

**Company Registration Number: 11144867 (England & Wales)**



**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	Mr A Hall Mr F Popp Mr J Beer Mrs J Harrison (resigned 15 September 2020) Mrs S Crossman
<b>Trustees</b>	Mr A Kingsley, Co Chair Mr P Rout, Co Chair Mrs C Bunton, Vice Chair Mr W Davison Mrs R Press Mr J Digby Mr T Kenber Mrs L Skaife-Knight Mr Paul Waller (resigned 7 December 2020)
<b>Company registered number</b>	11144867
<b>Company name</b>	KWEST Multi Academy Trust
<b>Principal and registered office</b>	Dereham Sixth Form College Crown Road Dereham NR20 4AG
<b>Chief executive officer</b>	Paul Donkersloot to 30 April 2021 Glyn Hambling from 1 May 2021
<b>Senior management team</b>	Paul Donkersloot, CEO and Accounting Officer to 30 April 2021 Glyn Hambling, CEO and Accounting Officer from 1 May 2021 Alison Hughes, Director of Quality Assurance to 30 April 2021 Jo Thompson, Acting Chief Financial Officer
<b>Independent auditors</b>	MA Partners Audit LLP 7 The Close Norwich Norfolk NR1 4DJ
<b>Bankers</b>	Lloyds Bank PLC 21-23 High Street King's Lynn Norfolk PE30 1BP

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**KWEST MULTI ACADEMY TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**Solicitors**

Veale Wasbrough Vizards LLP  
Narrow Quay House  
Narrow Quay  
Bristol  
BS1 4QA

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**KWEST MULTI ACADEMY TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2020 to 31 May 2021. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

KWEST Multi Academy Trust operated seven academies for pupils from Early Years to post 16, serving a catchment area of West Norfolk. In May 2021 the Trust educated just over 1,000 pupils and had approximately 300 staff. On 1 June 2021 the academies of KWEST Multi Academy Trust were transferred to Unity Education Trust.

**Structure, governance and management**

**a. Constitution**

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy.

The Trustees of KWEST Multi Academy Trust are also the Directors of the charitable company for the purposes of company law.

The charitable company is known as KWEST Multi Academy Trust.

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

**b. Members' liability**

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

**c. Trustees' indemnities**

In accordance with normal commercial practice the Academy Trust purchases insurance to protect Trustees from claims arising from negligent acts, errors of omissions occurring whilst on Academy Trust business. The insurance via the Academies Risk Protection Arrangement (RPA) provided cover for up to £10m.

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

The composition of the Board of Trustees, as set out in its Articles of Association, is a minimum of three and a maximum of nine Trustees appointed by the Members. The Trustees may also appoint co-opted Trustees. The Academy Trust has appointed local governing bodies (called Local Improvement Teams) for each of its schools and the requirement in the Articles of Association for parental representation is met by the provision for there to be at least two parent governors on each School Oversight Committee.

The Academy Trust seeks to appoint Trustees and local governors who are committed to promoting the aims and objectives of the Academy Trust and its member schools, and who have appropriate knowledge, skills and experience.

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**KWEST MULTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**Structure, governance and management (continued)**

**e. Policies adopted for the induction and training of Trustees and Local Governors**

Each new Trustee will be properly inducted to ensure that he or she understands the nature and extent of their role and responsibilities. It is the duty of a new Trustee to ensure that he or she is familiar with the Objects of the Academy Trust; its history and ethos and the nature and extent of its activities.

The Company Secretary shall provide each new Trustee with a copy or access to a portal for information including company information, annual accounts, scheme of delegation, inspection reports, improvement plans and details of meetings and training available.

**f. Organisational structure**

The schedule of delegation clearly identifies what decisions are reserved for the Board of Trustees, those that are delegated to management and the role of the Chief Executive, senior management and other relevant individuals.

The Acting Chief Executive is the appointed Accounting Officer for KWEST Multi Academy Trust.

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

KWEST Multi Academy Trust terms of pay and conditions were set and agreed by the Board of Trustees, upon the advice of a specialist Educational Human Resources consultant, based on information gained from a local and national benchmarking exercise.

Senior management personnel to whom the Trustees have delegated significant authority and responsibility in the day to day running of the Academy Trust are the Executive Team.

**h. Related parties and other connected charities and organisations**

Owing to the nature of the Academy Trust's operations and the employment or charitable activities of the Trustees, it is possible that transactions may take place with organisations with which a Trustee has an interest. The Trust maintains a register of Trustees' interests and publishes relevant parts on the Trust's website. In addition, Trustees are required to declare an interest in matters under discussion at Trust Board and committee meetings. If there is any doubt about Trustees' ability to act impartially they are required to withdraw from the meeting and not vote. Any transactions involving organisations with which a Trustee has an interest are conducted in accordance with the Academy Trust's financial regulations and procedures.

The Academy Trust has links with a number of other organisations, including other local schools.

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**KWEST MULTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**Structure, governance and management (continued)**

**i. Engagement with employees (including disabled persons)**

The Trustees encourage staff contributions at all levels and close collaboration between the schools. Head teachers and teaching staff meet regularly to share knowledge and best practice. The Academy Trust aims to share information and provide access to internal and external CPD.

The Academy Trust supports the employment of disabled persons both in recruitment and by retention of employees who become disabled whilst in the employment of the Academy Trust, as well as generally through training and career development.

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust has established equal opportunity in all areas of its activities.

**j. Engagement with suppliers, customers and others in a business relationship with the Academy**

The Academy Trust is committed to maintaining and developing positive relationships with suppliers, customers and others who are in a business relationship with the Academy Trust.

Whilst it has been difficult, due to the restrictions of the Financial Notice to Improve, the Academy Trust has paid suppliers as promptly as possible to support companies during the Covid-19 pandemic.

In all business relationships the Academy Trust acts as far as possible with due care and attention, having honest and, when needed, challenging conversations as part of ensuring that it is meeting its charitable objects.

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**KWEST MULTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**Objectives and activities**

**a. Objects and aims**

KWEST Multi Academy Trust began on 1 March 2018. At the core of the organisation is a desire to provide the very best of education and be at the centre of the communities we serve.

Our role is to facilitate the schools' response to the needs of the children and families. Every individual child and young person, every adult and every school in KWEST Multi Academy Trust will be supported to achieve in every aspect of their development.

**b. Objectives, strategies and activities**

KWEST Multi Academy Trust is a collaboration of like-minded schools who share the same commitment and passion for life-long learning.

The academies of KWEST Multi Academy Trust were transferred to Unity Education Trust, a MAT with very similar values and ethos, on 1 June 2021.

Unity Education Trust will provide capacity and scale to ensure that all academies can continue to build on their strengths, increase capacity and further develop their provision.

**c. Public benefit**

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

**Strategic report**

**Achievements and performance**

The mission of the Academy Trust is 'raising inspirations to fulfil potential'. In support of this mission we have ensured that pupils have achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and worked together as a group of schools to enhance outcomes both in terms of academic performance and economies of scale.

**a. Key performance indicators**

KWEST has varied demography and limited statutory outcomes and therefore there are not many external benchmarks.

We have suggested the following attributes and suggested measures:

Positive decision making

Achievement – termly outcomes using KWEST PITA assessments

Curriculum – case studies/OFSTED outcomes

Well-being – attendance, well-being surveys

Confidence – events, case studies

During the period of this report there were not statutory assessments due to the coronavirus pandemic.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**Strategic report (continued)**

**Achievements and performance (continued)**

**b. Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern.

The Trustees have concluded that the use of going concern is not appropriate in preparing these financial statements for the reasons detailed in Accounting Policies note 1.2.

**c. Promoting the success of the company**

Trustees have sought to ensure the continued success of the schools within the Academy Trust into the future. To do so the decision was made, in agreement with the ESFA and RSC for the schools and their activities to transfer to Unity Education Trust in June 2021.

**Financial review**

From 21 August 2020 to the Balance Sheet date, the Academy Trust was subject to a Financial Notice to Improve (FNtI). Details of the FNtI can be found on the ESFA's website at <https://www.gov.uk/government/publications/financial-notice-to-improve-kwest-multi-academy-trust>. In accordance with the requirements of the FNtI, the schools of KWEST Multi Academy Trust will transfer to Unity Education Trust on 1 June 2021.

**a. Reserves policy**

The Academy Trust has established a Reserves Policy to protect its activities by providing financial buffers against an unpredictable environment, and to make sufficient provision for future requirements.

The level of reserves required were set annually as part of the budget planning process.

As at 31 May 2021 the reserves were not at the desired level. Restricted income funds were in deficit by £491,130 including a deficit of £720,663 on the General Annual Grant fund (see note 19 for further analysis of fund balances).

**b. Investment policy**

The Academy Trust had adopted an investment policy and will invest its reserves and any surplus cash funds to optimise returns whilst always ensuring that security takes precedence over revenue maximisation.

This will mean that any monies will be deposited in instant access or short-term notice accounts up to amounts covered by the Financial Services Compensation Scheme.

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**KWEST MULTI ACADEMY TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**c. Principal risks and uncertainties**

The Trustees have a risk register which identifies the risks to which the Academy Trust is exposed together with actions and procedures to mitigate those risks. The register appears as an item on all Board and committee agendas; comments are added during the year; and the register is formally reviewed and updated on an annual basis.

The CEO has lead responsibility for risk management processes and for bringing Trustees' attention to any changes to risk profiles. This responsibility includes:

- Monitoring the performance of risk management processes;
- Ensuring that appropriate controls are in place to manage identified risks.

The Board of Trustees have identified the principal risks as:

- Failure of governance arrangements;
- Safeguarding failure;
- Falling educational standards;
- Vision, values and ethos not embedded in all schools and academies;
- Rapid growth and development of KWEST;
- Failure to recruit and retain high calibre individuals in key roles;
- Business continuity;
- IT;
- GDPR data breach.

**Fundraising**

There are no current fundraising activities.

**Streamlined energy and carbon reporting**

As the Academy Trust has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

**Plans for future periods**

In accordance with the instruction within the Financial Notice to Improve received during the last reporting period the schools of KWEST Multi Academy Trust will transfer to Unity Education Trust on 1 June 2021.

**Funds held as custodian on behalf of others**

No funds are held as custodian trustee on behalf of others.

**Disclosure of information to auditors**

Insofar as the Trustees are aware:

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

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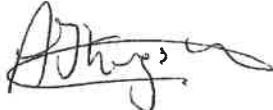
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 October 2021 and signed on its behalf by:



**Mr A Kingsley**  
Co Chair of Trustees



**Mr P Rout**  
Co Chair of Trustees

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**KWEST MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT**

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**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Acting Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between KWEST Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 3 times during the period.

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

Trustee	Meetings attended	Out of a possible
Mr A Kingsley, Co Chair	3	3
Mr P Rout, Co Chair	3	3
Mrs C Bunton, Vice Chair	3	3
Mr W Davison	3	3
Mrs R Press	3	3
Mr J Digby	3	3
Mr T Kenber	3	3
Mrs L Skaife-Knight	0	3

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**KWEST MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**Governance (continued)**

The Audit and Resources Advisory Committee is a sub-committee of the main Board of Trustees. Its purpose is to produce:

- 1 year and 3 year business plans for the MAT and the budget
- Annual school budget shares
- Premises plan/estates strategy
- Bids to the ESFA/DfE
- Draft Annual Accounts
- Relevant MAT policies

It will receive:

- Schools budget management reports
- School staffing reports
- Benchmarking reports

Attendance during the period at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Kingsley	2	2
Mr W Davison	2	2
Mr J Digby	1	2
Mrs R Press	2	2
Mr T Kenber	2	2
Mrs L Skaife-Knight	0	2
Mr Paul Waller	1	1

**Review of value for money**

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

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

- undertaking staffing reviews at all KWEST Multi Academy Trust schools and central services to ensure that staffing levels are appropriate;
- negotiated pricing on all contracts and services to ensure that the best price possible is agreed;
- ensuring major purchases and contracts are always tendered, reviewed and discussed by the appropriate Committee or the Board before any commitments are made.

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**KWEST MULTI ACADEMY TRUST**  
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**GOVERNANCE STATEMENT (CONTINUED)**

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**The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in KWEST Multi Academy Trust for the period 1 September 2020 to 31 May 2021 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2020 to 31 May 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Educator Solutions for this purpose.

No checks were, however, carried out during the period of this report.

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**GOVERNANCE STATEMENT (CONTINUED)**

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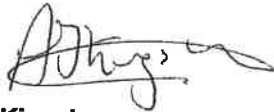
**Review of effectiveness**

As Accounting Officer, the Acting Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the financial management and governance self-assessment process;
- the work of the external auditors;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 15 October 2021 and signed on their behalf by:



**Mr A Kingsley**  
Co Chair of Trustees



**Mr G Hambling**  
Accounting Officer

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**KWEST MULTI ACADEMY TRUST**  
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**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of KWEST Multi Academy Trust I have considered my responsibility to notify the Academy Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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

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



**Mr G Hambling**  
Accounting Officer  
Date: 15 October 2021



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**KWEST MULTI ACADEMY TRUST**  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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

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

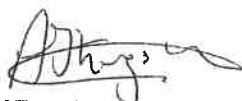
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



**Mr A Kingsley**  
Co Chair of Trustees



**Mr P Rout**  
Co Chair of Trustees

Date: 15 October 2021

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**KWEST MULTI ACADEMY TRUST**  
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KWEST MULTI ACADEMY TRUST**

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**Opinion**

We have audited the financial statements of KWEST Multi Academy Trust (the 'Academy') for the period ended 31 May 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 May 2021 and of its incoming resources and application of resources, including its income and expenditure for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**Material uncertainty related to going concern**

We draw attention to note 1.2 in the financial statements, which explains that the Trustees do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in note 1.2. Our opinion is not modified in respect of this matter.

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

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KWEST MULTI ACADEMY TRUST (CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KWEST MULTI ACADEMY TRUST (CONTINUED)**

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**Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the Directors of the Academy 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 Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KWEST MULTI ACADEMY TRUST (CONTINUED)**

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, Academies Accounts Direction 2020 to 2021 and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
KWEST MULTI ACADEMY TRUST (CONTINUED)**

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**Use of our report**

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



**Frank Shippam BSc FCA DChA (Senior statutory auditor)**

for and on behalf of

**MA Partners Audit LLP**

Statutory Auditors

Chartered Accountants

20 October 2021

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KWEST  
MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 4 June 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2020 to 2021, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by KWEST Multi Academy Trust during the period 1 September 2020 to 31 May 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of KWEST Multi Academy Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of KWEST Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 February 2018 and the Academies Financial Handbook, extant from 1 September 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2020 to 2021. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2020 to 31 May 2021 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2020 to 2021 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KWEST  
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

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Our procedures included, but were not limited to, the following:

- Reviewing the processes for identifying and declaring business interests, related parties and transactions with connected parties;
- Reviewing minutes of meetings and making enquiries of Trustees and management;
- Performing an evaluation of the general control environment;
- Sample testing of expenditure to ensure the Academy Trust's lines of delegation and procurement policies have been adhered to, that employees have not personally benefitted from any transaction and that goods and services have been procured in an open and transparent manner;
- Sample testing of restricted income to ensure it has been spent as the purposes intended;
- Reviewing transactions which may not fall within the delegated authority of the Academy Trust and ensuring any such transactions have been authorised and disclosed as necessary;
- Reviewing compliance with Part 8: Schedule of requirements (the "musts") of the Academies Financial Handbook 2020.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

**Conclusion**

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

Matter 1: Following their resignation, an ex-employee continued to be paid by the Academy Trust in error. Overpayments made totalled £10,808.

*MA Partners Audit LLP*

**MA Partners Audit LLP**

7 The Close  
Norwich  
Norfolk  
NR1 4DJ

Date: 20 October 2021



**KWEST MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE PERIOD ENDED 31 MAY 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
<b>Income from:</b>						
Donations and capital grants	3	5,812	-	-	5,812	244,486
Charitable activities	4	24,471	7,150,303	-	7,174,774	8,515,843
Other trading activities	5	58,362	-	-	58,362	152,702
Investments	6	55	-	-	55	182
		<u>88,700</u>	<u>7,150,303</u>	<u>-</u>	<u>7,239,003</u>	<u>8,913,213</u>
<b>Total income</b>						
<b>Expenditure on:</b>						
Charitable activities	7	-	7,076,993	191,914	7,268,907	10,519,869
		<u>-</u>	<u>7,076,993</u>	<u>191,914</u>	<u>7,268,907</u>	<u>10,519,869</u>
<b>Total expenditure</b>						
<b>Net income/(expenditure)</b>						
Transfers between funds	19	88,700 (8,498)	73,310 2,377	(191,914) 6,121	(29,904) -	(1,606,656) -
<b>Net movement in funds before other recognised gains/(losses)</b>						
		<u>80,202</u>	<u>75,687</u>	<u>(185,793)</u>	<u>(29,904)</u>	<u>(1,606,656)</u>
<b>Other recognised gains/(losses):</b>						
Actuarial losses on defined benefit pension schemes	26	-	(964,000)	-	(964,000)	(827,000)
		<u>80,202</u>	<u>(888,313)</u>	<u>(185,793)</u>	<u>(993,904)</u>	<u>(2,433,656)</u>
<b>Net movement in funds</b>						
<b>Reconciliation of funds:</b>						
Total funds brought forward		48,801	(6,877,817)	18,310,105	11,481,089	13,914,745
Net movement in funds		80,202	(888,313)	(185,793)	(993,904)	(2,433,656)
		<u>129,003</u>	<u>(7,766,130)</u>	<u>18,124,312</u>	<u>10,487,185</u>	<u>11,481,089</u>
<b>Total funds carried forward</b>						

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 27 to 56 form part of these financial statements.

**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 11144867**

**BALANCE SHEET**  
**AS AT 31 MAY 2021**

	Note	31 May 2021 £	<i>As restated</i> 31 August 2020 £
<b>Fixed assets</b>			
Tangible assets	14	<b>18,124,312</b>	18,298,680
		<u>18,124,312</u>	<u>18,298,680</u>
<b>Current assets</b>			
Debtors	15	245,021	247,350
Cash at bank and in hand	24	717,306	216,723
		<u>962,327</u>	<u>464,073</u>
Creditors: amounts falling due within one year	16	(824,454)	(778,664)
<b>Net current assets / liabilities</b>		<b>137,873</b>	<b>(314,591)</b>
<b>Total assets less current liabilities</b>		<b>18,262,185</b>	<b>17,984,089</b>
Creditors: amounts falling due after more than one year	17	(500,000)	(700,000)
<b>Net assets excluding pension liability</b>		<b>17,762,185</b>	<b>17,284,089</b>
Defined benefit pension scheme liability	26	(7,275,000)	(5,803,000)
<b>Total net assets</b>		<b>10,487,185</b>	<b>11,481,089</b>
<b>Funds of the Academy</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	18,124,312	18,310,105
Restricted income funds	19	(491,130)	(1,074,817)
Restricted funds excluding pension asset	19	17,633,182	17,235,288
Pension reserve	19	(7,275,000)	(5,803,000)
<b>Total restricted funds</b>	19	<b>10,358,182</b>	<b>11,432,288</b>
<b>Unrestricted income funds</b>	19	<b>129,003</b>	<b>48,801</b>
<b>Total funds</b>		<b>10,487,185</b>	<b>11,481,089</b>

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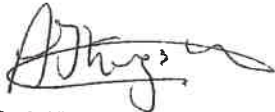
**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 11144867**

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**BALANCE SHEET (CONTINUED)**  
**AS AT 31 MAY 2021**

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The financial statements on pages 23 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**Mr A Kingsley**  
Co Chair of Trustees  
Date: 15 October 2021



**Mr P Rout**  
Co Chair of Trustees

The notes on pages 27 to 56 form part of these financial statements.

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**STATEMENT OF CASH FLOWS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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	<b>Note</b>	<b>2021</b> <b>£</b>	<i>As restated</i> <i>2020</i> <b>£</b>
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	<b>518,074</b>	<i>(1,178,258)</i>
<b>Cash flows from investing activities</b>	23	<b>(17,491)</b>	<i>(232,339)</i>
<b>Cash flows from financing activities</b>	22	<b>-</b>	<i>900,000</i>
<b>Change in cash and cash equivalents in the period</b>		<b>500,583</b>	<i>(510,597)</i>
Cash and cash equivalents at the beginning of the period		<b>216,723</b>	<i>727,320</i>
<b>Cash and cash equivalents at the end of the period</b>	24, 25	<b>717,306</b>	<i>216,723</i>

The notes on pages 27 to 56 form part of these financial statements

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

KWEST Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

On 1 June 2021, the operations of the schools within the Trust were transferred to Unity Education Trust, transferring all assets and liabilities at that date. The schools will continue to operate as part of Unity Education Trust but KWEST Multi Academy Trust, in its own right, ceased to operate on 31 May 2021. For this reason, the financial statements have not been prepared on the going concern basis.

The forecasts and projections for the schools, taking account of reasonably possible changes to student numbers and expenditure in the business plan, show that the schools should be able to operate within current available funds, as part of Unity Education Trust.

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**1. Accounting policies (continued)**

**1.3 Income**

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of financial activities in the 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 in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

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

• **Other income**

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

**1.4 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**1. Accounting policies (continued)**

**1.6 Taxation**

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

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

**1.7 Tangible fixed assets**

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

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

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

Long-term leasehold property	- Over the term of the lease
Furniture and equipment	- 20% straight line
Computer equipment	- 20% straight line

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

**1.8 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.9 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**1. Accounting policies (continued)**

**1.10 Liabilities**

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

**1.11 Financial instruments**

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

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

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

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1.12 Operating leases**

Rentals paid under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.



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**KWEST MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

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**1. Accounting policies (continued)**

**1.13 Pensions**

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

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

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

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

**1.14 Fund accounting**

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

**KWEST MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 May 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

In assessing the carrying value of tangible fixed assets the Trustees estimate the anticipated useful lives and residual values of the assets. There have been no significant revisions to these estimations in the current financial period.

**3. Income from donations and capital grants**

	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Restricted fixed asset funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Donations	5,812	-	-	5,812	15,083
Capital grants	-	-	-	-	229,403
<b>Total 2021</b>	<b>5,812</b>	<b>-</b>	<b>-</b>	<b>5,812</b>	<b>244,486</b>
<i>Total 2020</i>	<i>8,083</i>	<i>7,000</i>	<i>229,403</i>	<i>244,486</i>	

**KWEST MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 31 MAY 2021**

**4. Funding for the Academy Trust's educational operations**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	4,423,869	4,423,869	5,764,837
Non-recoverable deficit funding	-	430,000	430,000	-
Pupil Premium	-	325,415	325,415	421,301
School meal funding	-	92,780	92,780	140,376
PE and sport grant	-	89,369	89,369	119,090
Teachers pension grant	-	86,282	86,282	121,631
Rates Relief	-	43,181	43,181	-
Teachers pay grant	-	30,537	30,537	35,315
Other ESFA grants	-	4,353	4,353	6,082
	-	5,525,786	5,525,786	6,608,632
<b>Other government grants</b>				
SEN funding	-	1,253,758	1,253,758	1,516,366
Early years funding	-	112,357	112,357	161,335
Other LA funding	-	123,292	123,292	157,787
	-	1,489,407	1,489,407	1,835,488
<b>Other grants</b>				
Other grants	-	16,535	16,535	4,950
	-	16,535	16,535	4,950
<b>Other income from the Academy Trust's educational operations</b>				
Catering income	23,578	-	23,578	35,258
Music income	1,000	-	1,000	1,000
Trip income	(107)	-	(107)	15,074
	24,471	-	24,471	51,332
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch-up premium	-	85,950	85,950	-
Other DfE/ESFA COVID-19 funding	-	32,625	32,625	15,441
<b>Total 2021</b>	<b>24,471</b>	<b>7,150,303</b>	<b>7,174,774</b>	<b>8,515,843</b>
<i>Total 2020</i>	<i>51,332</i>	<i>8,464,511</i>	<i>8,515,843</i>	

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

The Academy Trust received £85,950 of funding for catch-up premium and costs incurred in respect of this funding totalled £4,783, with the remaining £81,167 carried forward to be spent in future periods.

**5. Income from other trading activities**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Hire of facilities	7,498	<b>7,498</b>	13,504
Staff services - consultancy	28,686	<b>28,686</b>	87,837
Uniform sales	-	-	4,247
Other income	22,178	<b>22,178</b>	47,114
<b>Total 2021</b>	<u>58,362</u>	<u><b>58,362</b></u>	<u>152,702</u>
<i>Total 2020</i>	<u>152,702</u>	<u>152,702</u>	

**6. Investment income**

	<b>Unrestricted funds 2021 £</b>	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Investment income	55	<b>55</b>	182
<i>Total 2020</i>	<u>182</u>	<u>182</u>	

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**7. Expenditure**

	<b>Staff Costs</b> <b>2021</b> £	<b>Premises</b> <b>2021</b> £	<b>Other</b> <b>2021</b> £	<b>Total</b> <b>2021</b> £	<i>As restated</i> <i>Total</i> <i>2020</i> £
Expenditure on educational operations:					
Direct costs	4,846,547	-	122,055	<b>4,968,602</b>	7,337,650
Support costs	1,141,007	417,405	741,893	<b>2,300,305</b>	3,182,219
<b>Total 2021</b>	<b>5,987,554</b>	<b>417,405</b>	<b>863,948</b>	<b>7,268,907</b>	<b>10,519,869</b>
<i>Total 2020 as restated</i>	<i>8,676,078</i>	<i>520,025</i>	<i>1,323,766</i>	<i>10,519,869</i>	

**8. Analysis of expenditure by activities**

	<b>Activities</b> <b>undertaken</b> <b>directly</b> <b>2021</b> £	<b>Support</b> <b>costs</b> <b>2021</b> £	<b>Total</b> <b>funds</b> <b>2021</b> £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2020</i> £
Educational operations	4,968,602	2,300,305	<b>7,268,907</b>	10,519,869
<i>Total 2020 as restated</i>	<i>7,337,650</i>	<i>3,182,219</i>	<i>10,519,869</i>	

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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2021 £</b>	<i>Total funds 2020 £</i>
Staff costs	<b>4,810,357</b>	7,107,769
Educational supplies	<b>69,281</b>	74,249
Educational professional fees	<b>38,556</b>	79,238
Agency supply staff	<b>36,190</b>	7,113
Staff development	<b>11,799</b>	34,252
Educational visits	<b>(144)</b>	30,021
Examination fees	<b>-</b>	1,424
Other direct costs	<b>2,563</b>	3,584
<b>Total 2021</b>	<b>4,968,602</b>	<i>7,337,650</i>

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**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2021 £</b>	<i>As restated Total funds 2020 £</i>
Staff costs	1,137,645	1,519,342
Catering	193,870	289,340
Maintenance of premises and equipment	191,331	215,960
Governance costs	148,438	248,275
Depreciation	191,914	190,992
Technology costs	104,700	192,086
Energy	85,004	89,297
Pension finance costs	76,000	87,000
Insurance	42,510	82,686
Cleaning	35,638	56,707
Rent and rates	21,656	49,920
Subscriptions	18,463	22,866
Water	13,731	15,290
Telephone	10,739	18,530
Recruitment costs	7,537	1,622
Agency support staff	3,362	41,854
Bank charges	1,300	3,184
Transport	836	11,881
Staff travel	-	7,984
Uniforms	-	1,695
Other support costs	15,631	35,708
<b>Total 2021</b>	<b>2,300,305</b>	<b>3,182,219</b>

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**9. Net income/(expenditure)**

Net income/(expenditure) for the period includes:

	<b>31 May 2021</b>	<i>As restated</i> <b>31 August 2020</b>
	£	£
Operating lease rentals	13,633	26,084
Depreciation of tangible fixed assets	190,214	190,992
Loss on disposal of fixed assets	1,700	-
Fees paid to auditors for:		
- audit	10,500	10,000
- other services	3,500	-
	<u>10,500</u>	<u>10,000</u>
	<u>3,500</u>	<u>-</u>

**10. Staff**

**a. Staff costs**

Staff costs during the period were as follows:

	<b>2021</b>	<b>2020</b>
	£	£
Wages and salaries	4,189,022	6,129,120
Social security costs	341,717	507,322
Pension costs	1,309,403	1,958,669
	<u>5,840,142</u>	<u>8,595,111</u>
Agency staff costs	39,552	48,967
Staff restructuring costs	107,860	32,000
	<u>5,987,554</u>	<u>8,676,078</u>

Staff restructuring costs comprise:

	<b>2021</b>	<b>2020</b>
	£	£
Redundancy payments	107,860	-
Severance payments	-	32,000
	<u>107,860</u>	<u>32,000</u>



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**10. Staff (continued)**

**b. Staff numbers**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
Teachers	<b>68</b>	<i>74</i>
Administration and support	<b>251</b>	<i>249</i>
Management	<b>14</b>	<i>17</i>
	<b>333</b>	<i>340</i>

The average headcount expressed as full-time equivalents was:

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
Teachers	<b>60</b>	<i>68</i>
Administration and support	<b>130</b>	<i>166</i>
Management	<b>14</b>	<i>15</i>
	<b>204</b>	<i>249</i>

**c. Higher paid staff**

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

	<b>2021</b>	<i>2020</i>
	<b>No.</b>	<i>No.</i>
In the band £60,001 - £70,000	<b>-</b>	<i>2</i>
In the band £70,001 - £80,000	<b>3</b>	<i>1</i>
In the band £80,001 - £90,000	<b>1</b>	<i>1</i>
In the band £100,001 - £110,000	<b>-</b>	<i>1</i>
In the band £120,001 - £130,000	<b>1</b>	<i>-</i>

**d. Key management personnel**

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £206,881 (2020 £240,375).

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Central services**

The Academy has provided the following central services to its academies during the period:

- School and Academy Support;
- Quality Assurance and Inclusion - provided by the Executive Team.

The Academy charges for these services on the following basis:

The charge for the Executive Team is 4.5% of the total revenue for each academy. This covers the cost of accommodation, operational costs and salaries of the Executive Team.

All other Centralised Services, including Financial and HR services; Union duties; Payroll; IT; Legal services; Health and Safety and Insurances are charged based on the number of staff employed by each individual academy.

The actual amounts charged during the period were as follows:

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Churchill Park Complex Needs School	<b>258,705</b>	346,188
Highgate Infant School	<b>43,066</b>	59,688
St Germans Academy	<b>39,254</b>	48,384
Magdalen Academy	<b>24,982</b>	36,252
Wimbotsham and Stow Community School	<b>41,557</b>	49,326
King's Oak Academy	<b>64,326</b>	86,892
Greyfriars Academy	<b>105,996</b>	143,784
<b>Total</b>	<b>577,886</b>	<i>770,514</i>

**12. Trustees' remuneration and expenses**

During the period, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the period ended 31 May 2021, no Trustee expenses have been incurred (2020 - £NIL).

**13. Trustees' and Officers' insurance**

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

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**14. Tangible fixed assets**

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 September 2020	18,479,566	194,705	21,073	18,695,344
Additions	16,596	-	1,950	18,546
Disposals	-	(4,500)	-	(4,500)
At 31 May 2021	<u>18,496,162</u>	<u>190,205</u>	<u>23,023</u>	<u>18,709,390</u>
<b>Depreciation</b>				
At 1 September 2020	324,091	63,395	9,178	396,664
Charge for the period	147,925	38,041	4,248	190,214
On disposals	-	(1,800)	-	(1,800)
At 31 May 2021	<u>472,016</u>	<u>99,636</u>	<u>13,426</u>	<u>585,078</u>
<b>Net book value</b>				
At 31 May 2021	<u>18,024,146</u>	<u>90,569</u>	<u>9,597</u>	<u>18,124,312</u>
At 31 August 2020	<u>18,155,475</u>	<u>131,310</u>	<u>11,895</u>	<u>18,298,680</u>

**15. Debtors**

	31 May 2021 £	31 August 2020 £
<b>Due within one year</b>		
Trade debtors	32,965	15,734
VAT recoverable	26,854	47,314
Prepayments and accrued income	185,202	184,302
	<u>245,021</u>	<u>247,350</u>

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**16. Creditors: Amounts falling due within one year**

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Other loans	<b>400,000</b>	200,000
Trade creditors	<b>14,710</b>	167,201
Other taxation and social security	<b>90,555</b>	123,588
Other creditors	<b>125,543</b>	205,675
Accruals and deferred income	<b>193,646</b>	82,200
	<b>824,454</b>	778,664

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Deferred income at 1 September 2020	<b>72,200</b>	94,782
Resources deferred during the period	<b>86,556</b>	72,200
Amounts released from previous periods	<b>(72,200)</b>	(94,782)
	<b>86,556</b>	72,200

Deferred income includes:

- PE and Sports grant £29,790
- Teachers pay grant £10,338
- Teachers pension grant £29,214
- Staff recharges £17,214

Included within creditors is a loan from the ESFA of £900,000 which is interest free and due for repayment by 31 December 2023.

**17. Creditors: Amounts falling due after more than one year**

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Other loans	<b>500,000</b>	700,000

Included within creditors is a loan from the ESFA of £900,000 which is interest free and due for repayment by 31 December 2023.

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**18. Prior period adjustments**

The leasehold land and buildings at Churchill Park Complex Needs School had previously been recognised at £nil value. In the current period it was identified that the value of land and buildings should have been recognised as an asset of the company from 1 March 2018, in line with the 125 year lease granted by Norfolk County Council. A prior year adjustment has therefore been recognised to reflect this arrangement.

At inception of the lease on 1 March 2018, the land and buildings had a fair value of £9,735,000. Depreciation has subsequently accumulated at £77,880 per annum.

The net effect on reserves brought forward as at 1 September 2020 was an increase of £9,579,240.

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**19. Statement of funds**

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 May 2021 £
<b>Unrestricted funds</b>						
General funds	48,801	88,700	-	(8,498)	-	129,003
<b>Restricted general funds</b>						
General Annual Grant (GAG)	(1,074,817)	4,423,869	(3,606,885)	(462,830)	-	(720,663)
Pupil Premium	-	325,415	(267,549)	2,010	-	59,876
Rates Relief	-	43,181	(9,314)	-	-	33,867
School meal funding	-	92,780	(92,780)	-	-	-
PE and sport grant	-	89,369	(36,019)	-	-	53,350
Other DfE/ESFA grants	-	551,172	(551,172)	-	-	-
SEN funding	-	1,253,758	(1,253,758)	-	-	-
Early years funding	-	112,357	(129,281)	18,197	-	1,273
Other government grants	-	123,292	(123,292)	-	-	-
COVID-19 Catch-up Premium	-	85,950	(4,783)	-	-	81,167
Other DfE/ESFA COVID-19 funding	-	32,625	(32,625)	-	-	-
Other restricted reserves	-	16,535	(16,535)	-	-	-
Pension reserve	(5,803,000)	-	(953,000)	445,000	(964,000)	(7,275,000)
	<b>(6,877,817)</b>	<b>7,150,303</b>	<b>(7,076,993)</b>	<b>2,377</b>	<b>(964,000)</b>	<b>(7,766,130)</b>

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**19. Statement of funds (continued)**

<b>Restricted fixed asset funds</b>						
Transfer on conversion	17,278,331	-	(140,730)	-	-	17,137,601
DfE group capital grants	713,087	-	(5,224)	4,171	-	712,034
Capital expenditure from GAG	318,687	-	(45,960)	1,950	-	274,677
	<u>18,310,105</u>	<u>-</u>	<u>(191,914)</u>	<u>6,121</u>	<u>-</u>	<u>18,124,312</u>
<b>Total Restricted funds</b>	<u>11,432,288</u>	<u>7,150,303</u>	<u>(7,268,907)</u>	<u>8,498</u>	<u>(964,000)</u>	<u>10,358,182</u>
<b>Total funds</b>	<u>11,481,089</u>	<u>7,239,003</u>	<u>(7,268,907)</u>	<u>-</u>	<u>(964,000)</u>	<u>10,487,185</u>

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

**General Annual Grant (GAG):** This represents funding from the ESFA to cover the costs of recurrent expenditure. During the period, a transfer of £445,000 was made to the pension reserve representing the employer's contributions paid. A further transfer of £6,121 was made to the restricted fixed asset funds representing capital expenditure from GAG funds during the period. Transfers of £11,709 were made to clear deficits arising in other funds.

**Pupil Premium:** This income is provided by the ESFA to help raise the attainment of disadvantaged pupils.

**Rates Relief:** This fund represents funds received to cover expenditure on business rates.

**School meal funding:** To be used to provide every pupil in Reception and years 1 and 2 with a free school meal.

**PE and sport grant:** This represents funding received towards the cost of improving PE provision.

**SEN funding:** This is focused on children with special educational needs, and is utilised on additional teaching resources orientated to support normal curriculum learning.

**Early years funding:** This funding is utilised to employ appropriate staff for the early years settings at King's Oak Academy, Magdalen Academy, St Germans Academy and Wimbotsham and Stow Community School.

**COVID-19 Catch-up Premium:** This represents funding received to provide additional support to pupils following the COVID-19 pandemic.

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**19. Statement of funds (continued)**

**Pension reserve:** This fund represents the Academy Trust's share of the deficit on the Local Government Pension Scheme (LGPS).

**Transfer on conversion:** This fund represents the net book value of assets which were initially transferred to the Academy Trust when the schools converted to academy status.

**DfE group capital grants:** This fund represents fixed assets which have been purchased from capital grants received from the DfE group.

**Capital expenditure from GAG:** This fund represents the net book value of fixed assets which have been purchased from GAG funds.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG it could carry forward at 31 May 2021.

**Total funds analysis by academy**

Fund balances at 31 May 2021 were allocated as follows:

	<b>31 May 2021</b>	<i>As restated</i> <b>31 August 2020</b>
	£	£
Churchill Park Complex Needs School	132,542	(172,636)
Highgate Infant School	(104,782)	(147,969)
St Germans Academy	(117,184)	(172,224)
Magdalen Academy	(112,640)	(161,588)
Wimbotsham and Stow Community School	48,587	39,346
King's Oak Academy	161,535	142,400
Greyfriars Academy	(406,657)	(464,331)
Central services	36,472	(89,014)
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	(362,127)	(1,026,016)
Restricted fixed asset fund	18,124,312	18,310,105
Pension reserve	(7,275,000)	(5,803,000)
	<hr/>	<hr/>
<b>Total</b>	<b>10,487,185</b>	<b>11,481,089</b>
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**19. Statement of funds (continued)**

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciation £</b>	<b>Total 2021 £</b>	<i>Total 2020 £</i>
Churchill Park Complex Needs School	2,246,698	194,233	12,746	177,028	<b>2,630,705</b>	4,374,813
Highgate Infant School	304,251	51,242	5,993	59,747	<b>421,233</b>	695,457
St Germans Academy	263,952	32,815	3,687	77,540	<b>377,994</b>	598,809
Magdalen Academy	178,494	27,953	3,816	62,954	<b>273,217</b>	409,238
Wimbotsham and Stow Community School	286,822	28,497	5,448	67,992	<b>388,759</b>	512,495
King's Oak Academy	539,077	45,848	8,728	135,652	<b>729,305</b>	1,220,545
Greyfriars Academy	823,685	189,581	23,411	145,913	<b>1,182,590</b>	1,815,894
Central services	203,568	646,838	5,452	217,332	<b>1,073,190</b>	701,626
<b>Academy</b>	<b>4,846,547</b>	<b>1,217,007</b>	<b>69,281</b>	<b>944,158</b>	<b>7,076,993</b>	<b>10,328,877</b>

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**19. Statement of funds (continued)**

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

	<i>Balance at 1 September 2019 £</i>	<i>Income £</i>	<i>As restated Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2020 £</i>
<b>Unrestricted funds</b>						
General funds	48,621	217,168	(190,891)	(26,097)	-	48,801
<b>Restricted general funds</b>						
General Annual Grant (GAG)	2,580	7,187,667	(8,099,010)	(166,054)	-	(1,074,817)
Other DfE/ESFA grants	-	1,004,080	(1,004,080)	-	-	-
Other government grants	-	267,895	(267,895)	-	-	-
Other restricted reserves	-	7,000	-	(7,000)	-	-
Pension reserve	(4,209,000)	-	(841,000)	-	(753,000)	(5,803,000)
	<u>(4,206,420)</u>	<u>8,466,642</u>	<u>(10,211,985)</u>	<u>(173,054)</u>	<u>(753,000)</u>	<u>(6,877,817)</u>
<b>Restricted fixed asset funds</b>						
Transfer on conversion	17,419,061	-	(140,730)	-	-	17,278,331
DfE group capital grants	514,097	229,403	(37,413)	7,000	-	713,087
Capital expenditure from GAG	139,386	-	(12,850)	192,151	-	318,687
	<u>18,072,544</u>	<u>229,403</u>	<u>(190,993)</u>	<u>199,151</u>	<u>-</u>	<u>18,310,105</u>
<b>Total Restricted funds</b>	<u>13,866,124</u>	<u>8,696,045</u>	<u>(10,402,978)</u>	<u>26,097</u>	<u>(753,000)</u>	<u>11,432,288</u>
<b>Total funds</b>	<u>13,914,745</u>	<u>8,913,213</u>	<u>(10,593,869)</u>	<u>-</u>	<u>(753,000)</u>	<u>11,481,089</u>

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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	<b>Unrestricted funds 31 May 2021 £</b>	<b>Restricted funds 31 May 2021 £</b>	<b>Restricted fixed asset funds 31 May 2021 £</b>	<b>Total funds 31 May 2021 £</b>
Tangible fixed assets	-	-	18,124,312	<b>18,124,312</b>
Current assets	129,003	833,324	-	<b>962,327</b>
Creditors due within one year	-	(824,454)	-	<b>(824,454)</b>
Creditors due in more than one year	-	(500,000)	-	<b>(500,000)</b>
Provisions for liabilities and charges	-	(7,275,000)	-	<b>(7,275,000)</b>
<b>Total</b>	<b>129,003</b>	<b>(7,766,130)</b>	<b>18,124,312</b>	<b>10,487,185</b>

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 31 August 2020 £</i>	<i>Restricted funds 31 August 2020 £</i>	<i>Restricted fixed asset funds 31 August 2020 £</i>	<i>Total funds 31 August 2020 £</i>
Tangible fixed assets	-	-	18,298,680	18,298,680
Current assets	48,800	403,848	11,425	464,073
Creditors due within one year	1	(778,665)	-	(778,664)
Creditors due in more than one year	-	(700,000)	-	(700,000)
Provisions for liabilities and charges	-	(5,803,000)	-	(5,803,000)
<b>Total</b>	<b>48,801</b>	<b>(6,877,817)</b>	<b>18,310,105</b>	<b>11,481,089</b>

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**21. Reconciliation of net expenditure to net cash flow from operating activities**

	<b>31 May 2021</b>	<i>As restated</i> <b>31 August 2020</b>
	<b>£</b>	<b>£</b>
Net expenditure for the period (as per Statement of financial activities)	<b>(29,904)</b>	<b>(1,606,656)</b>
<b>Adjustments for:</b>		
Depreciation	<b>190,214</b>	<b>190,993</b>
Capital grants from DfE and other capital income	<b>-</b>	<b>(229,403)</b>
Interest receivable	<b>(55)</b>	<b>(182)</b>
Defined benefit pension scheme cost less contributions payable	<b>432,000</b>	<b>680,000</b>
Defined benefit pension scheme finance cost	<b>76,000</b>	<b>87,000</b>
Decrease in debtors	<b>2,329</b>	<b>296,215</b>
Decrease in creditors	<b>(154,210)</b>	<b>(596,225)</b>
Loss on disposal of fixed assets	<b>1,700</b>	<b>-</b>
<b>Net cash provided by/(used in) operating activities</b>	<b>518,074</b>	<b>(1,178,258)</b>

**22. Cash flows from financing activities**

	<b>31 May 2021</b>	<i>31 August 2020</i>
	<b>£</b>	<b>£</b>
Cash inflows from new borrowing	<b>-</b>	<b>900,000</b>
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>900,000</b>

**23. Cash flows from investing activities**

	<b>31 May 2021</b>	<i>31 August 2020</i>
	<b>£</b>	<b>£</b>
Dividends, interest and rents from investments	<b>55</b>	<b>182</b>
Purchase of tangible fixed assets	<b>(18,546)</b>	<b>(461,924)</b>
Proceeds from the sale of tangible fixed assets	<b>1,000</b>	<b>-</b>
Capital grants from DfE Group	<b>-</b>	<b>229,403</b>
<b>Net cash used in investing activities</b>	<b>(17,491)</b>	<b>(232,339)</b>

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**24. Analysis of cash and cash equivalents**

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Cash in hand	<b>717,306</b>	216,723
<b>Total cash and cash equivalents</b>	<b>717,306</b>	216,723

**25. Analysis of changes in net debt**

	<b>At 1 September 2020</b>	<b>Cash flows</b>	<b>Other non- cash changes</b>	<b>At 31 May 2021</b>
	£	£	£	£
Cash at bank and in hand	216,723	500,583	-	717,306
Debt due within 1 year	(200,000)	-	(200,000)	(400,000)
Debt due after 1 year	(700,000)	-	200,000	(500,000)
	<b>(683,277)</b>	<b>500,583</b>	<b>-</b>	<b>(182,694)</b>

**26. Pension commitments**

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

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

Contributions amounting to £ - were payable to the schemes at 31 May 2021 (2020 - £139,392) and are included within creditors.

**Teachers' Pension Scheme**

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

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

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**26. Pension commitments (continued)**

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £507,347 (2020 - £727,573).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 May 2021 was £546,000 (2020 - £703,000), of which employer's contributions totalled £445,000 (2020 - £550,000) and employees' contributions totalled £ 101,000 (2020 - £153,000). The agreed contribution rates for future years are 18.6 - 19.9 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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**26. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2021</b>	<b>2020</b>
	%	%
Rate of increase in salaries	<b>3.6</b>	2.9
Rate of increase for pensions in payment/inflation	<b>2.9</b>	2.2
Discount rate for scheme liabilities	<b>1.95</b>	1.7
Inflation assumption (CPI)	<b>2.9</b>	2.2

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

	<b>2021</b>	<b>2020</b>
	Years	Years
<i>Retiring today</i>		
Males	<b>21.9</b>	21.7
Females	<b>24.3</b>	23.9
<i>Retiring in 20 years</i>		
Males	<b>23.2</b>	22.8
Females	<b>26.2</b>	22.5

**Sensitivity analysis**

	<b>2021</b>	<b>2020</b>
	£000	£000
Discount rate -0.1%	<b>337</b>	269
CPI rate +0.1%	<b>306</b>	243
Salary rate +0.1%	<b>24</b>	22

**Share of scheme assets**

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

	<b>31 May</b>	<b>31 August</b>
	<b>2021</b>	<b>2020</b>
	£	£
Equities	<b>2,839,720</b>	2,186,000
Bonds	<b>1,856,740</b>	1,530,200
Property	<b>600,710</b>	480,920
Cash and other liquid assets	<b>163,830</b>	174,880
<b>Total market value of assets</b>	<b>5,461,000</b>	4,372,000

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**26. Pension commitments (continued)**

The actual return on scheme assets was £594,000 (2020 - £151,000).

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

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Current service cost	<b>(835,000)</b>	<i>(1,230,000)</i>
Past service cost	<b>(42,000)</b>	-
Interest income	<b>59,000</b>	<i>74,000</i>
Interest cost	<b>(135,000)</b>	<i>(161,000)</i>
<b>Total amount recognised in the Statement of Financial Activities</b>	<b><u>(953,000)</u></b>	<i><u>(1,317,000)</u></i>

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

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
<b>At 1 September</b>	<b>10,175,000</b>	<i>7,785,000</i>
Current service cost	<b>835,000</b>	<i>1,230,000</i>
Interest cost	<b>135,000</b>	<i>161,000</i>
Employee contributions	<b>101,000</b>	<i>153,000</i>
Actuarial losses	<b>1,499,000</b>	<i>904,000</i>
Benefits paid	<b>(51,000)</b>	<i>(58,000)</i>
Past service costs	<b>42,000</b>	-
<b>At 31 May</b>	<b><u>12,736,000</u></b>	<i><u>10,175,000</u></i>

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

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
<b>At 1 September</b>	<b>4,372,000</b>	<i>3,576,000</i>
Interest income	<b>59,000</b>	<i>74,000</i>
Actuarial gains	<b>535,000</b>	<i>77,000</i>
Employer contributions	<b>445,000</b>	<i>550,000</i>
Employee contributions	<b>101,000</b>	<i>153,000</i>
Benefits paid	<b>(51,000)</b>	<i>(58,000)</i>
<b>At 31 May</b>	<b><u>5,461,000</u></b>	<i><u>4,372,000</u></i>



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**27. Operating lease commitments**

At 31 May 2021 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>31 May 2021</b>	<i>31 August 2020</i>
	£	£
Not later than 1 year	<b>8,785</b>	13,439
Later than 1 year and not later than 5 years	<b>14,395</b>	11,929
Later than 5 years	<b>14,365</b>	18,710
	<u><b>37,545</b></u>	<u>44,078</u>

**28. Members' liability**

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

**29. Related party transactions**

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

During the period £5,730 was paid to the husband of Claire Bunton, a Trustee, for his role as an administrator at Churchill Park Complex Needs School. The appointment was made in open competition and Claire Bunton was not involved in the decision-making process regarding appointment or setting of remuneration.

**30. Post balance sheet events**

On 1 June 2021, the operation of schools within the Trust transferred to Unity Education Trust, transferring all assets and liabilities at that date. The schools will continue to operate as part of Unity Education Trust but KWEST Multi Academy Trust, in its own right, ceased to operate on 31 May 2021.

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**31. Transfer out on academies leaving the Academy Trust**

	<b>Transfer out on academy leaving the trust £</b>
<b>Tangible fixed assets</b>	
Long-term leasehold property	18,024,146
Furniture and equipment	90,569
Computer equipment	9,598
<b>Current assets</b>	
Debtors due within one year	245,022
Cash at bank and in hand	717,306
<b>Liabilities</b>	
Creditors due within one year	(824,456)
Creditors due after one year	(500,000)
<b>Pensions</b>	
Pensions - pension scheme liabilities	(7,275,000)
<b>Net assets</b>	<u><u>10,487,185</u></u>