

Company Registration No. 10264735 (England and Wales)

MARITIME ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2020

MARITIME ACADEMY TRUST

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MARITIME ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

A Thompson
B Hutchings
B Vallely
M Nash
A Watson (resigned 25 October 2019)

Trustees

T Beck (Chair of Trustees)
T Gilliford
A Korin
M Myers Lusty
N Osborne (Accounting Officer)
D Cockcroft (Chair of Finance and audit committee)
S Armstrong- Taylor (Appointed 17 December 2019)
L Obi-Drake (Appointed 8 April 2020)
T Campbell (Appointed 22 September 2020)

Central Trust

N Osborne	- CEO
D Cusack	- HR Director
T Miller	- Finance Director
S Matheson	- COO
C Hornsby	- Educational Partnerships Lead, SEND Lead & Safeguarding Lead

Company registration number

10264735 (England and Wales)

Registered office

c/o Millennium Primary School
50 John Harrison Way
GREENWICH
London
SE10 0BG

Academies operated

Featherby Infant School
Featherby Junior School
Greenacres Primary School
Nightingale Primary School
Brooklands Primary School
Millennium Primary School
Timbercroft Primary School
Hook Lane

Location

Gillingham
Gillingham
Eltham
Woolwich
Blackheath
Greenwich
Plumstead
Welling

Headteacher

D Marsh
D Marsh
D Marsh
O Jennings
S Adams
D Joyce
D Joyce
N Cummings

Independent auditor

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

MARITIME ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
6 Crescent Arcade
Greenwich
London
SE10 9EL

MARITIME ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

For this period, the Trust operated eight Academies for children aged 3 -11. The Academies are in the geographic areas of Greenwich, Bexley and Medway. As at the October 2020 school census, the Academies that were part of the Trust at 31 August 2020 have a combined pupil capacity of 2,910 and had a roll of 2,668.

Please see below for pupil capacity:

Brooklands Primary School:

Capacity of Academy: 262 (210 + 52 x 15 hour places in the nursery)

Number on Roll: 188

Number on roll of on-site Nursery: 20 x 15 hour places & 3 x 30 hour places

Featherby Infants & Nursery School

Capacity of Academy: 322 (270 + 52 x 15 hour places in the nursery)

Number on Roll 230

Number on roll of onsite Nursery: 15 x 15 hour entitlement + 10 x 30 hour entitlement

Featherby Junior School

Capacity of Academy: 360

Number on Roll 340

Greenacres Primary School

Capacity of Academy: 314 (210 +104 x 15 hour places in the nursery)

Number on Roll: 236

Number on roll of onsite Nursery: 24 x 15 hour places & 11 x 30 hour places

Hook Lane Primary School

Capacity of Academy: 446 (420 + 26 x 15 hour places in the nursery)

Number on Roll: 410

Number on roll of onsite Nursery: 26 x 15 hour places

Millennium Primary School

Capacity of Academy: 472 (420 + 52 x 15 hour places in the nursery)

Number on Roll: 438

Number on roll of on-site Nursery: 30 x15 hours places & 9 x 30 hour places

Nightingale Primary School

Capacity of Academy: 262 (210 + 52 x 15 hour places in the nursery)

Number on Roll: 197

Number on roll of onsite Nursery: 30 x 15 hour places & 5 x 30 hour places

Timbercroft Primary School

Capacity of Academy: 472 (420 + 52 x 15 hour places in the nursery)

Number on Roll: 373

Number on roll of onsite Nursery: 23 x 15 hour places & 6 x 30 hour places

Structure, governance and management

Constitution

The Maritime Academy Trust (the Trust) is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The Trustees of the Trust are also the directors of the charitable company for the purposes of company law. 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.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

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.

Method of recruitment and appointment or election of Trustees

The Members of the Trust comprise the signatories to the Memorandum and any person elected by the current Members (by a special resolution). At any time the minimum number of Members shall not be less than three. An employee of the Trust cannot be a Member of the Trust. A list of Members is included in the Reference and Administrative Details on Page 1.

The number of Trustees cannot be less than three, but is not subject to any maximum. The Trust shall have up to four Trustees appointed by the Members (by ordinary resolution) (MA Trustees). The current MA Trustees are T Beck, T Gilliford, A Korin, M Myers Lusty.

The Trust can also have Co-opted Trustees (C Trustees). A C Trustee means a person who is appointed to be a C Trustee by MA Trustees. The MA Trustees may not co-opt an employee of the Trust as a C Trustee if the number of Trustees who are Trust employees would exceed one third of the total number of Trustees (including the Chief Executive Officer (the CEO)). The CEO, N Osborne, is a Trustee. The only Co-opted Trustee at the end of 31 August 2019 was D Cockcroft.

The term of office for any Trustee is four years. This time limit shall not apply to any post which is held ex officio. Subject to remaining eligible, any Trustee may be reappointed or re-elected.

Policies and procedures adopted for the induction and training of Trustees

During the period under review the Trust Board held (i) 15 Full Trust Board meetings, (ii) 6 Standards & Achievement Committee Meetings, (iii) 6 Finance & Audit Committee Meetings, (iv) 1 AGM. The usual amount of Full Trust Board Meetings would be 6 in one year, however there were 9 additional meetings due to the challenges of COVID-19.

The training and induction provided for new Trustees depends on their existing experience. All new Trustees meet with the Chair of Trustees, CEO, and other Trustees. They are familiarised with the vision, ethos, history, and future direction of the Trust. New Trustees meet with the Finance Director to understand how education funding and finance works, and have the opportunity to meet with other key central staff including the HR Director, COO, Estates Lead and Educational Partnerships & Safeguarding Lead (the EPSL). There is an open offer to tour the Academies, meet with Executive Heads/Headteachers and children, and attend Big Outcomes. There is an annual tour of the Academies for all Members and Trustees. These tours did not occur this year due to COVID-19 restrictions. New Trustees are provided with recent board packs, key documents including the Scheme of Delegation, Articles of Association, Keeping Children Safe in Education and Academies Financial Handbook, as well as relevant policies, procedures, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. New Trustees are given training on the duties of Charity and Company Directors. As appointment of new Trustees is infrequent, induction tends to be done informally and is tailored specifically to the individual, led by the Chair of Trustees, heavily supported by the entire Trust Board and Central Trust Team (the Central Team - identified in the Reference and Administrative Details on Page 1).

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

The Trust structure consists of 4 levels:

- the Trust Board, led by the Chair of Trustees;
- the Central Team, led by the CEO;
- local governing bodies in each Academy (LGB); and
- school leadership teams in each Academy (SLT).

The aim of the structure is to devolve responsibility to reflect local communities and encourage involvement in decision making at all levels.

Trustees are responsible for (i) setting Trust policy, (ii) adopting strategic plans, (iii) budget monitoring for the Trust itself and all Academies through budget reports, (iv) making strategic decisions about the direction of Trust, (v) capital expenditure and (vi) senior appointments. In each case, in line with Trust vision, ethos, and culture.

An SLT consists of the Executive Head/Headteacher, Head of School/Deputy Head, Assistant Headteacher(s) and SENCO. These leaders control their Academy at school level implementing the policies laid down by themselves, the Central Team and Trust Board. As a group, the SLT is responsible for the authorisation of spending within the agreed budget and the appointment of non-senior staff. Appointments of Executive Heads/Headteachers are managed by the Trust Board.

Arrangements for setting pay and remuneration of key management personnel

Performance management and setting of the pay and remuneration of the CEO is devolved from the Trust Board to two separate committees. The CEO Performance Review committee consists of the Chair of Trustees, a second Trustee, and an independent external adviser. The CEO Pay Review Committee consists of the Vice Chair of Trustees and two additional Trustees, none of whom are on the Performance Review Committee, and is informed by the outcome of the performance review.

The performance management and pay and remuneration of the Central Team (other than the CEO) is set by the CEO and is aligned with Greenwich local authority and pay and conditions.

Executive Head/Headteacher pay in all Trust Academies is set using the formula with the pay and conditions document applicable at the time of appointment. The CEO is responsible for the performance management and pay decisions for Executive Heads/Headteachers, with input from the relevant LGBs.

Engagement with employees

The Trust engages with its employees continuously and in a number of ways to suit their different working patterns. This includes regular Trust leadership, Headteacher and line manager briefings, a minimum of five staff training days each academic year and a termly staff newsletter. We undertake an annual whole-staff survey and develop action plans in response to issues raised. We also have in place an employee engagement platform that includes news, staff updates and survey/feedback forums. We actively promote good relations with our recognised trade unions and meet with regional representatives on a termly basis to discuss issues of mutual interest. Headteachers engage regularly with school-based trade union representatives.

The Trust seeks to ensure that every employee, without exception, is treated equally and fairly and that all employees are aware of their obligations under the Equality Act 2010. Our policies and procedures fully support those with disabilities. We encourage and support a wide diversity of applicants at the recruitment stage and all successful candidates undergo a health screening process to objectively advise line managers on workplace adjustments. For those colleagues with existing disabilities or those who become disabled during their time with the partnership, we work with them to make reasonable adjustments to working practices and/or environment in order to keep the employee safe, and effective. This includes support and training to line managers and colleagues to better understand the needs of those with disabilities. We endeavour to ensure that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Engagement with suppliers, customers and others in a business relationship with the Academy Trust

The Trust recognises that as a public service educational provider it needs to engage with its external stakeholders, which include suppliers, service providers and most importantly its parents, children and wider communities, in strict accordance with the Nolan Principles of Public Life.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Related parties and other connected charities and organisations

For all related party transactions please see note 24 to the accounts.

Objectives and activities

Objects and aims

The objectives of the Trust are "To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum" (Article 4, Articles of Association).

Our mission is to empower our Academies with the means to drive ever greater and more enjoyable outcomes for children.

We believe:

- Every child has the right to a phenomenal education – regardless of ability or background.
- Education is the best way to fight inequality.
- Each Academy is different, each child is different.
- Children learn best through creativity and innovation – and opportunities to make them the leaders.
- Our expectations are of excellence, but how you get there is different for every Academy – consistency of impact without conformity in approach.
- We can support people we believe in for a cause we believe in with relentless passion, perseverance, trust and a good sense of humour

How do we do it?

- Collaborate - Within each Academy, across all Academies and in other schools or academies we work with.
- Innovate - Take shared ideas and approaches and find new ways to make them work in classrooms for pupils.
- Educate. Break the barriers to learning so that each child is ready for the future. School should be a safe, happy, and effective place.

What do we want in our Academies?

Happy, resilient children who are confident to give things a go, who are getting memorable experiences, in fantastic learning environments, with outstanding results to set them up for the next stage in their lives – being taught by dynamic teachers who love their work and working together.

The Trust's Maritime Curriculum

We are proud of our entrepreneurial curriculum. It is how we deliver sustained, excellent education and transform schools. We believe in giving children the opportunities to be leaders. While we can't possibly imagine what children's future lives and jobs will look like, we can build key life skills into their learning that will make them adaptable and better prepare them for whatever comes later.

The Trust's Maritime Curriculum is based around 6Cs (Collaboration, Character, Creativity, Critical Thinking, Citizenship and Communication), with key attributes within each of those. We recognise that our approach to the curriculum needs to be accessible for current and prospective staff. We also want to measure what we value. Over the course of 2018/19, we developed the Maritime FROG (For Reaching Our Goals) Curriculum Document and a new way of measuring the 6Cs. Our curriculum is heavily underpinned by education research and the expertise of our talented staff. While we have a Maritime Curriculum approach for all Academies, how they deliver that and what that looks like is up to them. Within a framework of high expectations, there is consistency of impact without conformity in approach.

The Maritime Curriculum is split across three terms, with one leading to a class Big Outcome for each class, another term following more traditional teaching, and a third term focusing on a whole school Big Outcome. Our Big Outcomes begin with a problem that the children will work to solve, and over the course of the term their learning in various subjects will feed into the final Big Outcome. While all subjects will be taught, and many will directly teach through the entrepreneurial project, some subjects will be taught independently as we do not believe in making tenuous links. We are proud of the Maritime Curriculum as the entrepreneurial projects, when delivered properly, are designed not to be an add on, but a key vehicle in driving school improvement.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust's culture and behaviours

Being part of our Trust means something different than being a member of any other academy trust or school group, whether because of our vision, our curriculum, our culture or our unique school improvement model. Crucially our focus on culture permeates through all levels of the Trust (Trust Board, the Central Team, LGB, SLT and Academy level). We are all working towards the same vision. How we treat each other in the process matters. It is key to wellbeing and we all need to be on the same page for our model to be successful. It is about knowing our vision, our purpose, and what behaviours/mindset it takes to get us all there. It is the lens we use to approach opportunities, challenges and the everyday.

The Maritime Behaviours, developed by all staff and Trustees are (i) Supportiveness & Trust, (ii) Collaboration, (iii) Adaptability, (iv) Creativity & Innovation, (v) Humility and (vi) Humour & Positivity. We have defined what we mean by these, we discuss them and look at how these feed into success. They form part of the performance management processes across the Trust. Engagement and response to all of this has been overwhelmingly supportive and colleagues have really embraced these ideas.

Being part of the Trust also means that our Academies are receiving better, more individualised, and detailed support (in areas such as HR, estates, finance, etc) than they could have from the local authority. We are adding value to our Academies and better supporting our staff. That is how we empower our Academies to succeed.

Our culture and behaviours enabled the Trust to cope as well as possible with the unprecedented challenges stemming from COVID-19 (and which remain ongoing, outside the timeframe of this report). Whilst no one had ever faced anything like this before, across the Trust, people knew how to behave and what to focus on. Our staff did the best for our pupils and colleagues with limited government information and complicated, rapidly changing public guidance. Behaviours were the lens used to approach the challenges that arose over the course of the year. Everyone tackled the challenges through collaboration, adaptability, creativity & innovation, humility and humour & positivity.

The outbreak of COVID-19 disrupted many of the Trust's curriculum plans for the 2019/20 academic year. Sadly there could be few Big Outcomes (a central tenet of our curriculum) and there were no national end of key stage 2 assessments. For a large part of the year, there were hardly even any children within the classrooms. Notwithstanding the challenges, our Academies did not close. Like all schools across the country, we were open to protect vulnerable children and the children of key workers. It was dedicated teachers and staff who made that happen; with countless more at home working hard to ensure remote learning provision for the rest of the pupils. Education staff are among the real heroes of 2020, and they are the epitome of what it means to ensure education for public benefit.

We acknowledge that teachers and leaders rarely had a break, a weekend, a day off, a summer, a half term, an ounce of headspace throughout the pandemic. Staff put themselves on the front lines to protect the heart and future of us all: the children, whose education and safeguarding today, means there is hope for tomorrow. The Trustees are responsible for the health, safety and wellbeing of Maritime staff, and we thank you from the very bottom of our hearts for what you have done, and continue to do.

In addition to the enormous scale of challenges resulting from the pandemic, the Trust also began working closely with another trust (Barnsole Primary Trust) in early March 2020. That trust was in need of support and it was the right thing to do. The Maritime CEO began to support the other trust as Interim CEO in March 2020. As the challenges of lockdown began, our culture and behaviours enabled all staff to work collaboratively and provide expert support across the trusts. This was an enormously complicated situation, that was handled expertly through the leadership of the CEO. Seeing the mutual benefit that came from our two trusts working in partnership, the boards of both trusts subsequently agreed to merge. Transition work took place over the course of Summer 2020, with the merger officially taking place on 1 September 2020.

The Trust also undertook vast amounts of work to prepare our new free school, Ebbsfleet Green Primary School, to open in September 2020. When the pandemic resulted in the temporary buildings not being constructed, the Trust obtained suitable space within Bligh Primary School, part of Barnsole Primary Trust. This required a large amount of work, adaptability and innovation, and Trustees would like to thank all of the staff involved in making sure Ebbsfleet Green Primary School was able to open to pupils on time in September 2020.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

Admissions

The Trust adapts the admission policies of the Local Authority in which each Academy operates. For full details see the individual Academy websites.

Strategic report

Achievements and performance

This year, there have been a number of key improvements and milestones across the Trust. Highlights include:

- the support and education provided to children and families throughout the COVID-19 pandemic, particularly for the most vulnerable;
- the support and transition work undertaken for Barnsole Primary Trust;
- the continued development of the central team to better support the Academies;
- strengthening of collaboration and the sharing of excellent practice across the Trust;
- the continued improvement of Featherby Juniors School, despite the inability of obtaining a revised Ofsted rating as yet due to the pandemic; and
- preparing for the opening of Ebbsfleet Green Primary School in the midst of a pandemic, including sourcing buildings last minute because building operations at the at school site had to be suspended.

Ofsted ratings for the Trust's Academies are:

Brooklands Primary School - Outstanding

Featherby Infants School - Good

Featherby Juniors School - Inadequate (Sponsor School)

Greenacres Primary School - Good

Hook Lane Primary School - Good

Millennium Primary School - Outstanding

Nightingale Primary School - Good

Timbercroft Primary School - Good

Education during Lockdown

All of the schools in the Trust remained open during the lockdown period for the children of key workers and vulnerable pupils. All schools also opened in the first week of wider openings. Schools supported their children by moving learning online. The Trust organised access to IT resources and addressed the IT gap.

Families and vulnerable children were provided with laptops and chrome books where needed

The schools moved learning online via:

- Google Classroom
- Class dojo
- Video learning
- Linking learning to the Oak National Academy

Where online learning was not possible, paper-based activities were provided to families.

There were no SATs this year due to the pandemic.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Safeguarding during Lockdown

- Created an addendum to the Safeguarding Policy
- COVID-19 Health & Safety assessments and completed external auditing on schools and their premises
- External advisory support to the Trust and schools through Judicium
- Created COVID-19 safeguarding advice for schools to ensure the most vulnerable pupils were monitored throughout
- Created a three-tiered approach for safeguarding vulnerable children
- Created a database to record contacts and concerns for all children across the Trust
- System for approaching parents of vulnerable children to discuss returning to school and providing home learning packs where necessary
- Daily alerts to schools regarding safeguarding issues
- Regular contact with social care and undertook joint home visits outside and social distanced to offer help and support
- Weekly risk assessment meetings to support the preparation of the environment
- Reviewing the processes around children accessing learning and support whilst at home
- Coaching calls with parents/families on how to support children whilst at home
- Organised Free School Meal Vouchers and food hampers and distributed these to vulnerable families

The Trust and its schools were responsible for completing the following, post-partial opening restrictions (1st June 2020 onwards);

- Updated the Safeguarding policy to reflect the changes
- Updated CPD across the trust
- Ensured vulnerable children were in school and had regular contact with families
- Created a COVID-19 tracker to provide an overview of schools across the Trust with suspected/confirmed cases, and respective self-isolation requirements
- Reviewed the curriculum to ensure online learning would be available should another lockdown or bubble closures occur

Impact on activities

- Limited numbers of professionals who could visit the schools to provide support
- No volunteers
- No events
- Lettings were cancelled
- Reduction of wraparound care

How COVID-19 affected the staff, pupils and volunteers

During the early part of the lockdown the schools continued to provide meals for free school meal children. These included both hot meals and packed lunches. Once the voucher scheme was initiated, the schools switched to the Edenred system.

Whilst throughout the pandemic all of our schools remained open, schools were affected with staffing issues linked to shielding, anxiety, staff with COVID symptoms or needing to self-isolate for contact tracing reasons. This created challenges for the schools in ensuring that education could still be provided during the wider opening. There were regular check-ins with all staff throughout to help and support the wellbeing of everyone.

Key performance indicators

The Trust monitors the quality of provision with regular teaching and learning reviews led by leaders from across the Trust. This enables the provision of effective and timely support to our Academies. This process is led by the EPSL and is supported by Executive Heads/Headteachers across the Trust. The Trust also use external leaders to help validate the judgements.

The Trust judges all non-sponsored Academies within the Trust to be at least Good, with two of the schools Outstanding.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of Trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Protecting the success of the Academy Trust

The Trust Board is robust in its commitment to its own code of conduct and that of its staff. It is aware of the potential for conflicts of interest and puts in place mechanisms to counter these where they apply. The Trustees place a high premium on ethical practice, and making decisions that are right for the communities and children they serve. During the year, this included ensuring appropriate due diligence was conducted around Trust capacity before agreeing to admit new schools to the Trust, and overseeing the development of the central team structure.

Financial review

Most of the Trust's income is obtained from the Education, Skills Funding Agency (ESFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2020 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust 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.

During the period ended 31 August 2020, total expenditure of £18,028k (2019: £15,542k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the period (excluding pension deficit on conversion, restricted fixed asset funds and transfers to restricted fixed asset funds) was £1,662k (2019: £1,307k).

At 31 August 2020 the net book value of fixed assets was £76,343k (2019: £63,231k). Movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Local Government pension scheme, in which the Trust participates, showed a deficit of £9,123k (2019: £7,297k) as at 31 August 2020.

Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of free reserves should be equivalent to four weeks' expenditure, approximately £1.4m (2019: £1m).

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trust's current level of unrestricted reserves of £2,193 (2019: £1,836k) (total funds less the amount held in fixed assets and restricted funds). The Trustees expect the level of reserves to decrease in the coming years.

Reserves are maintained to cover:

- unexpected emergencies: remainder of unallocated reserves;
- school led innovation projects: £200,000;
- investments (to inflation proof reserves, although these can still be accessed in an emergency): £500,000.

The reserves policy will be reviewed in 2020/21 to take into account the 2019/20 reserves level and financial risks identified as part of the Trust's 3-year budget strategy.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust held fund balances at 31 August 2020 at £69,440k (2019: £57,992k) comprising £67,247k (2019: £56,156k) of restricted funds and £2,193k (2019: £1,836k) of unrestricted general funds. Of the restricted funds, £76,343k (2019: £63,231k) is represented by tangible fixed assets, £27k (2019:£172k) is remaining capital grant income to spend and £nil of unspent revenue grants (2019: £50k). The Pension reserve which is considered part of restricted funds was £7,297k (2019: £7,297k) in deficit.

Investment policy

Under the Memorandum and Articles of Association, the Trust has the power to invest funds not immediately required for its own purposes, in any way the Trustees see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis.

Principal risks and uncertainties

The principal risks for the Trust are:

- Reduction in pupil numbers, resulting in reduced income for our Academies. This is medium risk as we have one inadequate school that we have sponsored. While its reputation is dramatically improving there is a lag in pupil numbers. The Trust is also opening a new Academy (as part of a new garden city) and is vulnerable if the new housing in the area isn't sold.
- An Academy does not maintain their Ofsted grade. This is a real possibility for our Outstanding Academies under the new framework. It is unlikely in the current framework, and with what is happening nationally, that our Outstanding schools will retain their grades. This may have an impact on pupil numbers. All other Academies should keep their grades or improve.
- Continued non-inspections from Ofsted resulting in Featherby Juniors not being able to come out of category and further affecting pupil numbers. This is a high risk.
- Ofsted inspections restarting too soon and creating undue burden on staff trying to cope with the COVID-19 pandemic. This is a medium risk.
- The ongoing COVID-19 pandemic resulting in further bubble or whole school closures, affecting children's education. This is a high risk.
- Teacher retention and recruitment across the Trust. This is high risk, due to (i) the burden from the COVID-19 pandemic; (ii) some of our Academies being located in areas of very high house pricing and (iii) low numbers of teachers qualifying. This is being offset by improved terms and conditions than (competitor) local schools and a great deal of investment into our staff.
- Loss of key members of staff. We are mitigating this risk by working collaboratively, succession planning and ensuring that locally we are known as a good employer. This is a low risk.
- Insufficient grant funding to cover costs. This is a medium risk.
- A risk arises in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £9,123k (2019: £7,297k). This is a low risk.
- Financial impact of Covid-19 from lack of trust generated income, higher cleaning and building costs and cover costs of teachers. This is a medium risk.
- Digital divide and further home learning having a negative impact on vulnerable children. This is a medium risk.
- There is a risk of a dip in pupil numbers or the retention of staff due to Brexit and families returning to European countries, and a risk of school meal providers having difficulty sourcing fresh food stock. This is a low risk.

The Trust has developed its risk register listing the key risks and mitigating factors. This enables better monitoring of the risks and our ability to deal with them.

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to specific teaching, provision of facilities and other operational areas of the Trust and its finances. The Trustees have implemented a number of systems to assess risks that each Academy faces, especially in operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors to maintain strict safeguarding protocols and manage risk). Any prospective school joining the Trust has a full due diligence review to minimise any future risk to the organisation. Where there is significant financial risk the Trust has ensured there is adequate insurance cover. The Trust has an effective system of internal control, set out the MAT Financial Procedures document.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

COVID-19 continues to present financial ramifications for the Trust.

Integral to the Trust's financial planning is ensuring that all sites are Covid secure, and that education is ongoing even when home learning is necessary. The Trust has identified and planned for the following Covid related costs:

- Regular Health & Safety Audits to ensure each site is Covid secure
- Additional Covid costs
- Cleaning resources
- Resources to support home learning
- Technology to support home learning
- Technology to support home working

In addition, the Trust is participating in the DfE scheme to provide free laptops for disadvantaged children who cannot attend school due to coronavirus.

Financial and risk management objectives and policies

The financial risks to the Trust relate primarily to:

- strategic and reputational;
- operational;
- compliance; and
- financial.

Streamlined energy and carbon reporting

<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year		
- Gas combustion	2,275,102	
- Fuel consumed for transport	712,785	
	<hr/>	2,987,887
		<hr/> <hr/>
<i>Emissions of CO2 equivalent</i>	metric tonnes	metric tonnes
Scope 1 - direct emissions		
- Gas combustion	418.00	
- Fuel consumed for owned transport	153.00	
	<hr/>	571.00
Scope 2 - indirect emissions		
- Electricity purchased		166.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the Academy Trust		-
		<hr/>
Total gross emissions		737.00
		<hr/> <hr/>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil		1.82
		<hr/> <hr/>

Quantification and reporting methodology

We commissioned Laser, our energy supplier to undertake the SECR.

They have followed the 2019 HM Government Environmental Reporting Guidelines. They have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

There were a number of energy efficiency installations made across MAT sites last year.

- New boilers at Featherby Infants School
- Solar panels at Greenacres School
- 25% of lights at Greenacres replaced with LEDs
- New roof at Brooklands School
- New roof at Timbercroft School Early Years Block

Plans for future periods

Our priorities for the 2020/21 academic year are:

- the integration of Barnsole Primary Trust and Maritime Academy Trust;
- a strong functioning Central Team, which also includes the integration of staff from Barnsole Primary Trust;
- focusing on professional development for all staff;
- a successful first year of opening for Ebbsfleet Green Primary School;
- development of a Trust-wide hybrid/blended curriculum;
- strengthening the consistency of governance across the Trust with the support of a Company Secretary and Governance Lead who was appointed in September 2020.
- Ongoing mitigation and recovery from COVID-19 challenges.

Sustainable growth: We will continue to grow and develop the Trust in a sustainably balanced way, focusing on capacity and structure. We need to grow not just to survive, but to develop our collaborative model and build more capacity. The Trust considers it a moral imperative to provide excellent education and roll out this model to as many children as possible where we have capacity to do so. Our growth ensures more children are in stronger schools, and that schools are well-supported with central functions, enabling them to focus on their core purpose of teaching and learning. The Trustees are committed to doing this in a balanced way looking at how it will either stretch or enable the level of resources and capacity within the Trust. The Trustees want to ensure that the Trust is adding value to the schools who join, and that growth is not detrimental to the Academies who are already part of us.

The Trust currently operates on a South London and Medway & North Kent hub model. We will continue to look at developing these hubs, ensuring that future growth continues to encompass a collaborative hub model. We will continue to work closely with the Department for Education, local authorities, other schools and key partners to ensure manageable growth. We will not grow to hit a number. We will not grow just because we can. We will grow because it is in the best interests of the children in our Academies and the schools that we can provide support to.

Financial sustainability:

Financial sustainability is an absolute priority, and a challenge for the sector. We are developing Integrated Curriculum Financial Planning for use with primary schools to support ongoing balanced budgets. The Trust is actively looking at alternative sources of income.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Actions For Financial Sustainability

The Trust is adopting ICFP principles and is working with our finance team to support all Academies in setting a balanced budget. This includes a focus on:

- staff ratios;
- leadership capacity;
- non contact time;
- reducing the cost of contracts;
- centralising and sharing functions across the Trust;
- working to help drive up pupil numbers; and
- deficit recovery plans for our Academies that cannot set balanced budgets.

Auditor

In so far as the Trustees are aware:

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

On 7 September 2020 Group Audit Services Limited, trading as Wilkins Kennedy Audit Services, changed its name to Azets Audit Services Limited. The name they practice under is Azets Audit Services and accordingly they have signed their report in their new name.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 08 December 2020 and signed on its behalf by:

T Beck

Chair of Trustees

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 15 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
T Beck (Chair of Trustees)	15	15
T Gilliford	9	15
A Korin	12	15
M Myers Lusty	15	15
N Osborne (Accounting Officer)	15	15
D Cockcroft (Chair of Finance and audit committee)	12	15
S Armstrong- Taylor (Appointed 17 December 2019)	13	14
L Obi-Drake (Appointed 8 April 2020)	10	10
T Campbell (Appointed 22 September 2020)	0	0

In response to the COVID-10 pandemic, a further 9 meetings were held by the Trustees, in order to manage identified risks and meet the needs of the Trust.

For the year 2019/20, there were two changes to the Trust Board. Sarah Armstrong-Taylor, who brings finance, audit and risk expertise, was appointed on 17 December 2019. Louise Obi-Drake, who brings HR, curriculum and learning design, and professional development expertise was appointed on 8 April 2020.

Amanda Watson retired as a Member on 25 October 2019. A recruitment process took place to appoint a fifth Member, who is due to be officially appointed at the AGM in December 2020.

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trust Board is strong and works closely with specialist organisations and individuals, as well as trust boards of different sizes and maturity levels. These outward-facing relationships and sources of expertise have been instrumental in supporting the strategic development of the Trust. They provide advice and a key sounding board around issues of governance and strategy.

Trustees have driven strategy and changes across the Trust, set the Trust priorities for the year, assessed structure, capacity and growth, and provided the right balance of support and challenge to the leadership. The Trust Board is led by the Chair of Trustees, who is a National Leader of Governance, former governance professional and expert in trust organisational development. She is now a senior consultant providing strategic counsel and support for educational providers and charities across the country on areas of public affairs, communications, public relations and strategic development. Trustees are highly skilled in areas including education, finance, teaching & learning, curriculum development, SEND, safeguarding, strategic planning, education research, law (including Company and Charity law), risk management, marketing, innovation, and organisational design and development.

The Trust Board is strategic and forward-thinking. It understands how to apply relevant individual skills to our educational setting. There is an effective board culture of openness, honesty, trust and focused support and challenge which enables productive conversations and flow. The dynamic of the Trust Board is a real strength, as is the team dynamic between the Trust Board and the CEO. It enables the CEO to think differently and really drives the momentum, development and success of the Trust.

Key challenges and actions for the Board in 2019/20 included but were not limited to:

- overseeing the response of the Trust to the COVID-19 pandemic;
- supporting the CEO in his expanded role over a second academy trust;
- overseeing the merger with Barnsole Primary Trust;
- overseeing the successful opening of our free school in Kent;
- overseeing the wider openings of the Academies within the scope of COVID-19 restrictions;
- responding to the financial challenges of the COVID-19 pandemic;
- responding to the health & safety challenges of the COVID-19 pandemic;
- responding to the educational challenges of the COVID-19 pandemic;
- financial sustainability - schools are facing a national funding crisis;
- the continued centralisation of the finance and HR functions; and
- supporting the CEO throughout the COVID-19 pandemic .

The Trust Board is reflective and learns from mistakes, a key attribute of the Trust as a whole. The Trust Board approaches every challenge with a keen strategic focus and develops innovative solutions that are unique to the Trust. We are relentlessly focused on the successful organisational development of the Trust.

There is separation of membership on the Trust Board and LGBs, with the exception of where a transition board was in place at Featherby Infants and Juniors Schools. This is essential in order for Trustees to maintain strategic oversight of the Trust, remove any single-school mentality and ensure confidentiality, accountability and transparency.

Financial data is constantly being refined and will be further developed over the 2020/21 academic year. Education data for the 2019/20 academic year became untenable once the COVID-19 pandemic struck. The Trustees are working closely with the CEO and Academies to ensure the impact of the COVID-19 pandemic is recorded and develop strategies to address identified gaps in learning.

Trustees wanted to ensure strengthened and consistency local governance and policies across the Trust, and as such appointed a new Company Secretary and Governance Lead for the Trust from 1 September 2020. The Company Secretary and Governance Lead is, in the 2020/21 academic year, putting into place Trust policies and procedures in line with best practice and good governance. Trustees have ensured that staff understand this good practice extends to Trustees, staff with budgetary control and the local governance tier.

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The Finance and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to maintain oversight of:

- Governance and internal control
- Risk management
- Financial management and value for money
- External audit
- Financial statements and annual reports.

The CEO does not participate in votes relating to Audit. Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
T Beck (Chair of Trustees)	6	6
T Gilliford	6	6
M Myers Lusty	5	6
N Osborne (Accounting Officer)	6	6
D Cockcroft (Chair of Finance and audit committee)	5	6
S Armstrong- Taylor (Appointed 17 December 2019)	4	4
L Obi-Drake (Appointed 8 April 2020)	2	2

Review of value for money

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

The Accounting Officer considers how the Trust's use of resources has provided good value for money during each academic year. They report to the Trust Board where value for money can be improved, including the use of available benchmarking data. The Accounting Officer has delivered improved value for money during the year because:

- The Trust worked closely with Barnsole Primary Trust to reduce costs and duplication of work,
- The Trust ensured our Academies' finances were managed effectively,
- The Trust was in a strong financial position to support schools and families during the pandemic, and
- We were able to merge two trusts together and create a more efficient staffing model.

The Trust routinely reviews all contracts and service level agreements. Leading to a change in this year in:

- Governance support
- School Management Systems
- Cleaning providers

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 Maritime Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts.

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 period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

The risk and control framework

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

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

The Trust Board has considered the need for a specific internal audit function and has decided to appoint an external consultant to support the Finance Director to complete the internal audit function.

Checks carried out in the current period include:

- accuracy of school census;
- accurate recording of income including cash;
- school trips and journey income covers costs;
- administration of lettings;
- bank account statements reconciliation;
- asset management - maintenance of asset registers;
- leasing arrangements;
- procurement- compliance with purchasing and tendering processes / requirements;
- delegation of authority and the segregation of duties – in line with Trust finance manual.

The internal auditor reports to the Finance & Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

The Trustee's confirm the internal reviewer has delivered their schedule of work as planned, and no material control issues arose as a result of the internal reviewer's work.

Review of effectiveness

As Accounting Officer the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer;
- the work of the external auditor;
- 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 and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Board of Trustees on 08 December 2020 and signed on its behalf by:

T Beck
Chair of Trustees

N Osborne
Accounting Officer

MARITIME ACADEMY TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2020

As accounting officer of Maritime Academy Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2019.

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.

N Osborne
Accounting Officer

08 December 2020

MARITIME ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees (who are also the directors of Maritime Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Academies Accounts Direction 2019 to 2020 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 accounts for each financial year. Under company law, the Trustees must not approve the accounts 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 accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 08 December 2020 and signed on its behalf by:

T Beck
Chair of Trustees

MARITIME ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARITIME ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

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

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the accounts is not appropriate; or
- the Trustees have not disclosed in the accounts any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the accounts are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

MARITIME ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARITIME ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

MARITIME ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARITIME ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

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

Michelle Wilkes FCA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

14 December 2020

Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

MARITIME ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

In accordance with the terms of our engagement letter dated 12 October 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Maritime Academy Trust during the period 1 September 2019 to 31 August 2020 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 Maritime Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Maritime Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Maritime Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Maritime Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Maritime Academy Trust's funding agreement with the Secretary of State for Education dated 23 August 2016 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

MARITIME ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2020

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ

Dated: 14 December 2020

MARITIME ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2020 £'000	Total 2019 £'000
Income and endowments from:						
Donations and capital grants	3	96	-	139	235	904
Donations - transfer from local authority on conversion	27	153	(567)	13,657	13,243	111
Charitable activities:						
- Funding for educational operations	4	-	15,614	-	15,614	12,728
Other trading activities	5	480	-	-	480	741
Investments	6	1	-	-	1	1
Total		<u>730</u>	<u>15,047</u>	<u>13,796</u>	<u>29,573</u>	<u>14,485</u>
Expenditure on:						
Charitable activities:						
- Educational operations	9	204	17,235	589	18,028	15,542
Total	7	<u>204</u>	<u>17,235</u>	<u>589</u>	<u>18,028</u>	<u>15,542</u>
Net income/(expenditure)		526	(2,188)	13,207	11,545	(1,057)
Transfers between funds	17	(169)	409	(240)	-	-
Other recognised gains/(losses)						
Actuarial losses on defined benefit pension schemes	19	-	(97)	-	(97)	(1,571)
Net movement in funds		357	(1,876)	12,967	11,448	(2,628)
Reconciliation of funds						
Total funds brought forward		1,836	(7,247)	63,403	57,992	60,620
Total funds carried forward		<u>2,193</u>	<u>(9,123)</u>	<u>76,370</u>	<u>69,440</u>	<u>57,992</u>

MARITIME ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

Comparative year information Year ended 31 August 2019	Notes	Unrestricted	Restricted funds:		Total
		funds £'000	General £'000	Fixed asset £'000	2019 £'000
Income and endowments from:					
Donations and capital grants	3	172	15	717	904
Donations - transfer from local authority on conversion		111	-	-	111
Charitable activities:					
- Funding for educational operations	4	-	12,728	-	12,728
Other trading activities	5	741	-	-	741
Investments	6	1	-	-	1
Total		<u>1,025</u>	<u>12,743</u>	<u>717</u>	<u>14,485</u>
Expenditure on:					
Charitable activities:					
- Educational operations	9	285	14,790	467	15,542
Total	7	<u>285</u>	<u>14,790</u>	<u>467</u>	<u>15,542</u>
Net income/(expenditure)		740	(2,047)	250	(1,057)
Transfers between funds	17	(720)	1,173	(453)	-
Other recognised gains/(losses)					
Actuarial losses on defined benefit pension schemes	19	-	(1,571)	-	(1,571)
Net movement in funds		20	(2,445)	(203)	(2,628)
Reconciliation of funds					
Total funds brought forward		<u>1,816</u>	<u>(4,802)</u>	<u>63,606</u>	<u>60,620</u>
Total funds carried forward		<u>1,836</u>	<u>(7,247)</u>	<u>63,403</u>	<u>57,992</u>

MARITIME ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	13		76,343		63,231
Current assets					
Debtors	14	1,468		1,541	
Cash at bank and in hand		2,013		1,806	
		<u>3,481</u>		<u>3,347</u>	
Current liabilities					
Creditors: amounts falling due within one year	15	(1,261)		(1,289)	
		<u></u>		<u></u>	
Net current assets			2,220		2,058
Net assets excluding pension liability			78,563		65,289
Defined benefit pension scheme liability	19		(9,123)		(7,297)
			<u></u>		<u></u>
Total net assets			69,440		57,992
			<u></u>		<u></u>
Funds of the Academy Trust:					
Restricted funds	17				
- Fixed asset funds			76,370		63,403
- Restricted income funds			-		50
- Pension reserve			(9,123)		(7,297)
			<u></u>		<u></u>
Total restricted funds			67,247		56,156
Unrestricted income funds	17		2,193		1,836
			<u></u>		<u></u>
Total funds			69,440		57,992
			<u></u>		<u></u>

The accounts on pages 26 to 51 were approved by the Trustees and authorised for issue on 08 December 2020 and are signed on their behalf by:

T Beck
Chair of Trustees

Company Number 10264735

MARITIME ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Cash flows from operating activities					
Net cash used in operating activities	20		(42)		(143)
Cash funds transferred on conversion			153		-
			<u>111</u>		<u>(143)</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		1		1	
Capital grants from DfE Group		139		717	
Purchase of tangible fixed assets		(44)		(92)	
		<u></u>	<u>96</u>	<u></u>	<u>626</u>
Net cash provided by investing activities			<u>96</u>		<u>626</u>
Net increase in cash and cash equivalents in the reporting period			207		483
Cash and cash equivalents at beginning of the year			1,806		1,323
Cash and cash equivalents at end of the year			<u>2,013</u>		<u>1,806</u>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Maritime Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

1.1 Basis of preparation

The accounts of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 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, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Conversion to an academy trust

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred net 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. Income equal to the net assets transferred on conversion is recognised within donations and capital grant income.

1.4 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the accounts until they are sold. This income is recognised within 'Income from other trading activities'.

Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.5 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 are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

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.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more except for attractive portable items that are £250 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 that require 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.

The buildings have either been valued using the ESFA desktop valuation, Local Authority Desktop valuation or valued by the Directors based on an average value per square metre of other schools in the local area. All schools have a 125 year lease from conversion on the land and buildings with their local authority.

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

Land and buildings	50 years (land is not depreciated)
Computer equipment	3 years
Fixtures, fittings & 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.

1.7 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 of services it must provide.

1.8 Leased assets

Rentals payable under operating leases are charged against income on a straight-line basis over the period of the lease.

1.9 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Taxation

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

1.11 Pensions benefits

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

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 projected unit method. The TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.12 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, 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 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

Bad debts

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Capital grants	-	139	139	717
Other donations	96	-	96	187
	<u>96</u>	<u>139</u>	<u>235</u>	<u>904</u>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	11,360	11,360	9,776
Start up grants	-	-	-	75
Other DfE group grants	-	1,959	1,959	1,421
	-	13,319	13,319	11,272
Other government grants				
Local authority grants	-	2,252	2,252	1,456
Exceptional government funding				
Coronavirus exceptional support	-	43	43	-
Total funding	-	15,614	15,614	12,728

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 funding received for coronavirus exceptional support covers £43k of additional cleaning and premises costs. These costs are included in notes 7 and 9 below as appropriate.

5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Hire of facilities	32	-	32	27
Catering income	85	-	85	178
Other income	363	-	363	536
	480	-	480	741

6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2020 £'000	Total 2019 £'000
Short term deposits	1	-	1	1

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2020 £'000	Total 2019 £'000
Academy's educational operations					
- Direct costs	10,882	518	692	12,092	10,308
- Allocated support costs	2,924	1,664	1,348	5,936	5,234
	<u>13,806</u>	<u>2,182</u>	<u>2,040</u>	<u>18,028</u>	<u>15,542</u>

Net income/(expenditure) for the year includes:

	2020 £'000	2019 £'000
Fees payable to auditor for:		
- Audit	21	20
- Other services	8	8
Depreciation of tangible fixed assets	589	467
Net interest on defined benefit pension liability	152	124
	<u>770</u>	<u>619</u>

8 Central services

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

- School Improvement
- SEND
- IT/ computing
- HR
- Finance and administration
- Governance
- Procurement
- Website compliance
- Estates and Health and Safety compliance

The Academy Trust charges for these services on the following basis:

- 6.7% of grant income

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

8 Central services

(Continued)

The amounts charged during the year were as follows:

	2020	2019
	£'000	£'000
Featherby Infant School	75	61
Featherby Junior School	76	67
Greenacres Primary School	154	104
Nightingale Primary School	96	66
Brooklands Primary School	76	61
Millennium Primary School	212	212
Timbercroft Primary School	147	106
Hook Lane	90	-
	<u>926</u>	<u>677</u>

9 Charitable activities

	Unrestricted	Restricted	Total	Total
	funds	funds	2020	2019
	£'000	£'000	£'000	£'000
Direct costs				
Educational operations	5	12,087	12,092	10,308
Support costs				
Educational operations	199	5,737	5,936	5,234
	<u>204</u>	<u>17,824</u>	<u>18,028</u>	<u>15,542</u>

	2020	2019
	£'000	£'000
Analysis of support costs		
Support staff costs	2,924	2,437
Depreciation	71	52
Technology costs	198	189
Premises costs	1,593	1,651
Legal costs	11	14
Other support costs	1,110	863
Governance costs	29	28
	<u>5,936</u>	<u>5,234</u>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

Staff costs

Staff costs during the year were:

	2020	2019
	£'000	£'000
Wages and salaries	9,549	8,148
Social security costs	863	742
Pension costs	2,903	2,100
	<hr/>	<hr/>
Staff costs - employees	13,315	10,990
Agency staff costs	482	478
Staff restructuring costs	9	46
	<hr/>	<hr/>
Staff development and other staff costs	13,806	11,514
	57	69
	<hr/>	<hr/>
Total staff expenditure	13,863	11,583
	<hr/> <hr/>	<hr/> <hr/>

Staff restructuring costs comprise:

Redundancy payments	9	46
	<hr/> <hr/>	<hr/> <hr/>

Staff numbers

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

	2020	2019
	Number	Number
Teachers	138	125
Administration and support	255	219
Management	12	15
	<hr/>	<hr/>
	405	359
	<hr/> <hr/>	<hr/> <hr/>

Higher paid staff

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

	2020	2019
	Number	Number
£60,000 - £70,000	7	7
£70,001 - £80,000	3	2
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£120,001 - £130,000	-	1
£130,001 - £140,000	1	-
	<hr/> <hr/>	<hr/> <hr/>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

10 Staff

(Continued)

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 national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £458k (2019: £441k).

11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

N Osborne (CEO)

- Remuneration: £130,000- £135,000 (2019: £125,000- £130,000)
- Employers pension contributions £30,000 - £35,000 (2019: £20,000- £25,000)

T Miller (Trustee) (1 month to Oct 18)

- Remuneration: £nil (2019: £5,000-£10,000),
- Employers pension contributions £nil (2019:£0- £5,000)

During the year, a total of £1,416 was reimbursed to two Trustees. One was reimbursed for travel expenses incurred within an executive capacity (not in a capacity as a Trustee). One was reimbursed for travel and indemnity insurance relating to the National Leader of Governance designation.

Other related party transactions involving the Trustees are set out within the related parties note.

12 Insurance for Trustees and officers

The Academy Trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust 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.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£'000	£'000	£'000	£'000
Cost				
At 1 September 2019	64,068	65	212	64,345
Transfer on conversion	13,657	-	-	13,657
Additions	-	44	-	44
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	77,725	109	212	78,046
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 September 2019	1,018	26	70	1,114
Charge for the year	518	29	42	589
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2020	1,536	55	112	1,703
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 August 2020	76,189	54	100	76,343
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2019	63,050	39	142	63,231
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Included in land and buildings is land of £51,815k (2019: £43,308k) which is not depreciated.

14 Debtors

	2020 £'000	2019 £'000
Trade debtors	110	-
VAT recoverable	289	1,210
Other debtors	20	-
Prepayments and accrued income	1,049	331
	<u> </u>	<u> </u>
	1,468	1,541
	<u> </u>	<u> </u>

15 Creditors: amounts falling due within one year

	2020 £'000	2019 £'000
Trade creditors	409	535
Other creditors	312	307
Accruals and deferred income	540	447
	<u> </u>	<u> </u>
	1,261	1,289
	<u> </u>	<u> </u>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

16 Deferred income

	2020 £'000	2019 £'000
Deferred income is included within:		
Creditors due within one year	217	164
	<u> </u>	<u> </u>
Deferred income at 1 September 2019	164	163
Released from previous years	(164)	(163)
Resources deferred in the year	217	164
	<u> </u>	<u> </u>
Deferred income at 31 August 2020	<u> </u> 217	<u> </u> 164

The deferred income relates to Universal Infant Free School Meals and trips for 20/21.

17 Funds

	Balance at 1 September 2019 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2020 £'000
Restricted general funds					
General Annual Grant (GAG)	-	11,360	(11,769)	409	-
Start up grants	50	-	(50)	-	-
Other DfE / ESFA grants	-	2,002	(2,002)	-	-
Other government grants	-	2,252	(2,252)	-	-
Pension reserve	(7,297)	(567)	(1,162)	(97)	(9,123)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	(7,247)	15,047	(17,235)	312	(9,123)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Restricted fixed asset funds					
Inherited on conversion	-	13,657	-	(13,657)	-
DfE group capital grants	172	139	-	(284)	27
General fixed assets	63,231	-	(589)	13,701	76,343
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	63,403	13,796	(589)	(240)	76,370
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total restricted funds	<u> </u> 56,156	<u> </u> 28,843	<u> </u> (17,824)	<u> </u> 72	<u> </u> 67,247
Unrestricted funds					
General funds	1,836	730	(204)	(169)	2,193
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total funds	<u> </u> 57,992	<u> </u> 29,573	<u> </u> (18,028)	<u> </u> (97)	<u> </u> 69,440

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020.

Other DfE/ESFA grants: This includes the pupil premium, universal infant free school meals, PE grant, teachers pay and pension grant, rates relief and Growth income.

Other government grants: This includes SEN funding and early years.

DfE/EFSA capital grants: This includes the devolved formula capital funding.

The transfer between funds is to cover the purchase of fixed assets, and the expenditure in relation to the ESFA capital grant.

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

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Restricted general funds					
General Annual Grant (GAG)	-	9,776	(10,949)	1,173	-
Start up grants	-	75	(25)	-	50
Other DfE / ESFA grants	(29)	1,421	(1,392)	-	-
Other government grants	-	1,456	(1,456)	-	-
Other restricted funds	-	15	(15)	-	-
Pension reserve	(4,773)	-	(953)	(1,571)	(7,297)
	(4,802)	12,743	(14,790)	(398)	(7,247)
Restricted fixed asset funds					
DfE group capital grants	-	717	-	(545)	172
General fixed assets	63,606	-	(467)	92	63,231
	63,606	717	(467)	(453)	63,403
Total restricted funds	58,804	13,460	(15,257)	(851)	56,156
Unrestricted funds					
General funds	1,816	1,025	(285)	(720)	1,836
Total funds	60,620	14,485	(15,542)	(1,571)	57,992

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

	Balance at 1 September 2018 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2019 £'000
Total funds analysis by academy				2020	2019
Fund balances at 31 August 2020 were allocated as follows:				£'000	£'000
Featherby Infant School				1	1
Featherby Junior School				1	1
Greenacres Primary School				1	1
Nightingale Primary School				1	1
Brooklands Primary School				1	1
Millennium Primary School				1	1
Timbercroft Primary School				1	1
Hook Lane				1	-
Central services				2,185	1,879
Total before fixed assets fund and pension reserve				2,193	1,886
Restricted fixed asset fund				76,370	63,403
Pension reserve				(9,123)	(7,297)
Total funds				69,440	57,992

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

17 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2020 £'000	Total 2019 £'000
Featherby Infant School	15	-	26	272	313	318
Featherby Junior School	1,896	273	54	293	2,516	2,509
Greenacres Primary School	1,627	337	69	293	2,326	2,467
Nightingale Primary School	1,067	116	27	205	1,415	1,383
Brooklands Primary School	977	122	47	290	1,436	1,404
Millennium Primary School	1,696	155	72	494	2,417	2,521
Timbercroft Primary School	1,478	124	51	343	1,996	2,286
Hook Lane Central services	1,762	208	13	293	2,276	-
	364	1,589	57	734	2,744	1,413
	<u>10,882</u>	<u>2,924</u>	<u>416</u>	<u>3,217</u>	<u>17,439</u>	<u>14,301</u>

18 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2020 are represented by:				
Tangible fixed assets	-	-	76,343	76,343
Current assets	2,193	1,261	27	3,481
Creditors falling due within one year	-	(1,261)	-	(1,261)
Defined benefit pension liability	-	(9,123)	-	(9,123)
Total net assets	<u>2,193</u>	<u>(9,123)</u>	<u>76,370</u>	<u>69,440</u>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

18 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	-	-	63,231	63,231
Current assets	1,836	1,339	172	3,347
Creditors falling due within one year	-	(1,289)	-	(1,289)
Defined benefit pension liability	-	(7,297)	-	(7,297)
Total net assets	1,836	(7,247)	63,403	57,992

19 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

Introduction

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

The TPS is an unfunded scheme to which both 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.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- 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. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

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

The employer's pension costs paid to the TPS in the period amounted to £1,269k (2019: £734k).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 16% to 18.5% for employers and 5.5% to 12.5% for employees.

As described in note 27 the LGPS obligation relates to the employees of the Academy Trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. 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.

Total contributions made	2020 £'000	2019 £'000
Employer's contributions	626	537
Employees' contributions	197	185
	<hr/>	<hr/>
Total contributions	823	722
	<hr/>	<hr/>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations	(Continued)	
Principal actuarial assumptions	2020	2019
	%	%
Rate of increase in salaries	1.67	3.7
Rate of increase for pensions in payment/inflation	2.23	2.2
Discount rate for scheme liabilities	3.37	1.9
	<u> </u>	<u> </u>
The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:		
	2020	2019
	Years	Years
Retiring today		
- Males	21.7	21.8
- Females	24.2	23.7
Retiring in 20 years		
- Males	23.2	23.4
- Females	25.8	25.5
	<u> </u>	<u> </u>
Scheme liabilities would have been affected by changes in assumptions as follows:		
Defined benefit pension scheme net liability		
Scheme assets	7,795	5,159
Scheme obligations	(16,918)	(12,456)
	<u> </u>	<u> </u>
Net liability	(9,123)	(7,297)
	<u> </u>	<u> </u>
The Academy Trust's share of the assets in the scheme		
	2020	2019
	Fair value	Fair value
	£'000	£'000
Equities	2,096	1,313
Bonds	1,340	788
Unitised Insurance Policies	1,925	1,511
UK & Overseas Unit Trusts	1,390	923
Property	787	539
Other assets	257	85
	<u> </u>	<u> </u>
Total market value of assets	7,795	5,159
	<u> </u>	<u> </u>

The actual return on scheme assets was £911,000 (2019: £271,000).

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

19 Pension and similar obligations	(Continued)	
Amount recognised in the Statement of Financial Activities	2020	2019
	£'000	£'000
Current service cost	1,632	1,198
Past service cost	4	168
Interest income	-	(123)
Interest cost	152	247
	<hr/>	<hr/>
Total operating charge	1,788	1,490
	<hr/> <hr/>	<hr/> <hr/>
Changes in the present value of defined benefit obligations		2020
		£'000
At 1 September 2019		12,456
Obligations acquired on conversion		1,584
Current service cost		1,632
Interest cost		266
Employee contributions		197
Actuarial loss		894
Benefits paid		(115)
Past service cost		4
		<hr/>
At 31 August 2020		16,918
		<hr/> <hr/>
Changes in the fair value of the Academy Trust's share of scheme assets		2020
		£'000
At 1 September 2019		5,159
Assets acquired on conversion		1,017
Interest income		114
Actuarial gain		797
Employer contributions		626
Employee contributions		197
Benefits paid		(115)
		<hr/>
At 31 August 2020		7,795
		<hr/> <hr/>

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

20	Reconciliation of net income/(expenditure) to net cash flows from operating activities		
		2020	2019
		£'000	£'000
	Net income for the reporting period	11,545	(1,057)
	Adjusted for:		
	Net surplus on conversion to academy	(13,243)	(111)
	Capital grants from DfE/ESFA and other capital income	(139)	(717)
	Investment income receivable	(1)	(1)
	Defined benefit pension costs less contributions payable	1,010	829
	Defined benefit pension net finance cost	152	124
	Depreciation of tangible fixed assets	589	467
	Decrease/(increase) in debtors	73	(139)
	(Decrease)/increase in creditors	(28)	351
	Stocks, debtors and creditors transferred on conversion	-	111
	Net cash used in operating activities	(42)	(143)

21	Analysis of changes in net funds			
		1 September	Cash flows	31 August
		2019		2020
		£'000	£'000	£'000
	Cash	1,806	207	2,013

22 Commitments under operating leases

At 31 August 2020 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2020	2019
	£'000	£'000
Amounts due within one year	3	5
Amounts due in two and five years	-	3
	3	8

23 Capital commitments

	2020	2019
	£'000	£'000
Expenditure contracted for but not provided in the accounts	38	279

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

24 Related party transactions

Owing to the nature of the academy's operations and the composition of the board of Trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

During the year Mr Osborne's wife, worked as a teacher at Greenacres, Mrs Osborne's appointment was made in open competition and Mr Osborne was not involved in the decision-making process regarding appointment. Mrs Osborne is paid within the normal salary scale for her role and receives no special treatment as a result of her relationship to a Trustee.

During the year Mr Osborne acted as Interim CEO for Barnsole Primary Trust. In line with a service level agreement, 50% of his salary and on costs was met by Barnsole Primary Trust reflecting the level of time provided. Maritime Academy Trust invoices for this period totalled £44,172. After the year end Barnsole Primary Trust joined with Maritime Academy Trust.

25 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

26 Post balance sheet events

After the year end, the following schools joined Maritime Academy Trust.

Danecourt School
Barnsole Primary School
Bligh Primary School (Juniors)
Bligh Primary School (Infants)
Ebbsfleet Green Primary School

27 Conversion to an academy

On 1 September 2019 Hook Lane Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Maritime Academy Trust from the London Borough of Bexley Local Authority 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 values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer 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.

Academy	Location	Date of conversion
Hook Lane	Welling	1 September 2019

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

27 Conversion to an academy

(Continued)

	Unrestricted funds £'000	Restricted funds:		Total 2020 £'000
		General £'000	Fixed asset £'000	
Net assets transferred:				
Freehold land and buildings	-	-	13,657	13,657
Cash	153	-	-	153
Pension scheme deficit	-	(567)	-	(567)
	<u>153</u>	<u>(567)</u>	<u>13,657</u>	<u>13,243</u>

	Unrestricted funds £'000	Restricted funds:		Total 2020 £'000
		General £'000	Fixed asset £'000	
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	13,657	13,657
LA budget funds	153	-	-	153
LGPS pension funds	-	(567)	-	(567)
	<u>153</u>	<u>(567)</u>	<u>13,657</u>	<u>13,243</u>