operating activities	33	6,068	9,604
Cashflows from investing activities			
Rental income, interest and dividends from investments		1,953	2,048
Capital grants DFE and ESFA		7,467	7,226
Purchase of intangible assets		(20)	(11)
Purchase of tangible fixed assets		(3,917)	(6,232)
Purchase of investments		(5,850)	(5,726)
Proceeds from sale of tangible assets		7	-
Proceeds from sale of investments		10,992	6,235
Net cash provided by investing activities		10,632	3,540
Cashflows from financing activities			
Interest paid		(236)	(226)
New bank loan		-	300
Repayment of loan		(5,000)	(20)
Education and Skills Funding Agency loans		(531)	(171)
Salix loan		(158)	(157)
Net cash used in financial activities		(5,925)	(274)
Change in cash and cash equivalents in the reporting period		10,775	12,870
Cash and cash equivalents at the beginning of the reporting period		41,713	28,843
Cash and cash equivalents at the end of the reporting period	34	52,488	41,713

1. Accounting Policies

Ormiston Trust (“the trust or charity”) is a charitable company, private and limited by guarantee, and incorporated in England. The address of its registered office and principal place of business is given on page 2 and the nature of its operations are set out in the Trustees’ Report.

Basis of accounting

The financial statements of the trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention, as modified by the measurement of investments and the non-educational building in tangible fixed assets at fair value, 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 Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling which is also the functional currency of the trust. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated. In accordance with FRS 102, the trust has taken advantage of the exemption from preparing its own cashflow statement. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going concern

The Trustees have reviewed in detail the Charity’s and Group’s position and the appropriate basis on which to prepare the financial statements, including considering the economic risks which could see a potential drop in the value of investments, cuts in some areas of income and an increase in pension scheme liabilities caused by a fall of investment values within the schemes. Whilst the Trustees recognise they are challenging economic conditions and that it may be necessary to draw on some of the reserves, some of which have been specifically established to provide financial resilience, they have concluded that it remains appropriate to prepare the financial statements on the going concern basis.

Trust statement of financial activities

As permitted by s408 of Companies Act 2006, the Trust has not presented its own statement of financial activities as it prepares group accounts and the Trust’s individual balance sheet shows the Trust’s surplus or deficit for the financial year.

Basis of consolidation

The Consolidated Statement of Financial Activities and Consolidated Balance Sheet consolidate on a line-by-line basis the financial statements of the charity and those of its direct and indirect subsidiaries being Ormiston Academies Trust, The Gateway Learning Community, Birmingham Ormiston Academy and Birmingham Ormiston Academy Theatre Limited (a subsidiary of Birmingham Ormiston Academy). The charity has the ability to control these subsidiaries by having the right to appoint/remove a majority of their trustees. Both the charity and its subsidiaries have the objectives of enhancing education.

Transfer to an academy trust

Transfers of academies into the Trust involve the transfer of identifiable assets and liabilities and the operations of the academies for £nil consideration. The substance of a transfer is that of a gift and it is accounted for on that basis as set out below.

Assets and liabilities transferred from a transferring Trust to the group are included at their fair value. The fair value has been derived based on that of equivalent items. The amounts are recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer of existing academy into the trust in the statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

1. Accounting Policies (continued)

Income

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

Grants receivable

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship Income

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

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where receipt is probable, and the amount can be reliably measured. Donated assets are recognised at fair value, when risks and rewards of ownership of the asset pass to the group.

Donated services and gifts in kind

Donated services and gifts in kind provided to the group are recognised at their open market value in the period in which they are receivable as income, where the benefits to the group can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the group's policies.

Interest receivable

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

Rent receivable

Rental income arising from operating leases is recognised on a straight-line basis over the lease term on ongoing leases stated after deducting property disbursements.

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 recognised in the period in which it is incurred and where appropriate, include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

1. Accounting Policies (continued)

Allocation of costs

In accordance with the Charities SORP, expenditure has been analysed between raising funds and the group's charitable activities. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Support staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the group. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the group has agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside of the control of the group.

Governance costs

Governance costs include the costs attributable to the group's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

Fund accounting

The group has an endowment fund, created by a gift from the Murray family. The income of the fund is unrestricted. The capital can be spent if the trustees so determine.

General funds represent those resources which may be used towards meeting the objects of the discretion of the trustees of the individual charities.

Restricted funds comprise grants from the Department of Education and other donors which are to be used for specific purposes as explained in note 24.

Stock

Stocks are valued at the lower of cost and net realisable value.

Investments

Listed Investments, Leasehold Investment Properties and Freehold Investment Properties are stated at their fair value at the Balance Sheet date. The listed investment fair value is determined by the bid price of the investments and the fair value of the leasehold and freehold investment properties is determined by valuation using the expertise of the founding member, Mr P G Murray, a qualified chartered surveyor.

Any gain or loss on revaluation and disposals is taken to the Statement of Financial Activities.

Tangible fixed assets and depreciation

Tangible fixed assets acquired since the group was established are included in the accounts at cost with the exception of one non-educational building which is included at valuation.

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 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 incorporating income and expenditure account.

Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund. Where tangible fixed assets (excluding property) are gifted to the group, these are initially recorded at valuation which is treated as deemed cost. Assets costing less than £1,000 (Ormiston Academies Trust - £10,000) are written off in the year of acquisition. All other assets are capitalised.

1. Accounting Policies (continued)

Tangible fixed assets and depreciation (continued)

Depreciation is provided on a straight-line basis on the cost and valuation of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. Land is not depreciated. The principal annual rates used on other assets are:

Freehold and long leasehold property	2%
Long leasehold land	125 years
Short leasehold buildings	20%
Furniture and equipment	10%-25%
Computer equipment	20%-33%
Motor vehicles	15%-33%

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

The fixed assets transferred to the group on conversion to an academy have been initially recognised at their fair value being a reasonable estimate of the current market value that would be expected to be paid in an open market for an equivalent item.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicated 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.

With respect to the buildings from which three of the academies operate which are subject to a PFI agreement, these are legally owned by the Stoke on Trent and Sandwell local authorities and the relevant academies are able to use the buildings under the terms of a licence to occupy. The licence to occupy gives the right to use these buildings and the substance of the licence is that this will be on an ongoing basis reflecting the historic arrangements in place therefore substantially all the risks and rewards of ownership have not been transferred to the academies and the assets have not been recognised within tangible fixed assets.

Intangible assets – software

Intangible assets acquired separately are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost of each asset to its residual value over its expected useful life as follows:

Computer Software	20% straight line
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Leased assets

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

Occasionally the group occupies a number of school buildings under short term arrangements whilst construction of new buildings is ongoing. No rental is being charged for these buildings. Due to the specialist nature of these properties, the trustees do not consider that this benefit is reasonably quantifiable and measurable and have therefore not recognised a notional market rent charge and equivalent donation for these amounts.

Liabilities and other provisions

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 group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods and services it must provide.

1. Accounting Policies (continued)

Liabilities and other provisions (continued)

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised as a financing cost in the period it arises in the Statement of Financial Activities and is allocated to the appropriate expenditure heading.

Short term employment and termination benefits

Short term employment benefits such as salaries and compensated absences (holiday pay) are recognised as an expense in the year in which the employees render service to the Trust. The cost of any unused holiday entitlement the trust expects to pay in future periods is recognised in the period the employees' services are rendered.

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Trust is demonstrably committed to terminating the employment of an employee or to provide termination benefits.

Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Concessionary loans are initially measured at the amount received. In subsequent years, the carrying amount of concessionary loans is adjusted to reflect any interest payable, where relevant.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Pensions

Defined Contribution Schemes

The charity operates a defined contribution pension scheme for the benefit of its employees. Contributions are recognised in the year they are payable. The pensions contributions are charged to the funds and activities in line with the relevant employees.

1. Accounting Policies (continued)

Pensions (continued)

Defined Benefit Schemes

Retirement benefits to employees of the group's sponsored academies are provided by the Teachers' Pension Scheme ("TPS") and the various Local Government Pension Schemes ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings Relating Pension Scheme ("SERPS"), and in the case of LGPSs the assets are held separately from those of the group.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the government actuary on the basis of quadrennial valuations using a projected unit method.

The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPSs are funded schemes and for each the assets are held separately from those of the group 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 high quality corporate bonds of equivalent terms and currency liabilities. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income 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 liabilities/assets 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 gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Taxation

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

Agency arrangements

The group acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the group does not have control over charitable application of the funds. The group can use up to 5% of the allocation towards its own administration costs and this would be recognised in the Statement of Financial Activities, however the group does not retain this 5%.

Critical accounting estimates and areas of judgement

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

1. Accounting Policies (continued)

Critical accounting estimates and areas of judgement (continued)

The group 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 shown in note 29 depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pension liabilities. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuaries in valuing the pensions liabilities 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 pension liabilities.

The Trust has included an enhanced pension provision in the financial statements. An estimate of the expected future cost of any enhancement to the ongoing pension of a former member of staff is charged in full to the Statement of Financial Activities in the year that the provision is created. In subsequent years, a charge is made to the provision in the balance sheet. The provision is determined using a variety of assumptions. Any changes in these assumptions would impact on the carrying value of this provision.

The trust values its investment properties at fair value, based on an open market value for existing use of the properties. The valuations are made by a qualified Chartered Surveyor, using a variety of assumptions to determine the valuation of the investment's properties. Any changes in these assumptions would impact on the carrying value of these investment properties.

Critical areas of judgement

At three of its academies, the group occupies buildings under PFI agreements with the local authority and has applied judgement in determining that these buildings should not be capitalised on the Balance Sheet.

The group has included an enhanced pension provision in the financial statements. Judgement has also been applied in determining the appropriate discount rate and life expectancies.

The group does not believe that there are any other additional critical areas where judgement is used.

2. Donations and grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Donations	257	69	326	2,743
Capital grants	-	7,467	7,467	7,226
Donated/inherited fixed assets	-	9,055	9,055	-
Private sponsorship	32	80	112	10
Other grants	-	-	-	995
	289	16,671	16,960	10,974

The income from donations and capital grants was £16,960k (2021: £10,974k) of which £289k unrestricted (2021: £193k), and £16,671k was restricted (2021: £10,781k).

3. Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
Academies' income relating to hire of facilities, academy trips, catering and other activities	2,534	595	3,129	2,267

The income from other trading activities was £3,129k (2021: £2,267k) of which £2,534k was unrestricted (2021: £1,731k) and £595k was restricted (2021: £536k).

4. Investment income

	2022 £'000	2021 £'000
Rental income	1,632	1,853
Bank interest	111	71
Dividends	210	162
	1,953	2,086

In 2022 and 2021, the total investment income was in respect of unrestricted funds.

5. Funding for the group's educational operations – Group

	Unrestricted funds £'000	Restricted funds £'000	Total 2022 £'000	Total 2021 £'000
DFE/ESFA grants				
General Annual Grants (GAG)	-	218,758	218,758	198,982
Capital grants	-	-	-	25
Other DFE/ESFA grants	-	20,309	20,309	24,999
Teaching school	-	1,956	1,956	2,459
		241,023	241,023	226,465
Local authority grants	-	12,572	12,572	5,782
Other government grants	-	2,332	2,332	3,282
	-	14,904	14,904	9,064
Coronavirus additional funding	-	4,309	4,309	5,658
Other income resources	3,329	1,378	4,707	2,402
Total income	3,329	261,614	264,943	243,589

The income for educational operations was £264,943k (2021: £243,589k) of which £261,614k (2021: £241,928k) was restricted and £3,329k (2021: £1,661k) was unrestricted.

5. Funding for the group's educational operations – Group (continued)

The increase in local authority grant income reflects the transfer into the group of Ormiston Beachcroft Academy, Ormiston Bridge Academy, Ormiston Courtyard Academy and Ormiston Latimer Academy. These academies specialise in alternative provision and have a high proportion of SEN pupils and so a significant proportion of their funding is from local authority grants.

The group has been awarded capital funding by the Education & Skills Funding Agency to undertake significant capital projects across the Ormiston Academy network. Grant income has been recognised in full in respect of projects approved at the balance sheet date on the basis that the group bears the risk and reward of these contracts. Expenditure is capitalised within fixed assets in the course of construction. Grant income is recorded within the restricted fixed asset fund.

The charity has received no funding for educational operations in both the current and previous period.

6. Expenditure

	Staff costs £'000	Premises costs £'000	Other £'000	2022 Total £'000	2021 Total £'000
Expenditure on raising funds costs	35	15	713	763	794
Grants payable including allocated support costs	177	-	2,017	2,194	954
Educational operations					
Direct costs	172,550	105	24,932	197,587	181,620
Allocated support costs	50,099	36,162	15,071	101,332	84,768
	<u>222,861</u>	<u>36,282</u>	<u>42,733</u>	<u>301,876</u>	<u>268,136</u>

The method used for the apportionment of support costs is disclosed in the accounting policies.

The expenditure was £301,876k (2021: £268,136k) of which £6,301k was unrestricted (2021: £4,585k) and £295,575k was restricted (2021: £263,551k).

7. Raising funds

	2022 £'000	2021 £'000
Academies' expenses in relation to letting, catering and other activities	147	243
Property/investment Management Fees	134	137
Legal and Professional fees	158	26
Property Repairs	15	68
Loan interest and bank charges	230	226
Wages and salaries	35	21
Overheads	44	73
	<u>763</u>	<u>794</u>

In 2021 and 2022, total expenditure on raising funds is in respect of unrestricted funds.

8. Analysis of Grants

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Recipients of Institutional grants				
Ormiston Families				
Core and project funding	904	904	681	681
Educational				
Ormiston Academies Trust	-	20	-	425
#Iwill – Youth Social Action	1,006	1,990	22	22
Others	3	3	19	19
Grants written back/refunded	(15)	(35)	-	-
Grants payable	1,898	2,882	722	1,147
Support costs	296	296	232	232
	<u>2,194</u>	<u>3,178</u>	<u>954</u>	<u>1,379</u>

The expenditure for the grants was £2,194k (2021: £954k) of which £995k (2021: £nil) was restricted and £1,199k (2021: £954k) was unrestricted.

During the year, the charity paid out £1,808k (2021: £1,258k) of grants, of which the majority had already been committed. Grants of £2,882k (2021: £1,147k) were committed net of grants written back/refunded in the year.

Support costs consist of operational costs such as professional fees and salaries in connection with subsidiary governance and grants. Ormiston Trust staff are actively involved with the recipients of grants in developing the grant ideas, proposals and applications and the subsequent in year and end of year monitoring of the projects.

9. Charitable activities

	2022 £'000	2021 £'000
Allocated support costs		
Support staff costs	50,099	39,735
Depreciation, amortisation and impairment of assets	14,047	13,103
Premises costs	23,578	21,007
Technology costs	4,252	4,127
Other support costs	9,059	6,514
Governance	297	282
	<u>101,332</u>	<u>84,768</u>

10. Net income/(expenditure) for the period includes:

	2022	2021
	£'000	£'000
Operating leases	1,673	1,256
PFI scheme	1,683	1,644
Depreciation	14,104	13,135
Amortisation	48	22
Loss on disposal of fixed assets	8	-
Interest on bank and other loans	236	226
Net interest on defined pension liability	2,965	2,086
	<u> </u>	<u> </u>

Fees payable to the Statutory Auditor and its associates in respect of both audit and non-audit services are as follows:

Audit services – statutory audit of parent charitable company and consolidated accounts	21	19
Other services:		
Audit – statutory audit of the subsidiary companies	66	60
Other assurance	26	24
All other non-audit services	59	36
	<u> </u>	<u> </u>
	172	139
	<u> </u>	<u> </u>

11. Trustees' remuneration and expenses

No trustee received any remuneration for their duties as a trustee, however the group did pay for services arising from the normal operations of the group in which a trustee has an interest as detailed in note 32. During the year ended 31 August 2022, travel and subsistence expenses totalling £1,284 (2021: £649) were reimbursed to 1 (2021: 1) trustee. During the year, the group purchased trustees' liability insurance at a cost of £1,055 (2021: £1,336).

12. Staff costs

The average number of persons (including senior management team) employed during the year was as follows:

	2022	2022	As restated	2021
	Group	Charity	2021	2021
	No	No	Group	Charity
			No	No
Teachers	2,502	-	2,155	-
Administration and support	2,743	8	2,524	2
Management	86	1	80	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	5,331	9	4,759	3
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The Group's prior year staff numbers have been restated.

12. Staff costs (continued)

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Staff costs comprise				
Wages and salaries	152,072	190	142,605	92
Social security costs	16,170	17	13,564	10
Other pension costs	49,970	5	40,988	5
	218,212	212	197,157	107
Supply teacher costs	4,356	-	3,412	-
Staff restructuring costs	293	-	180	-
	222,861	212	200,749	107

212 (2021: 174) employees earned more than £60,000 per annum (including taxable benefits but excluding employers' pension contributions) during the period ended 31 August 2022. The total emoluments of these employees were in the following ranges:

	2022 No	2021 No
£60,001 - £70,000	111	87
£70,001 - £80,000	47	36
£80,001 - £90,000	21	18
£90,001 - £100,000	7	5
£100,001 - £110,000	8	7
£110,001 - £120,000	5	12
£120,001 - £130,000	5	4
£130,001 - £140,000	3	1
£140,001 - £150,000	1	2
£150,001 - £160,000	1	1
£160,001 - £170,000	2	-
£210,001 - £220,000	1	1

Key management personnel remuneration during the year which includes senior management of subsidiary undertakings amounted to £3,138k (2021: £2,916k) for the group and £70k (2021: £80k) for the charity.

13. Subsidiary undertakings

As detailed in note 1, the charity has a number of subsidiaries. Full details of the results of those undertakings are available by contacting the charity at the business address on page 2 of the Annual Report. A summary of the financial statements for the period incorporated with the consolidated accounts is shown below.

13. Subsidiary undertakings (continued)

Company No's	Gateway Learning Community (05853746) £'000	Birmingham Ormiston Academy (06832416) £'000	Ormiston Academies Trust (06982127) £'000	Birmingham Ormiston Academy Theatre Limited (09160896) £'000
Income	20,132	13,415	304,094	426
Expenditure	(22,242)	(8,308)	(268,113)	(403)
Net (expenditure)/income	(2,110)	5,107	35,981	23
Actuarial gains	16,648	2,332	146,247	-
Net movement in funds for the period	14,538	7,439	182,228	23
Assets	48,791	25,363	554,911	41
Liabilities (excluding pension scheme liability)	(1,218)	(1,157)	(22,971)	-
Provisions	-	-	(1,273)	-
Pension scheme liability	(3,068)	(904)	(22,641)	-
Funds as at 31 August 2022	44,505	23,302	508,026	41

Registered offices of the subsidiary undertakings are as follows:

Gateway Learning Community – Marshfoot Road, Grays, Essex, RM16 4LU.

Birmingham Ormiston Academy and Birmingham Ormiston Academy Theatre Limited - 1 Grosvenor Street, Birmingham, B4 7QD.

Ormiston Academies Trust – 1 Victoria Square, Birmingham, B1 1BD.

14. Intangible Fixed Assets – Group

	Computer Software £'000
Cost	
At 1 September 2021	257
Additions	20
Transfers from tangible fixed assets	59
At 31 August 2022	301
Amortisation	
At 1 September 2021	85
Charge for the year	48
At 31 August 2022	133
Net book value	
At 31 August 2022	203
At 31 August 2021	172

The amortisation of computer software assets is included within charitable activities expenditure.

15. Tangible fixed assets

Group	Land and buildings £'000	Assets in the course of construction £'000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation						
At 1 September 2021	584,266	293	8,327	11,152	324	604,362
Additions	2,110	1,767	727	2,656	-	7,260
Transfer of Schools joining	57,620	-	81	9	11	57,721
Inherited assets	5,139	-	274	299	-	5,712
Transfers	1,021	(1,021)	-	-	-	-
Transfer to intangible fixed assets	-	(59)	-	-	-	(59)
Disposals	(3)	-	(142)	(295)	(6)	(446)
At 31 August 2022	650,153	980	9,267	13,821	329	674,550
Depreciation						
At 1 September 2021	81,194	-	5,597	6,686	272	93,749
Charge for the year	12,052	-	499	1,534	19	14,104
Disposals	(1)	-	(137)	(295)	(6)	(439)
At 31 August 2022	93,245	-	5,959	7,925	285	107,414
Net book value						
At 31 August 2022	556,908	980	3,308	5,896	44	567,136
At 31 August 2021	503,072	293	2,730	4,466	52	510,613

Included in the land and buildings above is freehold land and buildings with a net book value at 31 August 2022 of £85,415k (2021: £87,065k) and long leasehold land and buildings with a net book value at 31 August 2022 of £471,493k (2021: £416,007k).

The long leasehold properties are leased from the local councils of the individual academies, relating to the land and buildings of the trust and are leased from periods of up to 125 years for peppercorn rent. No such charges have been made in the current year (2021: £nil)

At the year end there were capital commitments contracted for, but not provided within the accounts of £1,830k (2021: £218k).

15. Tangible fixed assets (*continued*)

Charity	Freehold buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Total £'000
Cost or valuation				
At 1 September 2021	225	1	9	235
Additions	-	-	2	2
At 31 August 2022	225	1	11	237
Depreciation				
At 1 September 2021 and 31 August 2022	-	1	9	10
Net book value				
At 31 August 2022	225	-	2	227
At 31 August 2021	225	-	-	225

The charity's freehold property was revalued by Mr P Murray of James Duncan and Co, Chartered Surveyors as at 31 August 2022, on the basis of the open market value for existing use of the properties. Mr P Murray is a trustee of the charity. The original cost of the property was £208,000.

16. Fixed assets investments – Group and Charity

Valuation	Cash £'000	Quoted investments £'000	Leasehold properties £'000	Freehold properties £'000	Total £'000
At 1 September 2021	1,487	13,508	325	27,830	43,150
Additions	-	2,468	-	3,400	5,868
Disposals	-	(4,072)	-	(6,920)	(10,992)
Fair value adjustment	-	(1,006)	-	6,595	5,589
Movement in cash	(18)	-	-	-	(18)
At 31 August 2022	1,469	10,898	325	30,905	43,597

The investment properties in Ormiston Trust were revalued by Mr P Murray of James Duncan and Co, Chartered Surveyors as at 31 August 2022, on the basis of the open market value for existing use of the properties. Mr P Murray is a trustee of the charity. The quoted investments value was determined by market value of the investments.

There were no investments within quoted investments (or linked to quoted investments) held at 31 August 2022 which are over 5% of portfolio by value.

17. Stocks

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Goods for resale and supplies	383	-	359	-

18. Debtors

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Trade debtors	1,632	59	480	100
Other debtors	118	-	592	-
Prepayments and accrued income	5,034	508	6,556	995
Recoverable VAT	2,368	-	1,604	-
	9,152	567	9,232	1,095

19. Creditors: amounts falling due within one year

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Bank loan	50	50	-	-
Trade creditors	2,188	4	748	5
Taxation and social security	3,977	79	3,739	76
Other creditors	3,732	-	3,454	-
Accruals and deferred income	13,372	184	11,224	253
Grants payable	1,110	1,711	262	656
Loan from ESFA	735	-	675	-
Salix loan	158	-	158	-
	25,322	2,028	20,260	990

Deferred income	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Deferred income at 1 September 2021	2,316	163	2,067	165
Resources released from previous years	(2,316)	(163)	(2,067)	(165)
Resources deferred in the year	3,666	124	2,316	163
	3,666	124	2,316	163

Deferred income relates to performance related grants, trip and rental income received in advance specifically for future periods.

20. Creditors: amounts falling due after one year

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Bank loans	4,950	4,950	10,000	10,000
Loan from ESFA	1,049	-	1,605	-
Salix loan	473	-	631	-
Grants payable	50	518	-	498
	<u>6,522</u>	<u>5,468</u>	<u>12,236</u>	<u>10,498</u>

Group

At the year end, the group had a Salix loan amounting to £631k (2021: £789k). The loan terms are for 9 years at an interest rate of 0%.

At the year end, the group owed the ESFA £320k (2021: £320k) with agreed payment terms of 4 years at interest rates of 0%. With respect to a further loan the group had with the ESFA, at the year end the group owed £900k (2021: £1,300k) with agreed payment terms of 9 years at interest rate of 0%. Also a loan with the ESFA, at year end the group owed £307k (2021: £380k) with agreed payment terms of 9 years at interest rate of 1.83%. A further loan where the group owed the ESFA £257k (2021: £280k) with agreed payment terms of 10 years at interest rate of 0%.

Group and Charity

Following the repayment of £5,000k during the year on one of the bank loans, the group has bank loans which entirely relate to the charity of £5,000k (2021: £10,000k) at the year end, which are repayable by instalment over a 20-year term starting in April 2023. Interest on the bank loans is at a rate of 2% and 2.3% above base rate which is payable quarterly. The loan is secured against investment properties held by the charity.

The loan maturity of all group loans is given below:

	2022 £'000	2021 £'000
Loan maturity		
Debt due in one year or less	943	833
Due in more than one year but not more than two years	767	568
Due in more than two years but not more than five years	1,447	7,153
Due in more than five years	4,258	4,515
	<u>7,415</u>	<u>13,069</u>

21. Provisions for liabilities

The provision at 31 August 2022 amounting to £1,273k (2021: £1,567k), related to an enhanced pension provision relating to the cost of staff who have already left the Group's employment. The provision has been recalculated in accordance with guidance issued by the funding bodies. During the year, part of the provision has been utilised amounting to £294k (2021: additional provision, £988k).

The principal assumption for this calculation is using a discount rate of 3.30% (2021: 1.60%) and price inflation of 2.90% (2021: 2.60%).

22. Grant commitments

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Grant commitments at 31 August 2021	262	1,154	-	1,265
New commitments charged to the SOFA (see note 8)	1,898	2,882	722	1,147
Grants paid during the year	(1,000)	(1,807)	(460)	(1,258)
	<u>1,160</u>	<u>2,229</u>	<u>262</u>	<u>1,154</u>

During the year, the Charity paid out £1,807k (2021: £1,258k) of grants, of which the majority had already been committed. A further £2,882k (2021: £1,147k) of grants were committed net of grants written back/refunded in the year.

23. Endowment Funds – Group and Charity

	Balance at 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 2022 £'000
Expendable endowment	27,077	-	-	3,916	30,993

Expendable endowment funds are invested to produce income for the group, the trustees have the power to convert all or part of this fund to income which can then be spent.

24. Restricted funds
Group

	At 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	2022 £'000
Restricted general funds					
General Annual Grant (GAG)	8,322	219,026	(211,114)	(1,555)	14,679
Other government / private sector grants	2,598	27,486	(29,171)	(208)	705
Other restricted funds	2,049	15,846	(16,832)	-	1,063
Restricted pension reserve	(165,952)	(5,641)	(20,247)	165,227	(26,613)
Restricted fixed asset funds	518,971	74,243	(18,211)	1,734	576,737
	<u>365,988</u>	<u>330,960</u>	<u>(295,575)</u>	<u>165,198</u>	<u>566,571</u>
Charity	At 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	2022 £'000
Other restricted funds	995	-	(995)	-	-

24. Restricted funds (*continued*)

Group

Restricted general funds

These grants relate to educational activities of the group.

Restricted pension reserve

The pension reserve relates to the group's share of various Local Government Pension Scheme funds.

Restricted fixed asset funds

These grants relate to funding received from the DFE, ESFA and private sponsors to carry out works of a capital nature. This fund also includes inherited assets.

Gains, losses and transfers

The £165,227k pension actuarial loss is the only restricted gain/losses during the year.

Transfers are made from revenue funds (either unrestricted funds or restricted general funds) into restricted fixed asset funds where fixed assets are purchased using revenue funds.

Charity

The other restricted fund is a grant received from the National Lottery Community Fund to support social action project delivery engaging over 10,000 students in more than 100 schools that will benefit the students involved, their schools and their communities.

25. Unrestricted funds

Group	At September 2021 £'000	1 Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 August 2022 £'000
General funds	12,159	8,105	(6,301)	1,702	15,665
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Charity	At September 2021 £'000	1 Income £'000	Expenditure £'000	Gains, losses and transfers £'000	At 31 August 2022 £'000
General funds	7,540	1,944	(2,799)	1,673	8,358
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Unrestricted funds include a revaluation reserve of £20,000 which arose on the revaluation of the trust's freehold property.

26. Analysis of net assets between funds

Group

Fund balances at 31 August 2022 are represented by:

	Unrestricted funds £'000	Endowment fund £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Investments	12,604	30,993	-	-	43,597
Intangible fixed assets	-	-	-	203	203
Tangible fixed assets	227	-	-	566,909	567,136
Current assets	9,261	-	43,137	9,625	62,023
Current liabilities	(1,427)	-	(23,895)	-	(25,322)
Long term liabilities	(5,000)	-	(1,522)	-	(6,522)
Provisions	-	-	(1,273)	-	(1,273)
Pension reserve	-	-	(26,613)	-	(26,613)
	<u>15,665</u>	<u>30,993</u>	<u>(10,166)</u>	<u>576,737</u>	<u>613,229</u>

Fund balances at 31 August 2021 are represented by:

	Unrestricted funds £'000	Endowment fund £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total £'000
Investments	16,073	27,077	-	-	43,150
Intangible fixed assets	-	-	-	172	172
Tangible fixed assets	225	-	-	510,388	510,613
Current assets	6,457	-	36,436	8,411	51,304
Current liabilities	(596)	-	(19,664)	-	(20,260)
Long term liabilities	(10,000)	-	(2,236)	-	(12,236)
Provisions	-	-	(1,567)	-	(1,567)
Pension reserve	-	-	(165,952)	-	(165,952)
	<u>12,159</u>	<u>27,077</u>	<u>(152,983)</u>	<u>518,971</u>	<u>405,224</u>

Charity

Fund balances at 31 August 2022 are represented by:

	Endowment funds £'000	Restricted funds £'000	Unrestricted fund £'000	Total £'000
Investments	30,993	-	12,604	43,597
Tangible fixed assets	-	-	227	227
Current assets	-	-	3,023	3,023
Current liabilities	-	-	(2,028)	(2,028)
Long term liabilities	-	-	(5,468)	(5,468)
	<u>30,993</u>	<u>-</u>	<u>8,358</u>	<u>39,351</u>

26. Analysis of net assets between funds (continued)

Charity (continued)

Fund balances at 31 August 2021 are represented by:

	Endowment funds £'000	Restricted funds £'000	Unrestricted fund £'000	Total £'000
Investments	27,077	-	16,073	43,150
Tangible fixed assets	-	-	225	225
Current assets	-	995	2,730	3,725
Current liabilities	-	-	(990)	(990)
Long term liabilities	-	-	(10,498)	(10,498)
	<u>27,077</u>	<u>995</u>	<u>7,540</u>	<u>35,612</u>

27. Contingent liabilities

There were no contingent liabilities at 31 August 2022 or 31 August 2021.

28. Operating leases

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

	2022 £'000	2021 £'000
Group		
Operating leases which will expire:		
Amounts due within one year	1,288	1,080
Amounts due between one to five years	2,172	1,744
Amounts due after five years	1,954	1,389
	<u>5,414</u>	<u>4,213</u>

The group is also party to a facilities management contract under a PFI scheme. Total commitments under the contract are £1,746k (2021: £1,679k) within one year, £5,679k (2021: £6,091k) between one and five years and £10,579k (2021: £11,027k) in greater than five years.

29. Pension commitments

Defined Contribution

The group operates a defined contribution scheme on behalf of the charity. The assets of the scheme are held separately from those of the group and charity in an independently administered fund. The charge to the Statement of Financial Activities for the year was £5k (2021: £5k).

Defined Benefit

The group operates two principal defined benefit pension schemes in connection with its academy subsidiaries, the Teacher's Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which are managed by the relevant local authorities. Each Local Authority runs a separate pension fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £3,479k (2021: £3,178k) were payable to the schemes at 31 August 2022 and included within creditors.

29. Pension commitments (*continued*)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teacher's Pensions Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The Group has set out below the information available on the scheme

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 results of the valuation and subsequent consultation are:

- total scheme liabilities for service (pensions currently payable and the estimated cost of future benefits) of £218 billion
- value of notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) of £196 billion
- notional past service deficit of £22 billion
- discount rate is 2.4% in excess of CPI

As a result of the valuation, new employer contribution rates were set at 23.68% (including a 0.08% administration levy) of pensionable pay from September 2019 onwards (compared to 16.48% prior to September 2019.) The next valuation is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £22,056k (2021: £22,097k).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

Local Government Pension

The group is a member of the Cambridgeshire, Cheshire, Norfolk, Isle of Wight Council, Suffolk, West Midlands, Staffordshire, Derbyshire, East Riding, Essex, West Sussex County Council and Worcestershire Local Government Pension Schemes.

The LGPS is a funded defined benefit scheme, with assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2022 was £12,486k (2021: £11,522k), of which employer's contributions totalled £9,776k (2021: £9,024k) and employees' contributions totalled £2,710k (2021: £2,498k). The agreed contribution rates for future years are 12.2% – 27.2% for employers and 5.5 – 12.5% for employees.

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

The LGPS obligation relates to the employees of the Group and employees transferred in from another academy trust (as described in note 35) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred in represents their cumulative service at both the predecessor school and the Group at the balance sheet date.

29. Pension commitments (*continued*)

Local Government Pension (*continued*)

Principal actuarial assumptions:

The following information is based upon a full actuarial valuation of the funds at 31 March 2019 updated to 31 August 2022 by a qualified independent actuary

	Discount rate for scheme liabilities		Rate of increase in salaries		Rate of increase for pensions in payment / inflation	
	2022	2021	2022	2021	2022	2021
	%	%	%	%	%	%
Cambridge Local Government Pension Scheme	4.3	1.7	3.6	3.4	3.1	2.9
Cheshire Local Government Pension Scheme	4.3	1.7	3.8	3.6	3.1	2.9
Norfolk Local Government Pension Scheme	4.3	1.7	3.8	3.6	3.1	2.9
Isle of Wight Local Government Pension Scheme	4.3	1.7	3.9	3.7	3.1	2.9
Suffolk Local Government Pension Scheme	4.3	1.7	3.8	3.6	3.1	2.9
West Midlands Local Government Pension Scheme	4.3	1.7	4.1	3.9	3.1	2.9
Staffordshire Local Government Pension Scheme	4.3	1.7	3.5	3.3	3.1	2.9
Derbyshire Local Government Pension Scheme	4.3	1.7	3.8	3.6	3.1	2.9
East Riding Local Government Pension Scheme	4.3	1.7	4.0	3.8	3.1	2.9
Essex Local Government Pension Scheme	4.3	1.7	3.9	3.9	2.9	2.9
West Sussex Local Government Pension Scheme	4.3	1.7	3.6	3.4	3.1	2.9
Worcestershire Local Government Pension Scheme	4.3	1.7	4.4	4.2	2.9	2.8
City of Westminster Local Government Pension Scheme	4.3	-	4.1	-	3.1	-
Royal Borough of Kensington and Chelsea Local Government Pension Scheme	4.3	-	4.1	-	3.1	-
London Borough of Hammersmith and Fulham Local Government Pension Scheme	4.3	-	4.1	-	3.1	-

Mortality

The assumed life expectations are:

	Males		Females	
	Retiring today 2022	Retiring in 20 years 2022	Retiring today 2022	Retiring in 20 years 2022
Cambridge Local Government Pension Scheme	22.0	22.9	24.2	26.0
Cheshire Local Government Pension Scheme	21.2	22.1	23.8	25.5
Norfolk Local Government Pension Scheme	21.7	22.9	24.1	26.0
Isle of Wight Local Government Pension Scheme	21.7	22.6	24.0	25.7
Suffolk Local Government Pension Scheme	21.9	22.9	24.3	26.1
West Midlands Local Government Pension Scheme	21.2	22.9	23.6	25.4
Staffordshire Local Government Pension Scheme	21.2	22.2	23.8	25.5

29. Pension commitments (*continued*)

Local Government Pension (*continued*)

Mortality (*continued*)

The assumed life expectations are:

	Males		Females	
	Retiring today 2022	Retiring in 20 years 2022	Retiring today 2022	Retiring in 20 years 2022
Derbyshire Local Government Pension Scheme	21.1	22.2	23.8	25.6
East Riding Local Government Pension Scheme	20.8	22.0	23.5	25.3
Essex Local Government Pension Scheme	21.0	22.3	23.5	24.9
West Sussex Local Government Pension Scheme	21.9	22.8	24.2	25.9
Worcestershire Local Government Pension Scheme	22.7	22.4	22.6	24.1
City of Westminster Local Government Pension Scheme	21.4	22.9	24.1	26.1
Royal Borough of Kensington and Chelsea Local Government Pension Scheme	21.4	22.9	24.1	26.1
London Borough of Hammersmith and Fulham Local Government Pension Scheme	21.4	22.9	24.1	26.1

Amounts recognised in the balance sheet

	2022 £'000	2021 £'000
Present value of funded obligations	(207,519)	(334,190)
Fair value of scheme assets	180,906	168,238
Net liability	(26,613)	(165,952)

Amounts recognised in the statement of financial activities

	2022 £'000	2021 £'000
Current service cost	27,068	19,190
Past service cost	-	9
Net interest cost	2,965	2,086
Admin costs	6	7
Total	30,039	21,292

29. Pension commitments (*continued*)

Local Government Pension (*continued*)

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

	2022 £'000	2021 £'000
Liabilities brought forward	334,190	264,325
Obligations acquired on conversion/transfer	10,363	-
Current service cost	27,068	19,190
Past service cost	-	9
Interest cost	5,923	4,354
Contributions by employees	2,711	2,498
Actuarial (gains)/losses	(170,209)	46,395
Benefits paid	(2,527)	(2,581)
Liabilities carried forward	207,519	334,190

Movements in the fair value of group's share of scheme assets:

	2022 £'000	2021 £'000
Fair value of scheme assets brought forward	168,238	134,081
Assets acquired on conversion/transfer	4,722	-
Interest income	2,958	2,268
Return on plan assets	(4,982)	22,955
Contributions by employer	9,792	9,024
Contributions by employees	2,711	2,498
Admin expenses	(6)	(7)
Benefits paid	(2,527)	(2,581)
Fair value of scheme assets carried forward	180,906	168,238

The major categories of scheme assets are as follows:

	2022 £'000	2021 £'000
Equities	116,383	103,156
Bonds	30,433	34,420
Property	19,754	14,115
Cash and other	14,336	16,547
Total fair value of assets	180,906	168,238

The actual return on scheme assets was (£2,024k) (2021: £25,223k).

30. Financial instruments

The following financial instruments measured at fair value through statement of financial activities at 31 August:

	2022 Group £'000	2022 Charity £'000	2021 Group £'000	2021 Charity £'000
Carrying amount of financial assets				
Financial assets measured at fair value through statement of financial activities	43,597	43,597	43,150	43,150

31. Agency arrangements

The Group distributes 16 - 19 bursary funds to students as agent for the ESFA. In the accounting period ended 31 August 2022, the Group received £435k (2021: £350k) and disbursed £310k (2021: £295k) from the fund. At the year, the balance not yet disbursed was £128k (2021: £51k).

32. Related party transactions

Group

During the year, the group carried out transactions with the following related parties:-

Name of related party	Relationship	Services provided	Amount in the period £'000
2022			
James Murray	P Murray's Son	Employed by the charity	70
James Duncan and Co	Controlled by P Murray	Professional fees	12
Ormiston Families	P Murray a trustee	Grants given	1,172
2021			
James Murray	P Murray's Son	Employed by the charity	80
James Duncan and Co	Controlled by P Murray	Professional fees	10
Ormiston Families	P Murray a trustee	Grants given	421

At the year end, the group owed £619k (2021: £nil) to Ormiston Families.

Charity

During the year, the trust made grant commitments net of grants written back/refunded to subsidiary undertakings of £984k (2021: £334k) and paid commitments of £808k (2021: £798k). Amounts due to the subsidiary undertakings in respect of grant commitments by the trust at 31 August 2022 was £1,069k (2021: £893k).

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

	2022	2021
	£'000	£'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	42,778	(4,993)
Adjusted for:		
Net surplus on conversion/transfer to Academy	(52,080)	-
Capital grants DFE and ESFA	(7,467)	(7,226)
Donated fixed assets	(3,343)	-
Inherited fixed assets	(5,712)	-
Net gains on investments	(5,589)	(4,227)
Rent income, interest and dividends from investments	(1,953)	(2,048)
Interest payable	236	226
Depreciation and amortisation	14,152	13,157
Defined benefit pension scheme adjustment	20,247	12,268
(Decrease)/increase in provisions	(294)	988
(Increase)/decrease in stocks	(24)	43
Decrease/(increase) in debtors	80	(445)
Increase in creditors	5,037	1,861
Net cash provided by operating activities	6,068	9,604

34. Analysis of changes in net funds

	1 September 2021 £'000	Cash Flows £'000	31 August 2022 £'000
Cash	41,713	10,775	52,488
Loans falling due within one year	(833)	(75)	(908)
Loans falling due after more than one year	(12,236)	5,764	(6,472)
	28,644	16,464	45,108

35. New academies during the year

On 1 September 2021, four academies within the TBAP Multi-Academy Trust transferred into the Trust. All the operations and certain assets and pension liabilities were transferred into the Trust at that date.

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 values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer into the trust. The transfers were for £nil consideration.

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:

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
Net assets acquired:			
Leasehold land and buildings	9,708	47,912	57,620
Other tangible fixed assets	101	-	101
Defined benefit pension liability	(5,641)	-	(5,641)
Total net assets	<u>4,168</u>	<u>47,912</u>	<u>52,080</u>

In the period from the transfer date to 31 August 2022 these schools generated income of £7,277k and a net deficit of £319k.

36. Post balance sheet events

On 1 September 2022 BOA Digital Technologies Academy opened as a free school for 11-18 years old. On 28 October 2022, a new school building valued at £2,425k was donated to Ormiston Sir Stanley Matthews Academy by the City of Stoke on Trent City Council.