

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021



THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members

The Chelmsford Diocese Educational Trust
T Elbourne - Diocesan Director of Education
R King - Diocesan Board of Education - Chairman
T J Rose - Chairman of the Board of Trustees (resigned 26 July 2021)

Trustees

J Costello (resigned 27 September 2021)
A Gibbons (appointed 12 February 2021)
M Ferguson, Chair of Trustees (chair from 17/09/2021)
C Haynes, Vice Chair of Trustees
P J Howlett
B M Lester, Finance Director (resigned 16 July 2021)
D Olulode (resigned 26 November 2020)
C Little (appointed 12 February 2021)
D Rogan
T J Rose, Chair of Trustees (resigned 26 July 2021)
E Snowden
E Wigmore, Chief Executive
D Wilde

Company registered number

08709542

Company name

The Diocese of Chelmsford Vine Schools Trust

Principal and registered office

53 New Street, Chelmsford, CM1 1AT

Company secretary

S Porter

Chief executive officer

E Wigmore

Senior management team

E Wigmore, CEO and Accounting Officer
B P Ince, Chief Operating Officer and Chief Financial Officer (resigned 07 May 2021)
S Santhaguru, Director of Finance and Operations and Chief Financial Officer (appointed 07 Jun 2021)
D McManus, Senior Finance Partner
S A Porter, Vine Trust Finance Manager

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Independent auditors

Griffin Chapman, 4 & 5 The Cedars, Apex 12, Old Ipswich Road, Colchester, Essex, CO7 7QR

Bankers

Lloyds Bank Plc, 77/81 High Street, Chelmsford, Essex, CM1 1DU

Solicitors

Lee Bolton Monier-Williams, 1 The Sanctuary, Westminster, London, SW1P 3JT

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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

The Trust currently operates Church of England Academies, for pupils aged 2 to 11, serving the Diocese of Chelmsford catchment area, across East Anglia and North London. It has a pupil capacity of 4,674 and had a roll of 4,171 in the school census on 16 January 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The academy trust 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 trust.

The Trustees of The Diocese of Chelmsford Vine Schools Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Diocese of Chelmsford Vine Schools Trust, also known as The Vine, The Vine Trust and The Vine Schools Trust.

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

b. Members' liability

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

c. Trustees' indemnities

The Diocese of Chelmsford Vine Schools Trust maintains a provision for Trustee Indemnity, through the Department for Education's Risk Protection Arrangement, which gives appropriate cover for any legal action brought against its trustees.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

d. Method of recruitment and appointment or election of Trustees

Members of the company and trustees are appointed as set out in the Articles of Association. Directors are appointed as follows:

1. The Members shall appoint a minimum of 5 Directors, Article 50
2. The Chief Executive Officer shall be a Director as long as they remain in office as such, Article 57
3. The Directors appointed under Article 50 with the consent of the Diocesan Board of Education may appoint up to 2 Co-opted Directors, Article 58

The members recruited two new trustees during the period and accepted three resignations. Nine trustees sit on the Board at the time of completing this report, exceeding the minimum required under the Articles of Association.

When appointing new trustees, the members and board will consider their strategic objectives against the skills and experience of existing trustees to ensure new appointments enhance and expand the necessary skills required to develop the Trust further. The members and board generally engage external bodies to assist with the assessment and subsequent recruitment by targeting individuals with identified skillsets.

e. Policies adopted for the induction and training of Trustees

The Chairman is responsible for the induction and training of new trustees. Following appointment, election or co-option, new trustees will receive training dependent on their existing experience and may include training on charity, educational, legal and financial matters following a robust skills assessment.

f. Organisational structure

The constitution of the board of trustees is set out in the Articles of Association. Trustees are appointed / elected / Co-opted for a period of four years. The Chair is elected bi-annually. Trustees have appointed a Chief Executive Officer to assure the strategic intentions of the Multi Academy Trust. The Chief Executive Officer is also the Chief Accounting Officer and a Director of the Multi Academy Trust.

The Governance framework, currently consists of the following Executive Committee's; Finance, Risk and Audit Committee, Standards and Performance Committee, Vine Communities Committee, PR, Marketing and Sponsorship Committee and HR, Leadership, Development and Wellbeing Committee, all of which operate within specific terms of references approved by the board of trustees. A Pay Committee operates as a sub-committee of the Finance, Risk and Audit Committee. A full review of the committee structure is currently underway and led by the Chair of Trustees.

The trustees are responsible for setting general strategic direction, approving the initial annual budget forecast and monitoring the overall objectives and aims of the Trust. The Executive Committees undertake detailed evaluation of performance and progress.

The trustees co-opt members to some Executive Committees of the Board from the Senior Management Teams, Local Governing Body/Board's (LG) or external advisors (EA), for a term of one year.

The Chief Executive Officer has a standing committee responsible for negotiation and consultation with trade unions, the Joint Consultative Committee (JCC).

The Director of Finance and Operations is also the Chief Operating Officer to whom the trustees delegate responsibility for the strategic financial and operational management of the Trust and its constituent academies.

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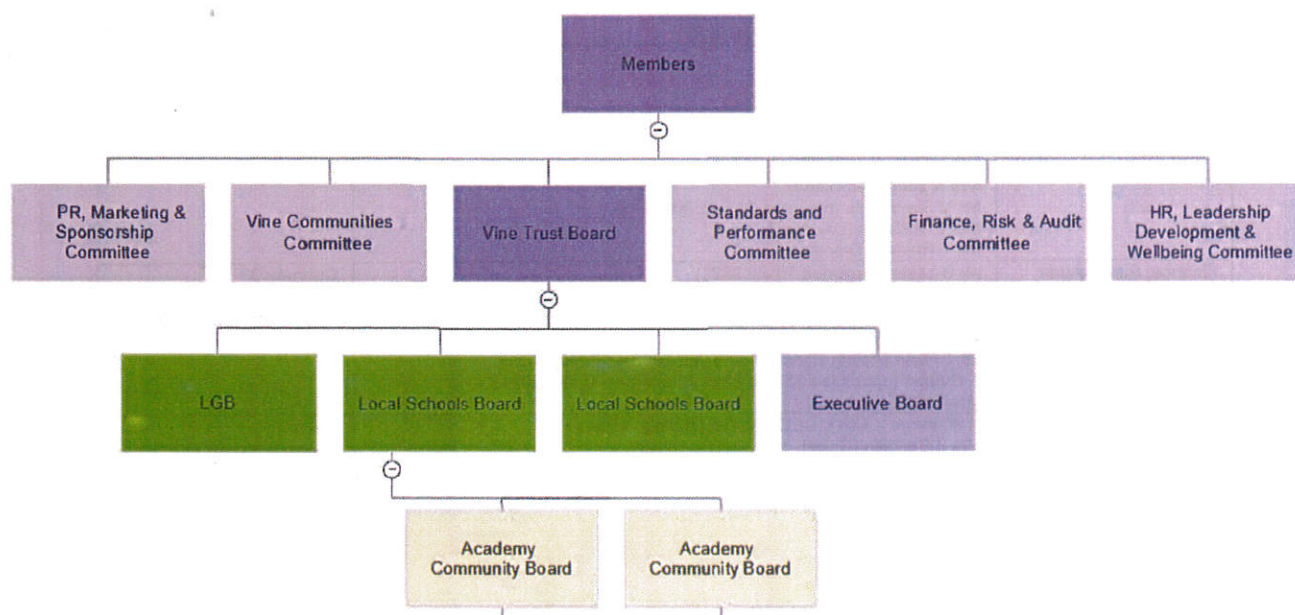
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees select and/or approve the Governors to the constituent schools Local School Boards (LSB).

The trustees appoint an Executive Headteacher / Headteacher to take responsibility for the day-to-day management of the constituent academies whose activities are regulated by a Scheme of Delegation and Scheme of Financial Delegation. Trustees appoint a Company Secretary who takes the role of trustees' secretary and appoints a clerk.

Vine Governance Structures



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TRUSTEES' REPORT (CONTINUED)
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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Trust had the following executive committees during the period

The Diocese of Chelmsford Vine Schools Trust

Full Board of Directors	Mrs J Costello E Wigmore – CEO and Accounting Officer M Ferguson (Chair) (from 17 Sep 2021) Dr C Haynes (Vice Chair re-elected from 17 Sept 2021) Dr P Howlett Mr B Lester (Finance Director (resigned 16 Jul 2021)) Mrs D Rogan Mr T Rose (Chair) (resigned 26 Jul 2021) Ven. E Snowden Mr D Wilde Mr A Gibbons (appointed 12 Feb 2021) Mrs C Little (appointed 12 Feb 2021)	Quorum: one third of membership (rounded up)
Vine Communities	Mr D Wilde (Chair) Mr T Rose Mr M Ferguson Mr P Howlett Ven. E Snowden Mrs L Dale (co-opted) Mrs K Jones (co-opted) Mr M Simmonds (resigned 31 Dec 2021) Mrs E Williams (co-opted) Ms T Russell (Diocese)	Quorum: 3 Delegated Powers: No
Finance, Risk & Audit Committee	Mr B Lester (resigned 16 Jul 2021) E Wigmore – CEO Mrs J Lushington Mr D Wilde (Audit Chair 18 Mar 2021) Mr T Rose (Acting Chair from 15 Jan 2020 – 17 Mar 2021) A Gibbon (appointed 12 Feb 2021 Chair from 18 Mar 2021) Mrs D Rogan	Quorum: 3 Delegated Powers: Yes
HR, Leadership, Development & Wellbeing	E Wigmore – CEO (CEO and Accounting Officer) Mrs J Costello (Chair) Mr M Ferguson Ven. E Snowden Mrs D Rogan Mrs C Little Mrs G Bailey Mrs R More Mrs J Sarti	Quorum: 3 Delegated Powers: No
PR, Marketing & Sponsorship	Mr T Rose (Chair) Mr D Wilde Mrs C Little Mrs G Bailey (SLT co-opted) Miss S Clarke (co-opted) Mrs S Muckle (co-opted) Mr C Medcalf (co-opted) Ms K Everett (co-opted) Ms E Turnbull (co-opted)	Quorum: 3 Delegated Powers: Yes
Standards and Performance Committee	Mrs J Costello Dr C Haynes (Chair) Ven. E Snowden Ms C Prior (Diocese) Mrs D Rogan Mrs B Fellows (SLT Co-opted)	Quorum: 3 Delegated Powers: Yes
Pay Appeals Committee	Mrs J Costello Dr C Haynes Mrs E Wigmore CEO	Quorum: 2 Delegated Powers: No
School Governance	Mr D Wilde (Interim Chair) Mr T Rose Mr B Lester (resigned 16 Jul 2021) Mr P Howlett Mrs K Shergold Mr M Simmonds (resigned 31 Dec 2021) Mrs T Boothman Mrs S Finch (SLT co-opted) Ms P Levack (Juniper)	Quorum: 3 Delegated Powers: No

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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Terms of Reference for the Finance, Risk and Audit Committee and the Standards and Performance Committee, Academy School specific Schemes of Delegation and Financial Regulations set out the responsibilities and authorisation framework for the Trust and its educational establishments.

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

The Diocese of Chelmsford Vine Schools Trust applies the recommendations of the School Teachers Pay and Conditions Document (STPCD), published annually by the Department for Education, it also aligns to the Local Government Pay Award for support staff and Executive Officers. The Trust has aligned to the Essex Collective Agreement during the period and adopts the Local Authority pay policy which is reviewed annually. The board is reviewing the Committee structures across the trust which includes adopting a Remuneration Committee to independently review the pay of Executive Officers and adopt the requirements of the Executive Pay Policy.

The Diocese of Chelmsford Vine Schools Trust has a robust performance management policy based on the Essex Local Authority model policy which governs pay and awards.

Performance management of the Chief Executive Officer (CEO) is the responsibility of the trust board, other Executive Officers that of the CEO. Responsibility for the performance management of Executive Headteachers and Headteachers is retained by the Trust, pay awards the responsibility of a subcommittee of the Finance, Risk and Audit Committee.

Performance management of all other academy senior management personnel is delegated to the Local Schools Board, senior central staff and Academy Business Managers to the Director of Finance and Operations.

Key executive officer pay awards recognise the complexity and challenge associated with accountability for improving outcomes, efficiencies and strategic leadership across a growing trust. Pay progression includes cost of living and performance related awards. Remuneration levels are consistent with the sector and considered reasonable.

All staff, school based or central, have clear performance targets. Where appropriate this includes pupil progress targets. If all targets are met then a pay award will be granted in line with the Trust Pay Policy.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	-
Total pay bill	19,817,424
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

The Diocese of Chelmsford Vine Schools Trust was formed by the Chelmsford Diocese Educational Trust (CDET) as a vehicle to support its church schools converting to academies and to ensure that they retained their individual Christian ethos.

The Chelmsford Diocese Board of Education (CDBE) is the sponsoring body for the schools directed to convert and provides educational/financial specialism to support sponsored schools.

The membership of the Diocese of Chelmsford Vine Schools Trust consists of CDET, a corporate body created by the CDBE, the Chairman of the CDBE, the Diocesan Director of Education and the Chairman of the Board of Directors.

The Multi Academy Trust leases managed office space from the Chelmsford Diocesan Board of Finance.

The Multi Academy Trust and its constituent academies commission professional services from the Essex Local Authority and engage with not for profit procurement providers associated with Thurrock Local Authority, Hertfordshire County Council, Kent County Council and some educational providers.

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STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

j. Engagement with employees (including disabled persons)

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed of specific matters directly by management. The academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure for upward feedback for senior management and the Trustees. The Trust has introduced a well-being coordinator due in the year and plans to expand on this in future periods.

The academy trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equality and Diversity Policy
- Equal Opportunities Policy
- Health & safety Policy
- Information, Consultation and Facilities Agreement
- Recruitment Policy
- Redundancy and Restructure Policy
- Staff Wellbeing Policy

The Chief Executive Officer has a standing committee responsible for negotiation and consultation with trade unions, the Joint Consultative Committee (JCC), which meets at least three times a year.

In accordance with the academy trust's equal opportunities policy, the academy trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy trust's offices.

OBJECTIVES AND ACTIVITIES

a. Objects and aims

Through The Diocese of Chelmsford Vine Schools Trust our schools will deliver, within a Christian context, the best educational, spiritual, physical, social and emotional outcomes for children and their families. This will be achieved through a range of partnerships, including; schools, local communities, churches and the Vine Trust family. We believe each partner has much to offer. We want our pupils and staff to achieve their full potential.

The Trust operates for charitable purposes to advance for the public benefit education in the United Kingdom, in particular but not without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include: Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and having regard to any advice issued by the Diocesan Board of Education; and other Academies whether with or without a designated religious character.

In relation to each of the Academies to recognise and support their individual ethos whether or not designated Church of England, furthermore support them to become and/or maintain a 'Good' or 'Outstanding' school status.

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TRUSTEES' REPORT (CONTINUED)
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(continued)

b. Objectives, strategies and activities

"I am the vine; you are the branches. If you remain in me and I in you, you will bear much fruit" (John 15:5)"

Within a positive and supportive Christian ethos, the Trust is committed to enriching the lives of its children, maximising the educational experiences and attainment levels of all of its pupils, developing creative and independent learners and providing them with transferable skills that can be applied throughout their life.

Objectives

The objective of our Trust is to create a mutually supportive family of schools who are dedicated to driving positive change. We work in partnership with our schools to ensure we are delivering high quality support and solutions which will help them flourish.

Within a positive and supportive Christian ethos, the Trust is committed to enriching the lives of its children, maximising the educational experiences and attainment levels of all of its pupils, developing creative and independent learners and providing them with transferable skills that can be applied throughout their life.

The Vine Trust values drive all of our work;

Excellent Education:

At the heart of our Trust is a dedication to providing excellent education to our pupils. We strive to support our schools in a way that enables them to provide the highest possible academic standards.

Outward Facing:

We know each of our schools are a valued part of their own communities. We believe in nurturing these relationships and encouraging schools to continue to make these meaningful connections regionally and nationally.

Christian Character:

Vine Schools Trust is committed to offering an education that teaches our pupils the value of Christian character. We believe in providing our children with a curriculum that facilitates spiritual, intellectual, physical, and creative learning.

c. Public benefit

The trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission's 'Charities and Public Benefit' in exercising their powers and duties and that they have maximised the impact of public funds for the educational benefit of the pupils within the Trust.

Strategic Report

The Trustees of The Diocese of Chelmsford Vine Schools Trust approved a three year strategic development plan for 2020/21 to 2022/23 during the summer 2020.

a. Achievements and performance

In line with our vision of enriching the lives of our children and maximising the educational experiences and attainment levels of all, we have encouraged the children of The Vine Schools Trust to achieve their full potential. This is evidenced in teacher assessment, full engagement with remote learning during a turbulent school year, development of staff, levels of staff retainment and is the result of working together in regions as well as Trust

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

(continued)

wide to enhance outcomes in both academic and economies of scale in the past year.

Key Performance Indicators

The Vine measures the academic outcomes for all pupils through teacher assessment, standardised testing, internal moderation and external validation.

Outcomes over time.

(Teacher Assessments 2020 and 2021)

	2016 10 schools 8 EY/KS1 10 KS2	2017 12 schools 10 EY/KS1 12 KS2	2018 16 schools 14 EY/KS1 16 KS2	2019 19 schools 16 EY/KS1 18 KS2	2020 22 schools 19 EY/KS1 21 KS2	2021 23 school 20 EY/KS1 22 KS2
GLD	66%	75%	75%	73%	71%	62%
Y1 phonics	74%	80%	79%	75%	70%	63%
Y2 Reading	72%	74%	77%	72%	71%	63%
Y2 Writing	58%	69%	72%	64%	67%	55%
Y2 Maths	69%	74%	76%	72%	65%	59%
Y6 RWM	49%	56%	61%	52%	66%	42%
Y6 Reading	58%	66%	75%	66%	75%	72%
Y6 Writing	74%	70%	79%	74%	74%	67%
Y6 Maths	67%	74%	70%	69%	71%	59%

The pandemic has had a significant impact on the standards achieved by pupils. However, the impact varies widely across our schools and between key groups. HTs and their teams have been tracking pupils' gaps and adjusting the curriculum. Considerable work has been done in schools to adapt the curriculum and close gaps. The use of PPG funding and provision for SEND is constantly evaluated by the School Improvement team. These groups have been identified as a national priority and have been the groups most affected by the pandemic.

We know there is a mixed picture of pupil outcomes across the Trust, however, there is strong leadership in almost all schools now – where there isn't yet strong leadership in a small number of our schools a focused plan of support is in place. Recent recruitment to the Trust at senior levels has been completed from strong fields of applicants. Development of leaders from within has improved over the last year due to the programme of training and support provided by the central team, the guidance of HTs and access to external training. Governance structures have evolved over the past two years and training for governors has been provided by the central team.

We intend to develop leadership development across all of our schools so that we can grow our own leaders. We will do this through the provision of CPD, coaching and access to external support and training. Additionally, our School Improvement Leads and Specialise Leaders of Education will work directly with school to support deliver of progress against Trust and school improvement priorities. This work will be lead by our newly appointed Director of Learning.

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**TRUSTEES' REPORT (CONTINUED)
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(continued)

Trust Profile	Trust 17/18	Trust 18/19	Trust 19/20	Trust 20/21
Number of Academies	18	21	22	23
Total number of pupils	3,585	3,880	3,953	4,171
Published Admission Number (PAN)	3,900	4,302	4,476	4,674
Occupancy (%)	91.9%	90.2%	88.3%	89.0%

Income KPI's ¹	Trust 17/18	Trust 18/19	Trust 19/20	Trust 20/21
Total income per pupil (£)	4,774	5,272	5,638	5,893
GAG income per pupil (£)	3,660	3,889	4,145	4,267
Pro-rata GAG income per pupil (£) ⁴	3,965	4,116	4,189	4,267
GAG income as a % of total income	73.8%	73.7%	74.9%	73.1%
Non GAG income per pupil (£) ²	1,114	1,383	1,493	1,626
Capital Income per pupil (£)	236	275	270	282
Capital income as a % of total income	4.7%	5.2%	4.8%	4.4%

Staff KPI's ¹	Trust 17/18	Trust 18/19	Trust 19/20	Trust 20/21
Total staff costs as a % of total expenditure	76.8%	75.5%	77.5%	76.6%
Teaching staff costs as a % of total expenditure	55.7%	55.0%	55.8%	54.7%
Teaching staff costs as a % of total staff expenditure	72.6%	72.9%	72.0%	71.4%
% of teaching to non-teaching staff	36.0%	37.3%	35.8%	35.8%
Non-teaching support staff costs as a % of total expenditure	21.1%	20.5%	21.7%	21.9%
Staff costs as a % of GAG income	107.0%	108.4%	109.1%	111.7%
Pupil to teacher ratio	25:1	23:1	24:1	24 : 1
Pupil to non-teaching staff ratio	14:1	14:1	13:1	13 : 1

Expenditure KPI's ¹	Trust 17/18	Trust 18/19	Trust 19/20	Trust 20/21
Total expenditure as a % of total income	96.9%	99.6%	97.4%	99.8%
Expenditure on curriculum resources as a % of total expenditure	5.8%	6.0%	5.1%	4.3%
Expenditure on maintenance of premises (excluding projects and capital) as a % of revenue expenditure ³	0.9%	1.3%	1.4%	2.6%
Expenditure on maintenance of premises as a % of total expenditure ²	3.4%	4.6%	4.6%	6.3%

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(continued)

Surpluses and deficits KPI's	Trust 17/18	Trust 18/19	Trust 19/20	Trust 20/21
Closing pension scheme deficit	8,119,000	11,743,000	13,694,000	16,401,000
Closing pension scheme deficit per pupil	2,265	3,027	3,464	3,932

Balance Sheet KPI's	Trust 17/18	Trust 18/19	Trust 19/20	Trust 20/21
Cash balances as a % of total income	24.9%	20.1%	21.3%	21.9%
Net current assets as a % of income	21.5%	28.4%	29.0%	21.7%
Ratio of current assets against current liabilities	4.56:1	5.22:1	5.88:1	4.52:1

- 1 Excludes notional rent charges and donations
- 2 Includes capital fund
- 3 Introduced as a key operating metric 16/17
- 4 Adjusted pro-rata for pupils joining the Trust

b. Going concern

The Vine constantly undertakes rigorous central analysis of financial forecasts; this includes impact analysis of the proposed new National Funding Formula. Monitoring risks and implementation of effective strategic financial planning enables Vine academies to remain both viable and flexible in the short to medium term.

The Vine has implemented a number of strategic projects during the period, to enhance the scope, functionality and operational efficiency of its financial, personnel, business and pupil data applications. The resulting efficiencies and cost savings benefit existing academies, although not yet fully realised, enable the core-offer to expand and positions the Trust for the next phase of its growth within a challenging sector.

Having further considered the impact of ongoing funding uncertainty and after making appropriate enquiries, the Board of trustees has a reasonable expectation that The Vine has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

a. Reserves policy

The trustees review the reserve levels annually. This review is designed to ensure reserves are held at levels commensurate with identified needs of the Academy Trust and its constituent academies going forward. Restricted and unrestricted reserves will be at levels necessary to allow for future planned expenditure that cannot be met from the annual budget, allow for the replacement of large capital and infrastructure items, create and maintain a capacity to deal with unknown items of expenditure that cannot be expected to be funded from annual budgets and ensure appropriate provision is made for working capital.

During the period trustees retained the existing 'pooled' central reserve policy for its constituent academies to reflect sector pressure and funding uncertainty. Specifically, academies **should** build central reserves equating to 6% of their total restricted funds (previously **must**). Additionally, academies **must** ensure that a local general contingency equating to a minimum of 2% of the academy's total restricted funds are held with further guidance

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on building non-directed and operational contingencies documented in the trusts Capital and Revenue Reserves Policy. The Trustees had hoped to reintroduce a more robust reserves policy following the December 19 funding announcement, however this has now been deferred for further review in during Spring 22.

With continuing uncertainty surrounding future funding levels, increasing staffing costs driven by increased employers pension contributions and the impact of Covid-19 and despite exceptional grants being introduced the trust is once again seeing increasing pressure on balances across its academies. The Trust is committed to maintaining a prudent Reserves Policy but recognises the challenges facing its academies. Trust reserves are monitored and reported regularly by central team. With the new impending finance structure, financial control across the academies will significantly be improved.

At 31 August 2021 the value of constituent academy restricted funds, excluding the fixed asset reserve and the pension funds were £3,393,829 (2020: £3,168,171) and unrestricted funds were £2,208,771 (2020: £2,097,058), totalling £5,602,600 (2020: £5,265,229) of which £162,423 (2020: £522,605) is held centrally by the Trust. This includes £239,647 that the trust holds centrally (2020: £267,771) which has been set aside as a designated fund and held as a contingency fund.

The total funds, excluding the pension fund at 31st August 2021 are £7,584,457, of which £1,981,857 is the restricted fixed asset fund and only £930,330 of that can be realised through disposing of tangible fixed assets.

Total restricted and unrestricted reserves held within the Academy Trust at 31 August 2021 represented 21% (2020: 22%) of overall income, of which £5,362,953 (2020: £4,997,458) is earmarked to be spent within three years.

The Trust notes that not all academies currently meet the minimum recommendations set out in the Capital and Revenue Reserves Policy, however, implementation of identified strategies both locally and centrally are predicted to address this. The Trustees consider current provisions sufficient to cover unexpected costs.

Due to the accounting rules for the local government pension scheme under FRS 102, the trust recognises a significant pension fund deficit of £16,401,000. Whilst this doesn't present an immediate liability, the deficit impacts on cashflow in the form of increased employer contributions. Contributions have risen this year and are set to rise again in the coming year, these increases will have to be absorbed in school budgets.

b. Investment policy

All investments are made in accordance with the Investment Management Policy of the Academy Trust. The trust's policy on investments is aligned with the requirements of the Academies Financial Handbook and one of minimum risk with all investments being held with the trust's bankers. The trust will nevertheless seek to maximise interest receipts within this arrangement. The Investment Management Policy is reviewed annually in November. Investments are made with regard to Charity Commission guidance in relation to investments.

c. Principal risks and uncertainties

The Trustees have considered the risks faced by the Trust throughout its normal operational business, they have sought to address the risks by establishing appropriate governance and management arrangements, including the appointment of experienced executive officers, senior staff and other leaders, commissioning external specialists, engaging independent internal auditors in addition to establishing consistent robust operational policies and procedures. The Trustees maintain a corporate risk register and review risks across the Trust regularly. The Board considers that these arrangements have been effective throughout the period being reported.

The Trustees circulate a formal risk management policy to its member schools, weighted towards impact, supported by a detailed risk register, to more effectively document and track the managerial actions in relation to identified risks at a local establishment level. All the risks are evaluated against the strategic objectives of the

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Vine to ensure that these objectives can be met.

At the time of reporting the Trust's identified key risks are as follows:

- Strategic- The Trust recognises the importance of improving the performance of some academies and to attain a high standard of academy leadership which will increase occupancy levels and support future growth. An increasing risk associated with Ofsted outcomes was previously identified and therefore The Trust has embarked on a targeted school improvement programme which provides PR support, high quality CPD for teachers and leaders which has had a positive impact, however with Ofsted inspections temporarily suspended the impact cannot yet be ratified. Whilst making progress with strategic level of information relating to Pupil Data there is still some uncertainty around the accuracy of health and safety information contained within the Trust Business Management platforms. The Trust is therefore exploring greater centralisation of its estates management and reviewing the systems being used.
- Governance – Risk that; some of the Governors and senior leaders do not yet possess all of the skills and experience required to run the academy schools. Whilst recruitment of Local Governors continues to be a significant challenge, the Trust is developing a programme of training and a governance review during the period, the latter resulting in the introduction of a hub governance model and the formation of local school boards who are broadly responsible for a geographic location and focused on strategic information and outcomes. Consistency of reporting/documentation requires significant improvement and is being reviewed. Stakeholder engagement is being improved through the development of Community Boards
- Operational – The Trust has recognised the importance of providing better centralised core services for the schools. Premises management has been strengthened by the appointment of a Trust Estates and Facilities Manager who will oversee the health and safety, utilisation of SCA funds and premises management for the Trust. This appointment will provide a more consistent approach to premises and facilities management and reduce the risk of non compliance across the Trust. A more focused centralised provision has also been adopted for data processing and invoice management which will support all the academies. The Trust is also reviewing the Human Resources provision provided.
- Compliance – Trustees undertake regular monitoring and review of procedures to ensure robust compliance, taking guidance from internal and external findings. The Trust has recognised the increasing importance of independent internal audit scrutiny and is in the process of compiling a more rigorous three year internal audit programme with a wide remit including areas such as GDPR compliance and value for money.
- Financial – With increasing pressures on academy budgets the need for improved financial control measures has been recognised by the Trust. A finance restructure is currently underway, and this restructure will streamline financial reporting by creating a high-quality centralised provision and improve the accuracy of forecasting and financial decision making by the schools.
- Data Risk – The Trustees recognise the importance of strengthening the IT infrastructure across the Trust by moving from a local on site server environment to a cloud based model which will significantly improve GDPR compliance and data protection.
- Procurement – Due to tighter budgets the Trust has recognised the importance of more focused procurement on high spend areas and inducing cost savings by taking advantage of economies of scale and bulk discounts. Areas such as utilities management are now managed by the trust to ensure savings are made by managing the increasing risks of higher unit costs.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

d. Financial Review

The Vine's principle source of income is obtained from the Education & Skills Funding Agency (ESFA), in the form of recurrent grants and start-up grants which are restricted for particular purposes. The grants received from the ESFA during the period ending 31 August 2021 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the period ending 31 August 2021 The Vine reports an in-year revenue surplus of £337,371, representing the change in balance of restricted general funds (excluding pension reserve) plus unrestricted funds, including balances transferred from conversion totalling £245,597 and a correction of £4,559 to previous year conversions.

Incoming resources for the year ending 31 August 2021 totalled £25,934,432, of which £22,533,099 was restricted funding received from the DfE and ESFA. Total resources expended for the year were £27,310,034.

The Vine also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned and determined by the Trusts Accounting Policy.

At 31 August 2021 the net book value of tangible fixed assets was £930,330 (2020: £582,076).

The Trust's Fund balances before fixed asset fund and pension reserve adjustments, at 31 August 2021 were £5,602,600 (2020: £5,265,229), which represents a surplus of £337,371 (2020: £292,954) including £245,597 (2020: £116,254) which were inherited on conversion or transferred into the trust this year (excluding pension deficits).

The Trusts Pension deficits at 31 August 2021 were £16,401,000 (2020: £13,694,000)

Total cash balances at 31 August 2021 were £5,352,447 (2020: £4,713,385)

Whilst national restrictions have subsided towards the end of the financial year the Vine continues to develop and use digital and communication platforms, which were used to adapt to national restrictions that include robust virtual and electronic procedures and controls. There has been further investment into the school improvement offer across the Trust and a focus on more effective communication platforms. The Vine is aware that national restrictions could be introduced at some point in the future if Covid-19 cases increase again. Therefore, the investment in digital communications and cloud technology will help to mitigate any adverse effects.

During the year national restrictions and challenges presented as a result of Covid-19 have had a financial and operational impact on The Trust not all of which have been mitigated by the level of central funding available. Therefore we see increased financial pressure in some of our schools.

The Vine continues to advocate the need for financial prudence, requiring a minimum three year financial strategy in its academies. The Vine is currently undergoing a finance restructure to raise the quality of financial information and enhance financial control. Procurement activity has also increased and ensures that cost savings and value for money are achieved through economies of scale. Close scrutiny of reserve balances and working capital enables the Trust and its constituent academies to remain flexible in the current climate. Integrated Curriculum Financial Planning is integral to budget preparation to ensure pupils receive high quality education in a financially sustainable manner. The operational model is currently being reviewed and will be further developed in financial year 21/22.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Fundraising

The Trust has not relied on fundraising activities to supplement existing revenue streams during this period.

A Marketing and Sponsorship Committee was formed in 2017, the remit of the committee includes exploration of group fundraising opportunities and determine appropriate controls and procedures required for future consideration by the Board.

Plans for future periods

Key objectives and targets are set out in the Vine Trust 3 year Strategic plan. They include The Trust strategic objectives for 2021/22:

1. Quality of Education: Ensuring that all schools in the Vine Trust are providing a good quality education with a strong Christian Ethos
2. Strengthen Leadership: providing school leadership at all levels, attracting, developing and retaining high quality people in our schools.
3. Strength of Local Governance and communities: providing robust governance and leadership through regional boards enabling school-church-community relationships to develop for the benefit of the children and staff in every school.
4. Strategic Growth: to plan the strategic growth of our Trust so that we can deliver the benefits of working in our local regions to meet the needs of our communities.
5. Efficient Operations: building a financially viable and sustainable Trust delivering high quality and cost effective services to schools; enabling schools to maximise their resources to increase the quality of provision.

During the period one school joined the trust on 1st September 2020.

Funds held as custodian on behalf of others

The Trustees act as principal for the Academy Trust and have discretion (subject to the purposes or terms on which funds are held) as to how the funds are used in the Academy Trust.

Employee Consultations

During the period, with HR and Union support, The Vine consulted employees three times as follows;

- Belchamp St Paul – restructure of support staff – led by school
- Howbridge – reduction of Teachers and LSAs – being led by the school.
- Rolph – support staff restructure – being led by the school.
- Vine Central – Central processing staff and Finance Officer role increase to full time positions - ongoing

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Disclosure of information to auditors

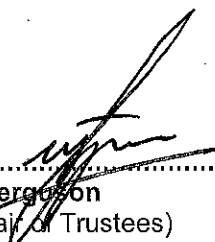
Insofar as the Trustees are aware:

- 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.

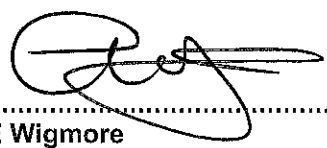
Auditors

The auditors, Griffin Chapman, 4&5 The Cedars, Apex 12, Old Ipswich Road, Colchester, Essex, CO7 7QR, are willing to continue in office following a resolution to appoint them for a period of 3 years was approved at the annual general meeting in 2020.

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



.....
M Ferguson
(Chair of Trustees)



.....
E Wigmore
(Accounting Officer)

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Diocese of Chelmsford Vine Schools 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 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 The Diocese of Chelmsford Vine Schools 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 6 times during the year.

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

Trustee	Meetings attended	Out of a possible
J Costello	5	6
A Gibbons	4	4
M Ferguson, Chair of Trustees (chair from 17/09/2021)	5	6
C Haynes, Vice Chair of Trustees	5	6
P J Howlett	5	6
B M Lester, Finance Director	2	6
D Olulode	0	0
C Little	4	4
D Rogan	4	6
T J Rose, Chair of Trustees	6	6
E Snowden	4	6
E Wigmore, Chief Executive	6	6
D Wilde	5	6

The Articles of Association stipulate that a third of Trustees (rounded up but minimum 3) is the number to be quorate at any meeting.

The Board of Trustees recruited two directors during the period, to enhance and compliment the skillset of the board and received two resignations during the period, leaving Trustee membership standing at twelve at the time of this report.

The Trustees are also directors of The Diocese of Chelmsford Vine Schools Trust, ensuring continuity for the academies within this Trust.

A Review of Governance was carried out of the Vine Trust Board in the summer term. The Review was carried out by an experienced National Leader of Governance. The Review involved:-

- Initial Meeting with CEO to agree scope and proposed work

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- Interview with Chair
- Trust Board members (Directors) complete Self Assessment Questionnaires (SAQ)
- Review of Website, SAQ's and all related paperwork
- Observation of Trust Board meeting (26/5/21)
- Interview with CEO
- Interview with 3 Board members (virtually and individually)

Recommendations were made, which were:-

To ensure Community Boards are all established.

To review the Trust Committee structure and how best to streamline the number of committees to reduce workload and duplication, whilst maintaining statutory requirements.

To strengthen the Trust Vision and Strategy Objectives within the work of all committees.

To develop an annual calendar for each committee, including clarification of the strategic information required at each meeting and to introduce Key Performance Indicators for each committee (in line with the Trust Strategy).

To consider inviting visitors to committees to present and remain for relevant topics on the agenda only.

To develop a clear communication system between LSB's and Trust Board, to consider developing an annual meeting calendar and agenda headings for LSB's alongside a key summary report to share between LSB and Board and vice versa Consider increasing number of Members to 5, in line with 'strong preference' of DFE and consider the position of Chair of Directors as a Member.

To ensure that trust self review is an annual activity and that any identified trust development needs (actions) are captured in a Trust Development Plan or included within the Annual Plan, so that they can be actioned and progress regularly reviewed.

To consider using the MAT Assurance Framework as an approach to aid future self-review.

Local Schools Boards are now firmly embedded; the local governance function is now being carried out by Eight Boards. Each Board is led by an experienced Chair of Governors. Trust Intervention Boards are now in place for only of the two most vulnerable schools. All Board members are encouraged to attend relevant training and are signposted to relevant CPD opportunities.

Chairs Network Meetings, attended by the CEO, take place half termly.

A Lead Clerk manages the clerking provision, which is delivered by an external provider, subject to a Service Level Agreement.

Members of the schools; Senior Leadership Team are encouraged to join Local Schools Boards in order that they can provide additional professional input whilst also facilitating their own valuable CPD.

The Finance, Risk and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to regularly monitor income and expenditure against budgets, consider the annual budget before presentation to the Board of Trustees, monitor strategic financial planning across the Trust and consider the Trusts primary business partners and major contracts in addition to receiving and assessing Headteacher pay award recommendations. It has a duty to report to the Board of Trustees on all significant financial matters. Additionally the Committee is responsible for risk management and reviews internal audit reports, deals with matters arising from external audit and has a duty to report to the Board on all significant matters. The Committee considers the

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

scope of reporting required by directors to fulfil their obligations and comply with the Academies Financial Handbook, particular focus on enhanced internal scrutiny from 2019.

This committee has formally met 6 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
D Wilde (Chair Audit Committee)	5	6
B Lester (Finance Director)	4	6
T Rose (Vice Chair)(Interim Chair to 17 Mar 2021)	6	6
J Lushington	5	6
D Rogan	4	6
A Gibbons (Chair with effect from 18 Mar 2021)	4	4

The Standards and Performance Committee is a sub-committee of the main Board of Trustees. Its purpose is to review educational data, performance and outcomes of academies in the Vine Trust, it co-ordinates school improvement across with Trust with delegated responsibility to ensure the Trustees meet their commitments in their role as Academy Sponsor and will have a duty to report to the Board of Trustees on all significant matters. The Committee, with the CEO, determines the School Improvement Strategy across the Trust.

This committee has formally met 5 times during the year. Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Costello	3	5
C Hobbs (Chair)	5	5
E Snowden	3	5
D Rogan	2	5

The Pay Appeals Committee is a sub-committee of the main Board of Trustees. Its purpose is to review appeals received from employees of The Vine Trust and will have a duty to recommend and report to the Board of Trustees on all matters.

This committee did not convene during the period.

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by;

- Movement towards centralisation for financial and other operational functions such as HR, premises management and procurement the trust have been able to utilise economies of scale by engaging with key supply and service providers which are accessible to all constituent academies and departments in the trust. Specific areas include office supplies, utilities, Personal Protective Equipment and catering stock during the period. By making shared purchases the Vine has been able to negotiate lower costs for the benefit of all trust academies to reinvest into an enhanced school improvement model.
- During the year the Vine reviewed the IT provision and server environment and is now moving towards a cloud based model which will reduce the costs of on site server maintenance, upgrades and repairs.
- Energy procurement is now managed internally with the support of specialist energy procurement suppliers. Cost savings are achieved by forward planning and projecting market movements, especially around unit costs.
- The Trust benchmarks itself internally and against other multi-academy trusts of a similar size, pupil numbers, staff numbers and costs by sourcing appropriate national data. Curriculum led financial planning and regular analysis of financial metrics are compared to external benchmarking reports which has resulted in some organisational restructures within schools.

The purpose of the system of internal control

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

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2020 to 31 August 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 trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees
- regular reviews by the Finance Risk and Audit 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 decided to complement central monitoring by appointing an internal auditor SBM Services Ltd during the period.

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

- Testing of VAT compliance
- Testing of finance, administration, management systems and governance
- Testing of payroll systems, authentication processes and personnel files of the trust centre only
- Testing of purchasing and creditors
- Testing of budget procedures and compliance
- Testing of bank reconciliations and cash
- Testing of income reconciliations, lettings, charging policy and debt management.
- Review of Fixed Asset register, acquisition, and disposal procedures

On a termly basis, the internal auditor reports to the board of Trustees through the Finance, Risk and Audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities. Following academy visits several operational processes were reviewed and updated, action plans are prepared, monitored and progress reports are regularly circulated to Senior Leaders, Governors and Trustees.

Review of effectiveness

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

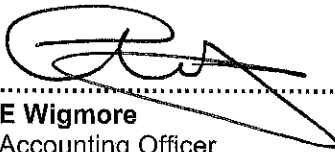
- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

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GOVERNANCE STATEMENT (CONTINUED)

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


.....
M Ferguson
Chair of Trustees
.....
E Wigmore
Accounting Officer

Date: 15 December 2021

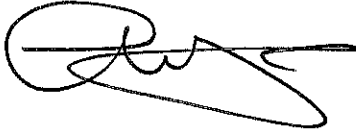
THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Diocese of Chelmsford Vine Schools Trust I have considered my responsibility to notify the academy trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2020.

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



Emma Wigmore
Accounting Officer

Date: 15 December 2021

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 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.

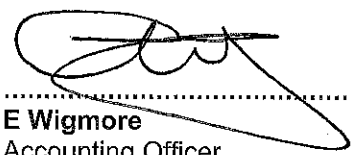
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements 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:


.....
M. Ferguson
(Chair of Trustees)


.....
E Wigmore
Accounting Officer

Date: 15 December 2021

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST**

Opinion

We have audited the financial statements of The Diocese of Chelmsford Vine Schools Trust (the 'academy trust') for the year ended 31 August 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 trust's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and 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 trust 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.

Conclusions relating to going concern

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

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

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

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST (CONTINUED)**

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 for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has 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 trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

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

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST (CONTINUED)**

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:

We obtained an understanding of the legal and regulatory frameworks that are applicable to the academy trust and for those that are most significant, we enquired into how management ensures compliance is maintained.

We identified that the principle risks of non compliance with laws and regulations related to the DfE/ESFA regulatory industry that the Academy operates in. This effects the ability to continue trading as an Academy Trust. Other relevant laws and regulations of note include health and safety.

Enquiry and review of the entity's transactions was undertaken to highlight any instances of penalties, fines or legal activity which could suggest non-compliance with laws and regulations. There was no contradictory evidence found.

We also considered those laws and regulations that have adirect impact on the preparation of the financial statements including the Companies Act 2006, Accounts Direction and Charities SORP.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principle risks were related to the override of delegated authorities and the misappropriation of grant funding.

In response we incorporated testing of procurement and expenditure and any other entries at risk of falling outside of delegated authorities.

Scrutiny of unusual transactions and analytical procedures were used to help identify risk factors in monies received and expended during the year.

It also stated as a reminder, that the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Trust.

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

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST (CONTINUED)**

Use of our report

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



Daniel Aldworth (Senior statutory auditor)

for and on behalf of
Griffin Chapman

Chartered Accountants
Statutory Auditors

4 & 5 The Cedars

Apex 12

Old Ipswich Road

Colchester

Essex

CO7 7QR

Date: 15 December 2021

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 12th September 2018 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 The Diocese of Chelmsford Vine Schools Trust during the year 1 September 2020 to 31 August 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 The Diocese of Chelmsford Vine Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Diocese of Chelmsford Vine Schools 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 The Diocese of Chelmsford Vine Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Diocese of Chelmsford Vine Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Diocese of Chelmsford Vine Schools Trust's funding agreement with the Secretary of State for Education dated 1st November 2013 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 year 1 September 2020 to 31 August 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 Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken comprised:

- A. Analytical review as part of the consideration of whether general activities of the academy trust are within the academy trusts framework of authorities.
- B. Confirmation that items have been appropriately authorised in accordance with the academy trust's delegated authorities.
- C. Confirmation that the internal delegations have been approved by the governing body, and conform to the

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST AND THE EDUCATION & SKILLS FUNDING
AGENCY (CONTINUED)**

limits set by the Department for Education.

- D. Performing of sample testing of expenditure & procurement and review against specific terms of grant funding within the funding agreement.
- E. Review and testing of the systems surrounding the management of related party transactions.
- F. Consideration of governance activities in line with ESFA expectations.

The extent of work performed was based upon our professional judgement, informed by the assesment of the risk of material irregularity, impropriety and non-compliance.

Conclusion

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



Daniel Aldworth - (Reporting Accountant)

Griffin Chapman
Chartered Accountants
Statutory Auditors

4 & 5 The Cedars
Apex 12
Old Ipswich Road
Colchester
Essex
CO7 7QR

Date:

15 December 2021

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:						
Donations and capital grants:	3					
Donations		-	1,464,131	98,550	1,562,681	1,598,584
Capital Grants		-	-	1,077,877	1,077,877	1,072,274
Voluntary Income - transfer on conversion		88,797	(171,200)	-	(82,403)	(115,478)
Other trading activities		50,467	792,138	-	842,605	844,778
Investments	6	573	-	-	573	2,249
Charitable activities		-	22,533,099	-	22,533,099	20,162,942
Total income		139,837	24,618,168	1,176,427	25,934,432	23,565,349
Expenditure on:						
Charitable activities	8	-	27,060,365	249,669	27,310,034	24,336,849
Total expenditure		-	27,060,365	249,669	27,310,034	24,336,849
Net income/(expenditure)		139,837	(2,442,197)	926,758	(1,375,602)	(771,500)
Transfers between funds	19	(28,124)	693,855	(665,731)	-	-
Net movement in funds before other recognised gains/(losses)		111,713	(1,748,342)	261,027	(1,375,602)	(771,500)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	28	-	(733,000)	-	(733,000)	(620,000)
Net movement in funds		111,713	(2,481,342)	261,027	(2,108,602)	(1,391,500)
Reconciliation of funds:						
Total funds brought forward		2,097,058	(10,525,829)	1,720,830	(6,707,941)	(5,316,441)
Net movement in funds		111,713	(2,481,342)	261,027	(2,108,602)	(1,391,500)

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted funds - class ii 2021 £	Total funds 2021 £	Total funds 2020 £
Total funds carried forward	2,208,771	(13,007,171)	1,981,857	(8,816,543)	(6,707,941)

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 38 to 70 form part of these financial statements.

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

BALANCE SHEET
AS AT 31 AUGUST 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	15	930,330	582,076
		<u>930,330</u>	<u>582,076</u>
Current assets			
Debtors	16	3,250,846	3,002,809
Cash at bank and in hand		5,352,447	4,713,385
		<u>8,603,293</u>	<u>7,716,194</u>
Creditors: amounts falling due within one year	17	(1,949,166)	(1,312,211)
Net current assets		<u>6,654,127</u>	<u>6,403,983</u>
Total assets less current liabilities		<u>7,584,457</u>	<u>6,986,059</u>
Net assets excluding pension liability		<u>7,584,457</u>	<u>6,986,059</u>
Defined benefit pension scheme liability	28	(16,401,000)	(13,694,000)
Total net assets		<u><u>(8,816,543)</u></u>	<u><u>(6,707,941)</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	1,981,857	1,720,830
Restricted income funds	19	3,393,829	3,168,171
		<u>5,375,686</u>	<u>4,889,001</u>
Restricted funds excluding pension asset	19	5,375,686	4,889,001
Pension reserve	19	(16,401,000)	(13,694,000)
Total restricted funds	19	<u>(11,025,314)</u>	<u>(8,804,999)</u>
Unrestricted income funds	19	<u>2,208,771</u>	<u>2,097,058</u>
Total funds		<u><u>(8,816,543)</u></u>	<u><u>(6,707,941)</u></u>

The financial statements on pages 33 to 70 were approved by the Trustees, and authorised for issue on and are signed on their behalf, by:

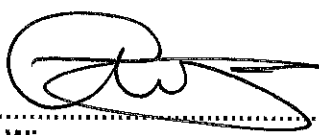
15 December 2021

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2021



.....
M Fergusson
(Chair of Trustees)



.....
E Wigmore
(Accounting Officer)

The notes on pages 38 to 70 form part of these financial statements.

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	22	63,441	(531,702)
Cash flows from investing activities	23	579,080	1,134,486
Change in cash and cash equivalents in the year		642,521	602,784
Cash and cash equivalents at the beginning of the year		4,713,385	4,110,601
Cash and cash equivalents at the end of the year	24, 25	<u>5,355,906</u>	<u>4,713,385</u>

The notes on pages 38 to 70 form part of these financial statements

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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 trust, 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.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

- **Transfer on conversion**

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

- **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as 'Income from Donations and Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

1.6 Interest receivable

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

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

1. Accounting policies (continued)

1.7 Taxation

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

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

1.8 Tangible fixed assets

Assets costing £2,000 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:

Depreciation is provided on the following bases:

Long-term leasehold property	- 125 years
Furniture and equipment	- 7 years
Computer equipment	- 5 years

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.

1.9 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.

1.10 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.

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 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. Amounts due to the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Operating leases

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

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The amounts charged to operating surplus are the current service costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of the staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating income and 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.

1.15 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Essex County Council to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 26.

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. Accounting policies (continued)

1.16 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 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.

THE DIOCESE OF CHELMSFORD VINE SCHOOLS TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

3. Income from donations and capital grants

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	1,464,131	98,550	1,562,681	1,598,584
Capital Grants	-	-	1,077,877	1,077,877	1,072,274
Voluntary income - transfer on conversion	-	156,800	-	156,800	95,161
Voluntary income - transfer from local authority on conversion	88,797	(328,000)	-	(239,203)	(210,639)
	<u>88,797</u>	<u>1,292,931</u>	<u>1,176,427</u>	<u>2,558,155</u>	<u>2,555,380</u>
<i>Total 2020</i>	<u>38,361</u>	<u>(35,771)</u>	<u>2,552,790</u>	<u>2,555,380</u>	

4. Funding for the academy trust's educational operations

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
DfE/ESFA grants			
General annual grant	17,938,732	17,938,732	16,386,421
Other DfE/ESFA grants			
PFI Factor grant	242,720	242,720	-
Other DFE grants	1,123,833	1,123,833	860,833
Pupil premium	1,431,044	1,431,044	1,279,123
Teachers pay grants	804,730	804,730	753,392
Local authority grants	855,310	855,310	883,173
	<u>22,396,369</u>	<u>22,396,369</u>	<u>20,162,942</u>
Covid 19 Catch-up Premium	136,730	136,730	-
	<u>22,533,099</u>	<u>22,533,099</u>	<u>20,162,942</u>
<i>Total 2020</i>	<u>20,162,942</u>	<u>20,162,942</u>	

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4. Funding for the academy trust's educational operations (continued)

Following the reclassification in the Academies Accounts Direction 2020/21 of some grants received from the Department of Education and ESFA, the academy trust's funding for Universal Infant Free School Meals and Pupil Premium is no longer reported under the Other DfE Group grants heading, but as separate lines under the Other DfE/ESFA grants heading. The prior year numbers have been reclassified.

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the Coronavirus outbreak. The funding received is shown above under 'exceptional government funding'.

The academy trust did not furlough any of its staff.

5. Income from other trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Lettings income	50,467	-	50,467	46,365
Music services income	-	8,936	8,936	15,319
Catering income	-	305,665	305,665	326,879
Uniform income	-	3,614	3,614	3,817
Trip income	-	53,784	53,784	134,756
Sale of goods and services	-	3,100	3,100	3,407
Activity costs	-	164,794	164,794	142,132
Supply teachers insurance income	-	149,292	149,292	75,400
Other income	-	102,953	102,953	96,703
	<u>50,467</u>	<u>792,138</u>	<u>842,605</u>	<u>844,778</u>
<i>Total 2020</i>	<u>46,365</u>	<u>798,413</u>	<u>844,778</u>	

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6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Investment income - interest received	573	573	2,249
<i>Total 2020</i>	<u>2,249</u>	<u>2,249</u>	

7. Expenditure

	Staff Costs 2021 £	Premises 2021 £	Other 2021 £	Total 2021 £	Total 2020 £
Educational operations:					
Direct costs	14,193,299	-	1,369,319	15,562,618	14,236,359
Allocated support costs	5,624,122	4,116,910	2,006,384	11,747,416	10,100,490
	<u>19,817,421</u>	<u>4,116,910</u>	<u>3,375,703</u>	<u>27,310,034</u>	<u>24,336,849</u>
<i>Total 2020</i>	<u>17,879,923</u>	<u>3,313,013</u>	<u>3,143,913</u>	<u>24,336,849</u>	

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	27,310,034	27,310,034	24,336,849
<i>Total 2020</i>	<u>24,336,849</u>	<u>24,336,849</u>	

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9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Educational operations	15,562,618	11,747,416	27,310,034	24,336,849
<i>Total 2020</i>	<u>14,236,359</u>	<u>10,100,490</u>	<u>24,336,849</u>	

Analysis of direct costs

	Educational operations 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	14,193,298	14,193,298	12,878,583
Depreciation	249,669	249,669	192,266
Technology costs	78,159	78,159	40,297
Education supplies	561,367	561,367	578,789
Educational consultancy	364,866	364,866	455,551
Other direct costs	115,259	115,259	90,873
	<u>15,562,618</u>	<u>15,562,618</u>	<u>14,236,359</u>
<i>Total 2020</i>	<u>14,236,359</u>	<u>14,236,359</u>	

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9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Pension finance cost	220,000	220,000	214,000
Staff costs	5,624,123	5,624,123	4,953,172
Technology costs	463,453	463,453	400,548
Recruitment and support	20,856	20,856	14,602
Maintenance of premises and equipment	1,771,510	1,771,510	1,162,854
Cleaning	135,998	135,998	111,054
Rent and rates	1,598,224	1,598,224	1,463,321
Energy costs	279,684	279,684	250,890
Insurance	304,495	304,495	295,383
Security and transport	27,003	27,003	29,513
Catering	494,823	494,823	449,447
Bank interest and charges	494	494	1,219
Other support costs	731,445	731,445	654,490
Audit and accountancy	64,650	64,650	64,740
Legal fees - conversion costs	-	-	31,971
Legal fees - restructuring	10,031	10,031	3,286
Bad debts written-off	627	627	-
	<u>11,747,416</u>	<u>11,747,416</u>	<u>10,100,490</u>
<i>Total 2020</i>	<u>10,100,490</u>	<u>10,100,490</u>	

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10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2021 £	2020 £
Operating lease rentals	1,434,072	1,298,676
Depreciation of tangible fixed assets	249,669	192,267
Fees paid to auditors for:		
- audit	22,000	22,000
- other services	15,875	16,280
	<u>1,721,616</u>	<u>1,529,229</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	14,174,127	13,154,837
Social security costs	1,133,660	1,012,709
Pension costs	4,509,634	3,664,209
	<u>19,817,421</u>	<u>17,831,755</u>
Apprenticeship levy	53,723	48,168
	<u>19,871,144</u>	<u>17,879,923</u>

Staff restructuring costs comprise:

	2021 £	2020 £
Redundancy payments	121,089	143,826
	<u>121,089</u>	<u>143,826</u>

b. Non-statutory/non-contractual staff severance payments

Included within the above are non contractual staff severance payments made to 5 (2020 - 4) members of staff totalling £55,056 (2020 : £28,325).

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11. Staff (continued)

c. Staff numbers

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

	2021 No.	2020 No.
Teachers	197	185
Administration and support	492	491
Management	50	45
	<u>739</u>	<u>721</u>

d. Higher paid staff

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

	2021 No.	2020 No.
In the band £60,001 - £70,000	6	7
In the band £70,001 - £80,000	4	2
In the band £80,001 - £90,000	-	1
In the band £90,001 - £100,000	1	-
	<u>1</u>	<u>-</u>

e. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by central key management personnel for their services to the academy trust was £357,458 (2020 £365,145).

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12. Central services

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

- ICT support services and resources
- Financial services
- Legal and professional services
- Educational and training support services and resources
- Others as arising

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

5% of the General Annual Grant, plus a further 2% of the General Annual Grant towards school improvement where additional support is required.

The actual amounts charged during the year were as follows:

	2021 £	2020 £
Southminster Church of England Primary School	48,051	42,664
St Cedd's Church of England Primary School	33,853	37,587
Howbridge Church of England Junior School	73,354	94,029
St James Harlow Church of England Primary School	46,642	43,981
Latchingdon Church of England Primary School	27,904	25,752
St Osyth Church of England Primary School	62,354	83,672
St Andrews Weeley Church of England Primary School	57,583	55,870
Rolph Church of England Primary School	56,082	39,443
Great Clacton Church of England Junior School	74,860	58,427
Mistley Norman Church of England Primary School	27,561	27,012
St James Colchester Church of England Primary School	83,154	78,455
St Margarets Church of England Academy	49,140	44,054
Orsett Church of England Primary School	20,687	20,058
Bulphan Church of England Academy	42,109	40,122
Belchamp St Paul Church of England Primary School	26,493	20,075
Ridgewell Church of England Primary School	20,179	20,150
William Martin Church of England Infant School and Nursery	41,080	37,026
William Martin Church of England Junior School	51,399	65,395
Rivenhall Church of England Primary School	27,317	23,685
Colne Engaine Church of England Primary School	23,730	22,250
St Andrews Great Yeldham Church of England Primary School	29,421	28,135
St Nicholas Church of England Primary School	47,085	24,493
Two Village Church of England Primary School	49,287	-
Total	1,019,325	932,335

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13. Trustees' remuneration and expenses

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

		2021 £	2020 £
E Wigmore Chief Executive (appointed 1 September 2019)	Remuneration	90,000 - 95,000	80,000 - 85,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000

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

14. Trustees' and Officers' insurance

The academy trust has opted into the Department of 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.

15. Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 September 2020	416,572	840,359	1,256,931
Additions	47,514	550,409	597,923
At 31 August 2021	464,086	1,390,768	1,854,854
Depreciation			
At 1 September 2020	192,634	482,221	674,855
Charge for the year	62,595	187,074	249,669
At 31 August 2021	255,229	669,295	924,524

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15. Tangible fixed assets (continued)

	Furniture and equipment £	Computer equipment £	Total £
Net book value			
At 31 August 2021	208,857	721,473	930,330
At 31 August 2020	223,938	358,138	582,076

16. Debtors

	2021 £	2020 £
Due after more than one year		
Other debtors	1,355,543	1,277,143
	1,355,543	1,277,143
Due within one year		
Trade debtors	16,695	21,949
Other debtors	1,751,086	1,601,369
Prepayments and accrued income	127,522	102,348
	3,250,846	3,002,809

17. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	635,990	245,324
Other taxation and social security	255,058	230,435
Other creditors	346,660	321,309
Accruals and deferred income	711,458	515,143
	1,949,166	1,312,211

Included in other creditors is a Salix loan of £5,491 (2020 : £7,671) funded by the ESFA, this was an energy saving loan made to St Andrews Primary School during the year to 31st August 2014.

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	2021 £	2020 £
Deferred income at 1 September 2020	353,749	334,319
Resources deferred during the year	387,034	353,749
Amounts released from previous periods	(353,749)	(334,319)
31 August 2020	387,034	353,749

18. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	5,352,447	4,713,385

19. Statement of funds

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds	267,771	-	-	(28,124)	-	239,647
General funds						
General unrestricted funds	1,829,287	139,837	-	-	-	1,969,124
Total Unrestricted funds	2,097,058	139,837	-	(28,124)	-	2,208,771
Restricted general funds						
General Annual Grant (GAG)	502,900	17,938,732	(17,467,454)	(567,145)	-	407,033

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19. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Right to occupy the land	2,554,285	1,512,343	(1,355,543)	-	-	2,711,085
Conversion and start-up grants	3,012	-	(3,012)	-	-	-
Pupil premium	107,974	1,431,044	(1,367,385)	-	-	171,633
Covid 19 additional support	-	136,730	(104,278)	-	-	32,452
PE and sports grant	-	404,550	(332,924)	-	-	71,626
Other government grants	-	3,522,769	(3,522,769)	-	-	-
Pension reserve	(13,694,000)	(328,000)	(2,907,000)	1,261,000	(733,000)	(16,401,000)
	<u>(10,525,829)</u>	<u>24,618,168</u>	<u>(27,060,365)</u>	<u>693,855</u>	<u>(733,000)</u>	<u>(13,007,171)</u>
Restricted fixed asset funds						
Restricted Fixed Asset Fund	1,720,830	1,176,427	(249,669)	(665,731)	-	1,981,857
Total Restricted funds	<u>(8,804,999)</u>	<u>25,794,595</u>	<u>(27,310,034)</u>	<u>28,124</u>	<u>(733,000)</u>	<u>(11,025,314)</u>
Total funds	<u><u>(6,707,941)</u></u>	<u><u>25,934,432</u></u>	<u><u>(27,310,034)</u></u>	<u><u>-</u></u>	<u><u>(733,000)</u></u>	<u><u>(8,816,543)</u></u>

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19. Statement of funds (continued)

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

Unrestricted funds are those arising from unrestricted activities and can be applied for any purpose.

The General Annual Grant represents funding from the ESFA to cover the cost of recurrent expenditure.

Other DfE/EFSA grants represent PE & Sports grants, UIFSM funding, Pupil Premium grant and other grants to be used to support specific aims including improving the outcomes of pupils for low income families.

Conversion and Start Up grants are used to assist schools converting to an academy and to support improvement of standards.

Right to occupy the land represents the rent free occupation of land and buildings at all schools provided by the Diocese of Chelmsford.

The pension reserve represents the Trust's share of the deficit on the Local Government Pension Scheme.

The restricted fixed asset fund represents the cost or valuation of fixed assets held by the academy trust and any unspent capital grant income.

During the year £665,731 net was transferred from the restricted fixed asset fund to the restricted GAG fund. This represents capital contributions to revenue projects.

During the year £28,124 was transfer from the unrestricted designated fund to the restricted GAG fund supporting a number of schools.

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

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

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Unrestricted funds						
Designated funds						
Designated funds	393,700	-	-	(125,929)	-	267,771
General funds						
General unrestricted funds	1,759,581	69,706	-	-	-	1,829,287

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19. Statement of funds (continued)

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
Total Unrestricted funds	2,153,281	69,706	-	(125,929)	-	2,097,058
Restricted general funds						
General Annual Grant (GAG)	233,950	19,800,300	(19,273,383)	(257,967)	-	502,900
Right to occupy the land	2,459,124	1,372,304	(1,277,143)	-	-	2,554,285
Conversion and start-up grants	125,920	-	(122,908)	-	-	3,012
Pupil premium	-	1,279,123	(1,171,149)	-	-	107,974
Pension reserve	(11,743,000)	(249,000)	(2,300,000)	1,218,000	(620,000)	(13,694,000)
	(8,924,006)	22,202,727	(24,144,583)	960,033	(620,000)	(10,525,829)
Restricted fixed asset funds						
Restricted Fixed Asset Fund	1,454,284	1,292,916	(192,266)	(834,104)	-	1,720,830
Total Restricted funds	(7,469,722)	23,495,643	(24,336,849)	125,929	(620,000)	(8,804,999)
Total funds	(5,316,441)	23,565,349	(24,336,849)	-	(620,000)	(6,707,941)

Total funds analysis by academy

Fund balances at 31 August 2021 were allocated as follows:

	2021 £	2020 £
Southminster Church of England Primary School	155,905	152,712
St Cedd's Church of England Primary School	78,830	137,183
Howbridge Church of England Junior School	437,131	375,885

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19. Statement of funds (continued)

	2021 £	2020 £
St James Church of England Primary	322,575	359,815
Latchingdon Church of England Primary	336,603	182,530
St Osyth Church of England Primary	599,032	494,901
St Andrews Weeley Church of England Primary	306,629	264,874
Rolph Church of England Primary	364,562	433,252
Great Clacton Church of England Junior School	454,302	253,314
Mistley Norman Church of England Primary	202,465	113,326
St James Colchester Church of England Primary	567,171	378,164
St Margarets Church of England Academy	300,739	206,271
Orsett Church of England Primary	106,547	57,875
Bulphan Church of England Academy	157,534	56,453
Belchamp St Paul Church of England Primary	118,596	89,656
Ridgewell Church of England Primary	62,146	20,642
William Martin Church of England Infant School	83,534	205,775
William Martin Church of England Junior School	369,966	277,851
Rivenhall Church of England Primary School	(156,231)	104,385
Colne Engaine Church of England Primary School	153,157	168,390
St Andrews Great Yeldham Church of England Primary School	218,779	299,197
St Nicholas Tillingham Church of England Primary School	(15,856)	110,173
Two Villages Church of England Primary School	216,061	-
Central Services	162,423	522,605
Total before fixed asset funds and pension reserve	5,602,600	5,265,229
Restricted fixed asset fund	1,981,857	1,720,830
Pension reserve	(16,401,000)	(13,694,000)
Total	(8,816,543)	(6,707,941)

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Rivenhall Church of England Primary School	(156,231)
St Nicholas Church of England Primary School	(15,856)

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19. Statement of funds (continued)

The academy trust is taking the following action to return the academies in deficit to a positive position;

The deficit at Rivenhall Church of England Primary School was primarily due to costs associated with an expansion proposal which has been submitted to increase the school's capacity from 119 to 140 pupils to meet the growing needs of the local community. The trust expects to see the positive financial impact from this expansion in future years.

To address the deficit at St Nicholas Church of England Primary School a staffing re-structure has been implemented to address the needs of the school. The introduction of a strong senior leadership team, forging stronger links to the local community, together with targeted school improvement will create a positive financial and educational impact on the school.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Southminster Church of England Primary School	583,835	200,669	40,847	205,559	1,030,910	1,262,368
St Cedd's Church of England Primary School	330,774	183,874	28,385	200,063	743,096	747,854
Howbridge Church of England Junior School	1,047,733	476,942	64,626	349,736	1,939,037	1,884,759
St James Church of England Primary	770,056	261,444	55,059	180,687	1,267,246	1,151,105
Latchingdon Church of England Primary	407,783	107,548	30,450	267,046	812,827	775,466
St Osyth Church of England Primary	943,123	330,472	58,169	285,765	1,617,529	1,538,836

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19. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
St Andrews Weeley Church of England Primary	577,122	199,258	45,132	260,045	1,081,557	1,109,660
Rolph Church of England Primary	663,553	189,649	45,862	230,802	1,129,866	1,035,482
Great Clacton Church of England Junior School	995,230	324,999	110,367	340,346	1,770,942	1,591,869
Mistley Norman Church of England Primary	291,461	92,499	20,220	170,052	574,232	514,422
St James Colchester Church of England Primary	1,453,446	580,807	98,915	583,144	2,716,312	2,317,106
St Margarets Church of England Academy	695,527	294,906	33,548	260,038	1,284,019	1,303,142
Orsett Church of England Primary	618,693	165,095	37,350	226,244	1,047,382	1,066,448
Bulphan Church of England Academy	260,702	61,447	12,722	148,471	483,342	517,297
Belchamp St Paul Church of England Primary	258,124	102,993	26,649	87,927	475,693	529,884
Ridgewell Church of England Primary	286,664	93,969	12,526	76,890	470,049	587,204
William Martin Church of England Infant School	677,330	245,275	26,191	189,225	1,138,021	1,080,654
William Martin Church of England Junior School	721,749	242,719	41,935	203,765	1,210,168	1,216,518

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19. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2021 £	Total 2020 £
Rivenhall Church of England Primary School	426,199	133,550	24,431	159,489	743,669	764,161
Colne Engaine Church of England Primary School	360,009	157,050	29,516	193,144	739,719	597,174
St Andrews Great Yeldham Church of England Primary School	432,262	154,502	32,160	282,631	901,555	692,967
St Nicholas Tillingham Church of England Primary School	606,536	159,981	48,249	251,526	1,066,292	606,026
Two Villages Church of England Primary School	578,038	204,771	49,332	476,740	1,308,881	-
Central Services	207,349	659,704	135,492	505,476	1,508,021	1,254,181
Academy trust	14,193,298	5,624,123	1,108,133	6,134,811	27,060,365	24,144,583

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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	930,330	930,330
Debtors due after more than one year	-	1,355,543	-	1,355,543
Current assets	2,054,435	4,141,788	1,051,527	7,247,750
Creditors due within one year	154,336	(2,103,502)	-	(1,949,166)
Provisions for liabilities and charges	-	(16,401,000)	-	(16,401,000)
Total	2,208,771	(13,007,171)	1,981,857	(8,816,543)

Analysis of net assets between funds - prior year

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	582,076	582,076
Debtors due after more than one year	1,277,143	-	-	1,277,143
Current assets	819,897	4,480,400	1,138,754	6,439,051
Creditors due within one year	18	(1,312,229)	-	(1,312,211)
Provisions for liabilities and charges	-	(13,694,000)	-	(13,694,000)
Total	2,097,058	(10,525,829)	1,720,830	(6,707,941)

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21. THE RIGHT TO OCCUPY THE LAND (INCLUDING BUILDINGS)

The academy trust occupies the land (including buildings) which are owned by its trustees who are incumbent and churchwardens in the case of Latchingdon Church of England Primary School and Chelmsford Diocesan Board of Finance in the case of the other schools. The trustees are the providers of the academes on the same basis as when the academies were maintained schools. The Academy Trust Company occupies the land (and buildings) under a licence to occupy. This continuing permission of their Trustees is pursuant to, and subject to the Trustees' charitable objects and is part of the Church of England Contribution since 1833 to provide state funded education in partnership with the state. The licence delegates aspects of the management of the land (and buildings) to the Academy Trust Company. The trustees have given an undertaken to the secretary of State that they will not give the Academy Trust less than two years notice to terminate the occupation of the land (including the buildings). Having considered the factual matrix under which the Academy Trust is occupying the land the Trustees' have considered that a donation in kind and a rent expense of £1,355,543 should be included in the accounts each year which amounts to 1/50th of the insurance rebuild value pro-rata and a value in use of £2,711,086 should be considered as being twice the annual rental value, this is included in other debtors and shown as a separate restricted fund.

In addition the 'Right to Occupy the Land and Buildings' value also includes for 19 of the 23 schools within the trust where the agreements exist, consideration for the 125 year leases at peppercorn value with Essex County Council for the school playing fields and at one school the playing fields and swimming pool facilities.

22. Reconciliation of net expenditure to net cash flow from operating activities

	2021 £	2020 £
Net expenditure for the year (as per Statement of financial activities)	(1,375,602)	(771,500)
Adjustments for:		
Depreciation	249,669	192,267
Capital grants from DfE and other capital income	(1,176,430)	(1,292,916)
Interest receivable	(573)	(2,249)
Defined benefit pension scheme obligation inherited	328,000	249,000
Defined benefit pension scheme cost less contributions payable	1,424,000	868,000
Defined benefit pension scheme finance cost	220,000	214,000
Defined benefit pension scheme administration charges	2,000	-
(Increase)/decrease in debtors	(244,843)	78,338
Increase/(decrease) in creditors	637,220	(66,642)
Net cash provided by/(used in) operating activities	63,441	(531,702)

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23. Cash flows from investing activities

	2021 £	2020 £
Dividends, interest and rents from investments	573	2,249
Purchase of tangible fixed assets	(597,923)	(160,679)
Capital grants from DfE Group	1,176,430	1,292,916
Net cash provided by investing activities	579,080	1,134,486

24. Analysis of cash and cash equivalents

	2021 £	2020 £
Cash in hand and at bank	5,355,906	4,713,385
Total cash and cash equivalents	5,355,906	4,713,385

25. Analysis of changes in net debt

	At 1 September 2020 £	Cash flows £	At 31 August 2021 £
Cash at bank and in hand	4,713,385	639,062	5,352,447
	4,713,385	639,062	5,352,447

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26. Conversion to an academy trust

On 1st September 2020 Two Village Church of England Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Chelmsford Vine Schools Trust from Essex County Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Total funds £
Current assets			
Cash - representing budget surplus on LA funds	93,356	-	93,356
Other assets	-	156,800	156,800
Provisions			
LGPS pension deficit	-	(328,000)	(328,000)
Net assets/(liabilities)	93,356	(171,200)	(77,844)

In the Statement of Financial Activities Transfer on conversion income also includes (£4,559) unrestricted funds relating to academies converted during the previous year.

27. Capital commitments

	2021 £	2020 £
Contracted for but not provided in these financial statements		
Building maintenance and commitments for assets	642,037	642,893

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28. Pension commitments

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

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

Contributions amounting to £329,291 were payable to the schemes at 31 August 2021 (2020 - £293,021) and are included within creditors.

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

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28. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £1,824,634 (2020 - £1,578,209).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2021 was £1,569,000 (2020 - £1,490,000), of which employer's contributions totalled £1,261,000 (2020 - £1,218,000) and employees' contributions totalled £ 308,000 (2020 - £272,000). The agreed contribution rates for future years are 21% - 25% per cent for employers and 5.5% - 12.5% per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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.

Principal actuarial assumptions

	2021 %	2020 %
Rate of increase in salaries	3.85-3.90	3.20 - 3.30
Rate of increase for pensions in payment/inflation	3.10-3.25	2.20 - 2.30
Discount rate for scheme liabilities	1.65-1.70	1.60 - 1.65
Inflation assumption (CPI)	1.60-1.70	1.40 - 1.50
Commutation of pensions to lump sums	50	50
Expected return on scheme assets at 31st August	1.60-1.70	1.40 - 1.50

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

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28. Pension commitments (continued)

	2021 Years	2020 Years
<i>Retiring today</i>		
Males	21.6	21.8
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.9	23.2
Females	25.1	25.2

Sensitivity analysis

	2021 £000	2020 £000
Discount rate +0.1%	34	24
Discount rate -0.1%	(35)	(24)
Mortality assumption - 1 year increase	(53)	(34)
Mortality assumption - 1 year decrease	51	33
CPI rate +0.1%	(2)	(2)
CPI rate -0.1%	2	2

Share of scheme assets

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

	2021 £	2020 £
Equities	9,477,000	6,605,000
Gilts	1,067,000	1,050,000
Property	1,033,000	825,000
Cash and other liquid assets	412,000	289,000
Alternative assets	1,645,000	1,238,000
Other managed funds	1,178,000	648,000
Total market value of assets	14,812,000	10,655,000

The actual return on scheme assets was £2,634,000 (2020 - £248,000).

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28. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2021 £	2020 £
Current service cost	(2,685,000)	(2,086,000)
Interest income	185,000	182,000
Interest cost	(405,000)	(396,000)
Administrative expenses	(2,000)	-
Total amount recognised in the Statement of financial activities	(2,907,000)	(2,300,000)

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

	2021 £	2020 £
At 1 September	24,349,000	20,472,000
Conversion of academy trusts	524,000	473,000
Current service cost	2,685,000	2,086,000
Interest cost	405,000	396,000
Employee contributions	308,000	272,000
Actuarial losses	3,182,000	687,000
Benefits paid	(238,000)	(37,000)
At 31 August	31,215,000	24,349,000

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

	2021 £	2020 £
At 1 September	10,655,000	8,729,000
Conversion of academy trusts	196,000	224,000
Interest income	185,000	182,000
Actuarial gains	2,449,000	67,000
Employer contributions	1,261,000	1,218,000
Employee contributions	308,000	272,000
Benefits paid	(238,000)	(37,000)
Administration Charge	(2,000)	-
At 31 August	14,814,000	10,655,000

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29. Operating lease commitments

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

	2021 £	2020 £
Not later than 1 year	1,385,194	1,308,684
Later than 1 year and not later than 5 years	1,377,084	1,310,456
	<u>2,762,278</u>	<u>2,619,140</u>

30. 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.

31. Related party transactions

Owing to the nature of the academy trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the 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 trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year The Diocese of Chelmsford agreed to donate £20,137 (2020 : £44,483) to The diocese of Chelmsford Vine Schools Trust. During the year The Diocese of Chelmsford Vine Schools Trust incurred expenses of £89,051 (2020 : £3,464) including religious character transactions with The Diocese of Chelmsford. At the year-end £nil (2020 : £nil) were outstanding.

During the year the academy trust has been charged £12,000 rent and £6,640 service charges for the year from The Diocese of Chelmsford in agreement with the terms of the lease agreements dated 04/01/2019 and 16/06/2017.

Expenses incurred during the year also include £34,800 rent and £19,878 service charges relating to earlier periods but not previously provided for from The Diocese of Chelmsford in agreement with the terms of the lease agreement dated 04/01/2019 and 16/06/2017.