

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 2021

MARITIME ACADEMY TRUST

CONTENTS

| | Page |
|--|-------------|
| Reference and administrative details | 1 - 2 |
| Trustees' report | 3 - 15 |
| Governance statement | 16 - 20 |
| Statement on regularity, propriety and compliance | 21 |
| Statement of Trustees' responsibilities | 22 |
| Independent auditor's report on the accounts | 23 - 25 |
| Independent reporting accountant's report on regularity | 26 - 27 |
| Statement of financial activities including income and expenditure account | 28 - 29 |
| Balance sheet | 30 |
| Statement of cash flows | 31 |
| Notes to the accounts including accounting policies | 32 - 54 |

MARITIME ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

E Groenewald (appointed 15 December 2020)
B Hutchings
M Nash
A Thompson
B Vallely (resigned 15 December 2020)

Trustees

T Beck (Chair of Trustees)
S Armstrong-Taylor (Chair of Finance, Audit and Risk Committee)
T Campbell (Appointed 22 September 2020)
D Cockcroft
T Gilliford
A Korin (Chair of Standards and Achievement Committee)
M Myers Lusty (Resigned 2 March 2021)
N Osborne (Accounting Officer)
L Obi-Drake
D Valentine (Appointed 9 February 2021 and resigned 3 April 2021)

Executive Leadership Team

| | |
|------------|---|
| N Osborne | - CEO |
| M Bulpitt | - Deputy CEO |
| S Matheson | - COO |
| D Cusack | - HR Director |
| L Arnold | - CFO (resigned 26 November 2021) |
| L Mitchell | - Acting CFO (appointed 27 November 2021) |
| C Hornsby | - Educational Partnerships Lead (EPL) |

Company secretary

R Stevens

Company registration number

10264735 (England and Wales)

Registered office

c/o Millennium Primary School
50 John Harrison Way
Greenwich
London
SE10 0BG
United Kingdom

Academies operated

Featherby Primary School
Greenacres Primary School
Nightingale Primary School
Brooklands Primary School
Millennium Primary School
Timbercroft Primary School
Hook Lane Primary School
Danecourt School
Barnsole Primary School
Bligh Primary School
Ebbsfleet Green Primary School

Location

Gillingham
Eltham
Woolwich
Blackheath
Greenwich
Plumstead
Welling
Gillingham
Gillingham
Rochester
Swanscombe

Headteacher

D Marsh
J Wilkinson-Tabi
O Jennings
S Adams
D Joyce
D Joyce
J Sheekey
C Falconer
D Marsh
C Markham
J Wilkinson-Tabi

MARITIME ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor Azets Audit Services
Greytown House
221-227 High Street
Orpington
Kent
BR6 0NZ
United Kingdom

Bankers Lloyds Bank
6 Crescent Arcade
Greenwich
London
SE10 9EL
United Kingdom

MARITIME ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2021

The Trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2020 to 31 August 2021. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law.

For this period, the Trust operated thirteen Academies for children aged 3 -11. The Academies are in the geographic areas of Greenwich, Bexley, Kent and Medway. As at the October 2021 school census, the Academies that were part of the Trust at 31 August 2021 have a combined pupil capacity of 4433 (excluding nursery) and had a roll of 4191 (including nursery).

Please see below for pupil capacity:

Barnsole Primary School:

Capacity of Academy: 630 (+69 x 15 hour nursery places)

Number on Roll: 674 (including nursery)

Number on roll of on-site Nursery: 55 on roll (44 x 15 hour places & 5 x 30 hour places, and 6 x E1)

Bligh School (Infants):

Capacity of Academy: 270 (+ 76 x 15 hour places in the nursery)

Number on Roll: 291 (including nursery)

Number on roll of on-site Nursery: 55 on roll (37 x 15 hour places & 14 x 30 hour places, and 4x E1)

Bligh School (Juniors):

Capacity of Academy: 272

Number on Roll: 295

Brooklands Primary School:

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

Number on Roll: 199 (including nursery)

Number on roll of on-site Nursery: 14 on roll (9 x 15 hour places & 5 x 30 hour places)

Danecourt School:

Capacity of Academy: 233

Number on Roll: 226

Ebbsfleet Green Primary School:

Capacity of Academy: 461 (+ 52 x 15 hour nursery places)

Number on Roll: 101 (including nursery)

Number on roll of on-site Nursery: 31 on roll (13 x 15 hour places & 18 x 30 hour places)

Featherby Infants & Nursery School

Capacity of Academy: 270 (+ 104 x 15 hour places in the nursery)

Number on Roll 288 (including nursery)

Number on roll of onsite Nursery: 47 on roll (37 x 15 hour entitlement + 10 x 30 hour entitlement)

Featherby Junior School

Capacity of Academy: 360

Number on Roll 343

Greenacres Primary School

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

Number on Roll: 249 (including nursery)

Number on roll of onsite Nursery: 33 on roll (10 x 15 hour places & 7 x 30 hour places and 16 x E1)

Hook Lane Primary School

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

Number on Roll: 435 (including nursery)

Number on roll of onsite Nursery: 25 on roll (25 x 15 hour places)

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Millennium Primary School

Capacity of Academy: 450 (+ 68 x 15 hour places in the nursery)

Number on Roll: 428 (including nursery)

Number on roll of on-site Nursery: 41 on roll (29 x 15 hours places & 12 x 30 hour places)

Nightingale Primary School

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

Number on Roll: 234 (including nursery)

Number on roll of onsite Nursery: 33 on roll (27 x 15 hour places & 6 x 30 hour places)

Timbercroft Primary School

Capacity of Academy: 437 (+ 52 x 15 hour places in the nursery)

Number on Roll: 428 (including nursery)

Number on roll of onsite Nursery: 28 on roll (18 x 15 hour places & 10 x 30 hour places)

Structure, governance and management

Constitution

Maritime Academy 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 Maritime Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Maritime Academy Trust.

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

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 and A Korin.

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 current Co-opted Trustees are S Armstrong-Taylor, T Campbell, D Cockcroft, L Obi-Drake.

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.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Policies and procedures adopted for the induction and training of Trustees

During the period under review the Trust Board held (i) 12 Full Trust Board meetings, (ii) 6 Standards & Achievement Committee Meetings, (iii) 6 Finance, Audit and Risk Committee Meetings, (iv) 1 AGM. There were 5 additional meetings in this academic year due to the continued challenges of COVID-19.

The number of Full Trust Board Meetings for the academic year 2021-22 will be 7, which includes a dedicated meeting to agree the Trust Development Plan and BHAG (The Trust's Big Hairy Audacious Goals).

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 Chief Financial Officer 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 Lead. 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, but are due to take place in 2022. New Trustees are provided with recent board packs, key documents including the Scheme of Delegation, Articles of Association, Keeping Children Safe in Education and the Academy Trust 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 Executive Leadership Team (the ELT - identified in the Reference and Administrative Details on Page 1).

Organisational structure

The Trust structure consists of 4 levels:

- the Trust Board, led by the Chair of Trustees
- the Executive Leadership Team and Central Team, led by the CEO;
- Local Academy Councils in each Academy (LAC); 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 Headteachers/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 Executive Leadership 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 Headteachers/Headteachers are managed by the Trust Board.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Arrangements for setting pay and remuneration of key management personnel

Performance management and setting of the pay and remuneration of the CEO and Deputy 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 Trust has in place an Executive Remuneration Policy which sets out a framework for setting pay ranges for the Executive Team. The framework complies with the requirements of the Education and Skills Funding Agency (ESFA) and the Academy Financial Handbook/Academy Trust Handbook.

The CEO is responsible for the performance management and pay decisions for Executive Headteachers/Headteachers, with input from the relevant LACs.

The remuneration arrangements for School Senior Leadership Teams are set out in the School Teachers Pay and Condition Document (STPCD).

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

| | |
|---|--------|
| Total cost of facility time | 11 |
| Total pay bill | 17,148 |
| Percentage of the total pay bill spent on facility time | - |

Paid trade union activities

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

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.

The Trust has in place a Trade Union Procedural Agreement which sets out arrangements for formal consultation on matters relating to employees. Termly Joint Consultative Committee (JCC) meetings are attended by representatives from the Trades Unions recognised by the Trust.

The Trust facilitates Annual Staff Surveys and publishes action plans at both Trust and school level. The Trust also has in place an employee intranet which supports communication.

The Trust has a policy of equality of opportunity for all applicants and employees during the course of employment.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

Maritime Academy Trust has engaged with suppliers, customers and other stakeholders. It has adopted a fair procurement process and engaged with both local and national suppliers to develop mutually beneficial business relationships. This included adherence to public procurement notices through Covid-19.

Related parties and other connected charities and organisations

During the year Mr Osborne's spouse worked as a teacher at Ebbsfleet Green, 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.

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 ensuring that they have a deep understanding of the knowledge that they are taught.

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 excellent results to set them up for the next stage in their lives – being taught by dynamic teachers who love their work and working together.

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.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Trust's culture and behaviours

Being part of our Trust means something. Crucially our focus on culture permeates through all levels of the Trust (Trust Board, the Central Team, Local Academy Councils, SLT and Academy levels). 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 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.

Being part of the Trust also means that our Academies are receiving better, more individualised, and detailed support (in areas such as Education, HR, estates, finance, etc) and is the best option for our Academies. 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).

Everyone tackled the challenges through the lens of our Maritime Behaviours. The continued challenges with COVID-19 disrupted many of the Trust's curriculum plans for the 2020/21 academic year. Notwithstanding the challenges, our Academies persevered to ensure the best possible education for our pupils.

During 2020/21 Maritime merged with Barnsole Primary Trust and their four schools. This happened during Covid-19 when offices had to close and there were large chunks of the year when there were closures or it was difficult for staff external to the school to enter because of the Covid restrictions. Despite this, all of the schools integrated well and there was a continuation of service to support the schools.

SEND

In order to help create needed SEND places for children in the Local Authority of Medway, we worked closely with the LA to expand our SEND provision and offer innovative satellite provision in two of our mainstream schools (Featherby & Bligh). Whilst the work for this took place during 2020/21, these opened in September 2021, outside the scope of this report, giving more families access to desperately needed SEND provision.

Ebbsfleet Green - COVID-19

The Ebbsfleet Green Primary School, a new free school, did not have its permanent building completed on time due to Covid-19. Despite this, we were able to open the school off site in one of our other schools, with the children taking a coach service to school every day. Despite this, we were able to maintain and develop close links with the local community through a series of events, kept communication high and during lockdown delivered resources to families to support learning from home. The new permanent building successfully opened in September 2021 (outside the scope of this report).

Health and Safety

During the academic year, one of the Maritime schools was selected for a random visit from the Health and Safety Executive (HSE), which showed the school was safe and had excellent plans in place to protect children during these extraordinary times, with similar procedures in place across the schools.

Public benefit

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

Admissions

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

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 becoming part of Maritime Academy Trust;
- The continued development of the central team to better support the Academies;
- The strengthening of collaboration and the sharing of excellent practice across the Trust;
- The continued improvement of our schools;
- Ensuring that Ebbsfleet Green Primary School opened and that the new building was ready.

Historical Ofsted ratings for the Trust's Academies are:

Barnsole Primary School - Outstanding
Bligh Infants School - Outstanding
Bligh Junior School - Good
Brooklands Primary School - Outstanding
Danecourt School - Good
Ebbsfleet Green Primary School - New School
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

During this year's closures, home learning improved and home learning was provided for all children, through live lessons online, video lessons, class dojo and Google classroom. We supplied more than 300 Chromobooks, extra internet dongles and physical resources to support children's home learning.

There were no SATs this year due to the pandemic.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Safeguarding during Lockdown

The Trust took a number of actions to review and update our safeguarding procedures during the year including;

- We created an addendum to the Safeguarding Policy, COVID-19 Health & Safety assessments and completed external auditing on schools and their premises.
- We had 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 and a system for approaching parents of vulnerable children to discuss returning to school and provided home learning packs where necessary.
- We provided daily alerts to the schools regarding safeguarding issues, maintained regular contact with social care and undertook joint home visits from an outdoor and socially-distanced position to offer help and support.
- The Trust held regular risk review meetings to support the preparation of the environment, including reviewing the processes around children accessing learning and support whilst at home.
- The Trust held coaching calls with parents/families on how to support children whilst at home and organised Free School Meal vouchers.
- Updated the Safeguarding policy to reflect the changes.
- Updated CPD across the Trust in line with all of the changes.
- Ensured vulnerable children were in school and the schools had regular contact with families.
- Created a COVID-19 tracker to provide an overview of schools across the Trust with suspected/confirmed cases of COVID-19, and respective self-isolation requirements.
- Reviewed the curriculum to ensure online learning would be available should another lockdown or bubble closure occur
- To ensure health and safety as much as possible, we limited the numbers of professionals and volunteers who could visit the schools to provide support, in-person events were cancelled, lettings were cancelled and there was a reduction of wraparound care.
- There were regular check-ins with all staff throughout to help and support wellbeing.

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 EPL and is supported by Executive Heads/Headteachers across the Trust.

The Trust judges all Academies within the Trust to be at least Good, with the exception of one which the Trust would judge to be Requires Improvement, though this is an improvement from when it joined the Trust in September 2020, when the Trust would have judged it to be Inadequate - one of the reasons that Academy joined the Trust was to begin rapid improvement.

In order to address individual pupil's needs all schools have participated in thorough gap analysis across the curriculum to identify lost learning and any gaps that have occurred during the disrupted education.

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, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

These enquiries included trustee engagement with monthly management accounts showing good cashflow and scrutiny of a three year surplus budget which comprised of stable funding streams, a cautious approach to lettings income and a robust monitoring and forecasting practice.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Protecting the success of the Academy Trust

In line with the Trust's objectives and aims, the Trustees and Executive Leadership Team always act in a way that seeks to promote the success of the Trust.

The Trust currently has in place the following committees: Finance, Audit and Risk; Standards and Achievement; Education Challenge Board, all of which inform the Board of key issues. All recommendations made at these committees, and subsequently at the Board, are made taking into account the success, promotion, reputation and long-term financial viability of the Trust and its impact on its staff, pupils, parents and local communities.

The Trust continues to build strong relationships with Trade Unions and has always benefited from the Trade Union Facilities Agreement.

The Human Resources and Health and Safety teams meet regularly to discuss key employee issues as well as carrying out regular staff surveys to make sure that wellbeing is at the forefront of everything we do.

Along with the training and development opportunities for employees within the Trust, the annual pay award continues to keep pace with national rates. The Trust is fully focused on its recruitment and retention strategy and when setting pay scales, ensures any new rates are affordable within the resources available to keep the risk of any future redundancies to a minimum.

The Trust is committed to its focus on employee wellbeing and has a Wellbeing Strategy in place. One of the key approaches being taken to ensure all staff move towards a better work/life balance.

All Committee and Board decisions have due regard to their impact on employees.

The Trust continues to build strong relationships with its supply chain, and where possible, longer term contracts are being entered into, that allow for a more strategic working relationship to grow. The Trust has an excellent record of adhering to supplier terms and conditions and in particular in complying with supplier payment terms. This is most evident when dealing with smaller organisations and highlighted in our approach to the Government's Procurement Policy Notes PPN/02 and PPN/04 during COVID, where the Trust continued to make contractual payments to suppliers despite some services being greatly reduced.

The Trust and its individual academies are aware that the relationship with stakeholders, most notably the parents of pupils within the local communities, is key to the Trust's success in delivering good outcomes for students. To ensure strong relationships are built and maintained, regular letters and academy updates are shared with parents via all available mediums to ensure all parents are well informed of local and Trust-wide issues. This regular contact has been especially useful with the uncertainties brought on by the Covid pandemic.

All academies are aware of the responsibility to reduce their carbon footprint, with many getting pupils involved in recycling and other carbon reducing initiatives on site. Other key decarbonising measures being introduced include: a reduction in the use of plastic; encouraging more walking and cycling to school; better purchasing decisions linked to greener alternatives; and at a more strategic Trust-wide level, where possible the estates team are linking the use of capital resources to schemes that will ensure the assets are more sustainable. The Trust has been successful in securing Salix funding for five of our academies to have decarbonisation plans produced. These plans will identify short and long term projects that will reduce their carbon footprint. The plans will consist of an increase in LED lighting, solar power and the replacement of old inefficient heating systems and failing windows. All academies have smart meters in place and are beginning to make site-specific decisions based on the data received.

Where any potential decisions being made would impact adversely on the local communities, the Trust would undertake local consultations.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Trust maintains high standards of business conduct with its supply chain, and in addition, maintains strong professional relationships with the DfE, ESFA, local authorities, local maintained schools, other Trusts and local communities.

All Trustees and members of the Executive Leadership Team have a shared purpose and vision, with the pupils' safety, educational outcomes and experiences at its core. No Trustee has any pecuniary interests where a financial gain could be made, and this allows for strong, well-measured challenge at committee meetings and the board to be had, with resulting decisions being clear and transparent and in the best interest of the pupils and staff.

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 2021 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 year to 31 August 2021 total income, including capital income was £44,907k (2020: £29,573k) of which £2,777k (2020: £730k) was unrestricted income.

During the year to 31 August 2021 total expenditure, including capital expenditure was £29,779k (2020: £18,028k). This included:

Employee costs of £23,000k (2020: £13,863k), representing 77% of total expenditure
Premises costs of £2,848k (2020: £1,593k), representing 9% of total expenditure

The operating surplus, excluding the pension reserve adjustments and fixed asset reserve, for the year ended 31 August 2021, was £2,723k (2020: £397k).

The trust's current level of free reserves, excluding the restricted fixed asset fund and the LGPS deficit is £4,916k (2020: £2,193k) as at 31 August 2021, comprising unrestricted funds of £4,713k (2020: £2,193k) and restricted funds of £203k (2020: nil).

The trust also has £96,822k of capital reserves.

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 £2m (2020 was £1.4m).

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 are £4,713k. (Total funds less the amount held in fixed assets and restricted funds).

Reserves are maintained to cover:

- Contingency funds for emergencies
- Trust-wide innovation projects
- School-led projects

The reserves policy will be reviewed in 2021/22 to take into account the 2020/21 reserves levels.

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Trust held fund balances at 31 August 2021 at £80,921k (2020: £69,440k) comprising £76,208k (2020: £67,247k) of restricted funds and £4,713k (2020: £2,193k) of unrestricted general funds. Of the restricted funds, £96,413k (2020: £76,343k) is represented by tangible fixed assets, £409k (2020: £27k) is remaining capital grant income to spend, a deficit balance of £39k (2021: £nil) in relation to government loans and £242k of unspent revenue grants (2020: £nil). The Pension reserve which is considered part of restricted funds was £20,817k (2020: £9,123k) in deficit.

Investment policy

The purpose of the investment policy is to set out the processes by which the Trustees meet their duties under the Articles of Association and the Academies Financial Handbook issued by the ESFA to invest monies surplus to operational requirements in furtherance of the Trust's charitable aims and to ensure that investment risk is properly and prudently managed.

The Trust has a positive cash balance to address unforeseen costs. The banking facilities are reviewed on a regular basis.

Principal risks and uncertainties

The Trust reviews the principal risks across Maritime on a monthly basis in each Directors' meeting. The latest Risk Register is then presented to FARC (Finance, Audit & Risk Committee) at each meeting for consideration. Deep dives are carried out on each principal risk across the year, at least once.

The principal risks for Maritime evolved over the year as you would expect. Key areas of risk are summarised below, with their plan for management alongside.

| Principal risk or uncertainty | Management plan in summary |
|--|---|
| Financial risks - from controls not working to budgets not balancing | Regular audits of process and action plans implemented in response. Careful monitoring of budgets across the year. |
| Covid related risks - staff issues and pupil learning issues | Careful use of covid H&S measures to reduce risks of transmission coupled with active support from our schools for pupils home learning |
| Education risks - poor results or poor Ofsted report | Active support across the Trust to ensure quality of education is as strong as possible |
| Estates risks - unexpected building issue arises | Instructing detailed condition surveys of all school buildings so we have a clear view of risks and mitigations. We now have our own capital budget to respond to concerns. |
| Ebbsfleet Green Primary School risks - our new Free School not being ready on time | Close monitoring of the implementation of the plan with clear escalation routes and alternative plans if there were concerns |
| Cyber attacks - Maritime schools or central team is hacked | Worked with Maritime's IT support companies to strengthen Maritime's IT infrastructure to ensure we have best possible security. |

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 2021

Fundraising

Maritime Academy Trust does not use any external fundraisers.

Streamlined energy and carbon reporting

Energy consumption

Aggregate of energy consumption in the year

| | kWh | kWh |
|-------------------------|-----------|-----------|
| - Gas combustion | 3,249,899 | |
| - Electricity purchased | 1,328,250 | |
| | | 4,578,159 |

| | miles |
|-------------------------------|-------|
| - Fuel consumed for transport | 4,605 |

Emissions of CO2 equivalent

Scope 1 - direct emissions

| | metric tonnes | metric tonnes |
|-------------------------------------|---------------|---------------|
| - Gas combustion | 595.25 | |
| - Fuel consumed for owned transport | 1.27 | |
| | | 596.52 |

Scope 2 - indirect emissions

| | | |
|-------------------------|--|--------|
| - Electricity purchased | | 282.02 |
|-------------------------|--|--------|

Scope 3 - other indirect emissions

| | | |
|--|--|------|
| - Fuel consumed for transport not owned by the Academy Trust | | 2.85 |
|--|--|------|

| | | |
|-----------------------|--|--------|
| Total gross emissions | | 881.39 |
|-----------------------|--|--------|

Intensity ratio

| | | |
|-----------------------|--|------|
| Tonnes CO2e per pupil | | 0.23 |
|-----------------------|--|------|

Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

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.

- A quarter of heat produced is lost through old roofs or roofs that are not up to regulations. Millennium schools have a new roof with 300mm of installations that will help with heat loss.
- New boiler room plant at Greenacres including all lagging to pipework in the boiler room.
- New boilers at Millennium & 2x blocks at Timbercroft
- Solar panels at EGPS
- Featherby Infants 80-90% LED lighting installed across the school

MARITIME ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

Plans for future periods

Plans for future periods Our priorities for the 2021/2022 academic year are:

Our priorities for this year:

- Covid Recovery - Providing the best possible support for our children and families.
- Investing in high-quality CPD for our staff to ensure the very best support for our children.
- Developing our offer to families so children will be able to access education beyond 9 to 3:30 each day, supporting with pandemic-induced learning loss.
- Focusing on further improving the quality of support that is provided to our schools by the central team.
- Developing the school improvement team and the offer of support we can provide for our schools and children.
- Developing partnerships with external organisations to further the aims of the Trust

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 which are already part of us. The Trust currently operates on a South East 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.

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.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 07 December 2021 and signed on its behalf by:

T Beck

Chair of Trustees

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2021

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 12 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) | 12 | 12 |
| S Armstrong-Taylor (Chair of Finance, Audit and Risk Committee) | 12 | 12 |
| T Campbell (Appointed 22 September 2020) | 7 | 11 |
| D Cockcroft | 10 | 12 |
| T Gilliford | 10 | 12 |
| A Korin (Chair of Standards and Achievement Committee) | 9 | 12 |
| M Myers Lusty (Resigned 2 March 2021) | 7 | 7 |
| N Osborne (Accounting Officer) | 12 | 12 |
| L Obi-Drake | 11 | 12 |
| D Valentine (Appointed 9 February 2021 and resigned 3 April 2021) | 3 | 3 |

For the year 2020/21, there were two changes within the Board of Trustees, the first was the resignation of Martin Myers Lusty and the second was the appointment of David Valentine (previously a Trustee of Barnsole Primary Trust) in February 2021. Mr Valentine resigned from the Board of Trustees in April 2021.

Eben Groenewald was appointed as a Member of Maritime Academy Trust by the existing Members at the AGM on 15th December 2020. At that same meeting, Brian Vallely resigned as Member of Maritime Academy Trust at the AGM on 15th December 2020.

Members are preparing to appoint a further Member, which will form part of the formal business at the AGM on 15th December 2021 outside the timeframe of this report. This appointment brings Member numbers to 5 (the DfE's preferred number of Trust Members).

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 in 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, HR 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 2020/21 included but were not limited to:

- overseeing the response of the Trust to the COVID-19 pandemic;
- supporting the CEO in overseeing the first official year post-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 ongoing 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 LACs with the exception of an interim period during which a Trustee served on the transition board at Ebbsfleet Green. This separation 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 2021/22 academic year. Education data for the 2020/21 academic year continued to be untenable due to the COVID-19 pandemic. 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.

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Finance, Audit & Risk 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 (including management reporting and budgeting (including that of individual academies within the Trust)) and value for money
- External audit
- Financial statements and annual reports
- Management reporting for HR

The CEO and CFO attend these meetings as non voting members. The CEO and CFO do not participate in meetings relating to audit matters, except where required to provide specific information to the committee.

Attendance at meetings in the year was as follows:

| Trustees | Meetings attended | Out of possible |
|---|--------------------------|------------------------|
| T Beck (Chair of Trustees) | 6 | 6 |
| S Armstrong-Taylor (Chair of Finance, Audit and Risk Committee) | 6 | 6 |
| D Cockcroft | 5 | 6 |
| T Gilliford | 5 | 6 |
| M Myers Lusty (Resigned 2 March 2021) | 3 | 3 |
| N Osborne (Accounting Officer) | 6 | 6 |
| L Obi-Drake | 6 | 6 |
| D Valentine (Appointed 9 February 2021 and resigned 3 April 2021) | 1 | 1 |

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 merger enabled staffing to be streamlined through a more efficient staffing model, achieving a reduction in both costs and the duplication of work.
- The Trust was able to compare the contracts of Barnsole and Maritime and were able to move over to the most cost-effective contracts.
- The Trust routinely reviews all contracts and service level agreements, which led to a change this year in: Governance support, Financial Management Systems, cleaning providers and catering contractors.

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 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts.

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 31 August 2021 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the Board of Trustees.

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 Kreston Reeves to support the Chief Financial Officer to complete the internal audit function.

Checks carried out in the current period include:

- accounting systems including bank reconciliations, credit cards bank accounts and control accounts;
- payroll including contracts and personnel files, overtime claims and variations;
- purchases including procurement processes, authorisation processes;
- income including debt review, checks on census and GAG funding.

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 Trustees 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.

MARITIME ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk 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 07 December 2021 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 2021

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 2020.

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 2020.

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

N Osborne
Accounting Officer

07 December 2021

MARITIME ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 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 2020 to 2021;
- 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 07 December 2021 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 2021

Opinion

We have audited the accounts of Maritime Academy Trust for the year ended 31 August 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 2020 to 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 2020 to 2021.

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

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

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

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

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 2021

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

MARITIME ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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.

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

13 December 2021

Chartered Accountants
Statutory Auditor

Greytown House
221-227 High Street
Orpington
Kent
United Kingdom
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 2021

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 2020 to 2021, 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 2020 to 31 August 2021 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 2020, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

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 2021

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 2020 to 31 August 2021 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant

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

Dated: 13 December 2021

MARITIME ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

| | Notes | Unrestricted funds £'000 | Restricted funds: General £'000 | Fixed asset £'000 | Total 2021 £'000 | Total 2020 £'000 |
|---|-------|--------------------------------|---------------------------------------|----------------------|------------------------|------------------------|
| Income and endowments from: | | | | | | |
| Donations and capital grants | 3 | 164 | - | 1,194 | 1,358 | 235 |
| Donations - transfer from local authority on conversion | | - | - | - | - | 13,243 |
| Donations - transfer of existing academy into the trust | | 2,025 | (5,891) | 20,787 | 16,921 | - |
| Charitable activities: | | | | | | |
| - Funding for educational operations | 4 | - | 26,040 | - | 26,040 | 15,614 |
| Other trading activities | 5 | 587 | - | - | 587 | 480 |
| Investments | 6 | 1 | - | - | 1 | 1 |
| Total | | <u>2,777</u> | <u>20,149</u> | <u>21,981</u> | <u>44,907</u> | <u>29,573</u> |
| Expenditure on: | | | | | | |
| Charitable activities: | | | | | | |
| - Educational operations | 9 | 229 | 28,542 | 1,008 | 29,779 | 18,028 |
| Total | 7 | <u>229</u> | <u>28,542</u> | <u>1,008</u> | <u>29,779</u> | <u>18,028</u> |
| Net income/(expenditure) | | 2,548 | (8,393) | 20,973 | 15,128 | 11,545 |
| Transfers between funds | 17 | (28) | 549 | (521) | - | - |
| Other recognised gains/(losses) | | | | | | |
| Actuarial losses on defined benefit pension schemes | 19 | - | (3,647) | - | (3,647) | (97) |
| Net movement in funds | | 2,520 | (11,491) | 20,452 | 11,481 | 11,448 |
| Reconciliation of funds | | | | | | |
| Total funds brought forward | | 2,193 | (9,123) | 76,370 | 69,440 | 57,992 |
| Total funds carried forward | | <u>4,713</u> | <u>(20,614)</u> | <u>96,822</u> | <u>80,921</u> | <u>69,440</u> |

MARITIME ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2021

| Comparative year information Year ended 31 August 2020 | Notes | Unrestricted | Restricted funds: | | Total |
|---|-------|----------------|-------------------|----------------------|---------------|
| | | funds £'000 | General £'000 | Fixed asset £'000 | 2020 £'000 |
| Income and endowments from: | | | | | |
| Donations and capital grants | 3 | 96 | - | 139 | 235 |
| Donations - transfer from local authority on conversion | | 153 | (567) | 13,657 | 13,243 |
| Charitable activities: | | | | | |
| - Funding for educational operations | 4 | - | 15,614 | - | 15,614 |
| Other trading activities | 5 | 480 | - | - | 480 |
| Investments | 6 | 1 | - | - | 1 |
| Total | | <u>730</u> | <u>15,047</u> | <u>13,796</u> | <u>29,573</u> |
| Expenditure on: | | | | | |
| Charitable activities: | | | | | |
| - Educational operations | 9 | 204 | 17,235 | 589 | 18,028 |
| Total | 7 | <u>204</u> | <u>17,235</u> | <u>589</u> | <u>18,028</u> |
| Net income/(expenditure) | | 526 | (2,188) | 13,207 | 11,545 |
| Transfers between funds | 17 | (169) | 409 | (240) | - |
| Other recognised gains/(losses) | | | | | |
| Actuarial losses on defined benefit pension schemes | 19 | - | (97) | - | (97) |
| Net movement in funds | | 357 | (1,876) | 12,967 | 11,448 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 1,836 | (7,247) | 63,403 | 57,992 |
| Total funds carried forward | | <u>2,193</u> | <u>(9,123)</u> | <u>76,370</u> | <u>69,440</u> |

MARITIME ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2021

| | | 2021 | | 2020 | |
|--|-------|--------------|---------------|--------------|---------------|
| | Notes | £'000 | £'000 | £'000 | £'000 |
| Fixed assets | | | | | |
| Tangible assets | 13 | | 96,413 | | 76,343 |
| Current assets | | | | | |
| Debtors | 14 | 1,080 | | 1,468 | |
| Cash at bank and in hand | | 5,365 | | 2,013 | |
| | | <u>6,445</u> | | <u>3,481</u> | |
| Current liabilities | | | | | |
| Creditors: amounts falling due within one year | 15 | (1,120) | | (1,261) | |
| Net current assets | | | <u>5,325</u> | | <u>2,220</u> |
| Net assets excluding pension liability | | | 101,738 | | 78,563 |
| Defined benefit pension scheme liability | 19 | | (20,817) | | (9,123) |
| Total net assets | | | <u>80,921</u> | | <u>69,440</u> |
| Funds of the Academy Trust: | | | | | |
| Restricted funds | 17 | | | | |
| - Fixed asset funds | | | 96,822 | | 76,370 |
| - Restricted income funds | | | 203 | | - |
| - Pension reserve | | | (20,817) | | (9,123) |
| Total restricted funds | | | <u>76,208</u> | | <u>67,247</u> |
| Unrestricted income funds | 17 | | <u>4,713</u> | | <u>2,193</u> |
| Total funds | | | <u>80,921</u> | | <u>69,440</u> |

The accounts on pages 28 to 54 were approved by the Trustees and authorised for issue on 07 December 2021 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 2021

| | Notes | 2021 £'000 | £'000 | 2020 £'000 | £'000 |
|--|-------|-------------------|-------------------|-------------------|-------------------|
| Cash flows from operating activities | | | | | |
| Net cash provided by/(used in) operating activities | 21 | | 384 | | (42) |
| Cash funds on conversion or transfer | | | 2,025 | | 153 |
| | | | <u>2,409</u> | | <u>111</u> |
| Cash flows from investing activities | | | | | |
| Dividends, interest and rents from investments | | 1 | | 1 | |
| Capital grants from DfE Group | | 1,194 | | 139 | |
| Purchase of tangible fixed assets | | (291) | | (44) | |
| | | <u> </u> | | <u> </u> | |
| Net cash provided by investing activities | | | 904 | | 96 |
| Cash flows from financing activities | | | | | |
| Repayment of long term bank loan | | 39 | | - | |
| | | <u> </u> | | <u> </u> | |
| Net cash provided by/(used in) financing activities | | | 39 | | - |
| | | | <u> </u> | | <u> </u> |
| Net increase in cash and cash equivalents in the reporting period | | | 3,352 | | 207 |
| Cash and cash equivalents at beginning of the year | | | 2,013 | | 1,806 |
| | | | <u> </u> | | <u> </u> |
| Cash and cash equivalents at end of the year | | | <u>5,365</u> | | <u>2,013</u> |
| | | | <u> </u> | | <u> </u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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 2020 to 2021 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, 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 Transfer in of an academy trust

Where assets and liabilities are received by the Academy Trust on transfer in of 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 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 2021

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 2021

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) |
| Leasehold improvements | 15 years |
| 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 or services it must provide.

1.8 Leased assets

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

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 2021

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 2021

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 2021. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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 2021 £'000 | Total 2020 £'000 |
|-----------------|--------------------------------|------------------------------|------------------------|------------------------|
| Capital grants | - | 1,194 | 1,194 | 139 |
| Other donations | 164 | - | 164 | 96 |
| | <u>164</u> | <u>1,194</u> | <u>1,358</u> | <u>235</u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

4 Funding for the Academy Trust's educational operations

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2021 £'000 | Total 2020 £'000 |
|------------------------------------|--------------------------------|------------------------------|------------------------|------------------------|
| DfE/ESFA grants | | | | |
| General annual grant (GAG) | - | 17,828 | 17,828 | 11,360 |
| Other DfE/ESFA grants: | | | | |
| UIFSM | - | 386 | 386 | 319 |
| Pupil premium | - | 1,287 | 1,287 | 649 |
| PE/Sports grant | - | 235 | 235 | 149 |
| Rates funding | - | 47 | 47 | 159 |
| Teachers pension grant | - | 582 | 582 | 413 |
| Teachers pay grant | - | 206 | 206 | 147 |
| Others | - | 270 | 270 | 123 |
| | - | 20,841 | 20,841 | 13,319 |
| Other government grants | | | | |
| Local authority grants | - | 4,866 | 4,866 | 2,252 |
| COVID-19 additional funding | | | | |
| DfE/ESFA | | | | |
| Catch-up premium | - | 333 | 333 | - |
| Other DfE/ESFA COVID-19 funding | - | - | - | 43 |
| | - | 333 | 333 | 43 |
| Total funding | - | 26,040 | 26,040 | 15,614 |

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

The academy trust received £333k in Covid catch up funding of which £227k was spent during the year. £106k has been carried forward into 2021/2022.

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

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

5 Other trading activities

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2021 £'000 | Total 2020 £'000 |
|--------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Hire of facilities | 18 | - | 18 | 32 |
| Catering income | 87 | - | 87 | 85 |
| Other income | 482 | - | 482 | 363 |
| | <u>587</u> | <u>-</u> | <u>587</u> | <u>480</u> |

6 Investment income

| | Unrestricted funds £'000 | Restricted funds £'000 | Total 2021 £'000 | Total 2020 £'000 |
|---------------------|--------------------------------|------------------------------|------------------------|------------------------|
| Short term deposits | 1 | - | 1 | 1 |
| | <u>1</u> | <u>-</u> | <u>1</u> | <u>1</u> |

7 Expenditure

| | Staff costs £'000 | Non-pay expenditure | | Total 2021 £'000 | Total 2020 £'000 |
|----------------------------------|----------------------|---------------------|----------------|------------------------|------------------------|
| | | Premises £'000 | Other £'000 | | |
| Academy's educational operations | | | | | |
| - Direct costs | 18,163 | 896 | 1,269 | 20,328 | 12,092 |
| - Allocated support costs | 4,624 | 2,960 | 1,867 | 9,451 | 5,936 |
| | <u>22,787</u> | <u>3,856</u> | <u>3,136</u> | <u>29,779</u> | <u>18,028</u> |

Net income/(expenditure) for the year includes:

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Fees payable to auditor for: | | |
| - Audit | 22 | 21 |
| - Other services | 15 | 8 |
| Operating lease rentals | 3 | - |
| Depreciation of tangible fixed assets | 1,008 | 589 |
| Net interest on defined benefit pension liability | 232 | 152 |
| | <u>1,280</u> | <u>770</u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

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

The amounts charged during the year were as follows:

| | 2021 | 2020 |
|--------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Featherby Primary School | 181 | 151 |
| Greenacres Primary School | 153 | 154 |
| Nightingale Primary School | 98 | 96 |
| Brooklands Primary School | 85 | 76 |
| Millennium Primary School | 172 | 212 |
| Timbercroft Primary School | 154 | 147 |
| Hook Lane Primary School | 158 | 90 |
| Danecourt School | 262 | - |
| Barnsole Primary School | 187 | - |
| Bligh Primary School | 163 | - |
| Ebbsfleet Green Primary School | 35 | - |
| | <u>1,648</u> | <u>926</u> |

9 Charitable activities

| | Unrestricted | Restricted | Total | Total |
|------------------------|---------------------|-------------------|---------------|---------------|
| | funds | funds | 2021 | 2020 |
| | £'000 | £'000 | £'000 | £'000 |
| Direct costs | | | | |
| Educational operations | 2 | 20,326 | 20,328 | 12,092 |
| Support costs | | | | |
| Educational operations | 227 | 9,224 | 9,451 | 5,936 |
| | <u>229</u> | <u>29,550</u> | <u>29,779</u> | <u>18,028</u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

9 Charitable activities

(Continued)

| | 2021 £'000 | 2020 £'000 |
|----------------------------------|---------------|---------------|
| Analysis of support costs | | |
| Support staff costs | 4,624 | 2,924 |
| Depreciation | 112 | 71 |
| Technology costs | 306 | 198 |
| Premises costs | 2,848 | 1,593 |
| Legal costs | 18 | 11 |
| Other support costs | 1,490 | 1,110 |
| Governance costs | 53 | 29 |
| | <u>9,451</u> | <u>5,936</u> |

10 Staff

Staff costs

Staff costs during the year were:

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Wages and salaries | 15,607 | 9,549 |
| Social security costs | 1,409 | 863 |
| Pension costs | 5,302 | 2,903 |
| Staff costs - employees | <u>22,318</u> | <u>13,315</u> |
| Agency staff costs | 348 | 482 |
| Staff restructuring costs | 121 | 9 |
| | <u>22,787</u> | <u>13,806</u> |
| Staff development and other staff costs | 213 | 57 |
| Total staff expenditure | <u>23,000</u> | <u>13,863</u> |

Staff restructuring costs comprise:

| | | |
|---------------------|------------|----------|
| Redundancy payments | <u>121</u> | <u>9</u> |
|---------------------|------------|----------|

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £52k (2020: £nil). Individually, the payments were: £35k, £6k, £7k and £4k.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

10 Staff

(Continued)

Staff numbers

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

| | 2021 Number | 2020 Number |
|----------------------------|----------------|----------------|
| Teachers | 242 | 138 |
| Administration and support | 423 | 255 |
| Management | 25 | 12 |
| | <u>690</u> | <u>405</u> |

Higher paid staff

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

| | 2021 Number | 2020 Number |
|---------------------|----------------|----------------|
| £60,000 - £70,000 | 8 | 7 |
| £70,001 - £80,000 | 6 | 3 |
| £80,001 - £90,000 | 3 | 1 |
| £90,001 - £100,000 | 1 | 1 |
| £130,001 - £140,000 | - | 1 |
| £140,001 - £150,000 | 1 | - |
| | <u>19</u> | <u>13</u> |

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the executive leadership 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 £495k (2020: £458k).

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: £140,000- £145,000 (2020: £130,000- £135,000)
- Employers pension contributions £30,000 - £35,000 (2019: £30,000- £35,000)

During the year no reimbursed expenditure was paid to trustees (2020: 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.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

12 Trustees' and officers' insurance

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.

13 Tangible fixed assets

| | Land and buildings | Leasehold improvements | Computer equipment | Fixtures, fittings & equipment | Total |
|------------------------|-----------------------|---------------------------|-----------------------|--------------------------------------|--------|
| | £'000 | £'000 | £'000 | £'000 | £'000 |
| Cost | | | | | |
| At 1 September 2020 | 77,725 | - | 109 | 212 | 78,046 |
| Transfer on conversion | 20,657 | 111 | 19 | - | 20,787 |
| Additions | - | - | 259 | 32 | 291 |
| At 31 August 2021 | 98,382 | 111 | 387 | 244 | 99,124 |
| Depreciation | | | | | |
| At 1 September 2020 | 1,536 | - | 55 | 112 | 1,703 |
| Charge for the year | 889 | 7 | 63 | 49 | 1,008 |
| At 31 August 2021 | 2,425 | 7 | 118 | 161 | 2,711 |
| Net book value | | | | | |
| At 31 August 2021 | 95,957 | 104 | 269 | 83 | 96,413 |
| At 31 August 2020 | 76,189 | - | 54 | 100 | 76,343 |

Included in land and buildings is land of £53,937k (2020: £51,815k) which is not depreciated.

14 Debtors

| | 2021 £'000 | 2020 £'000 |
|--------------------------------|---------------|---------------|
| Trade debtors | 71 | 110 |
| VAT recoverable | 105 | 289 |
| Other debtors | 7 | 20 |
| Prepayments and accrued income | 897 | 1,049 |
| | 1,080 | 1,468 |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

15 Creditors: amounts falling due within one year

| | 2021 | 2020 |
|------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Government loans | 39 | - |
| Trade creditors | 4 | 409 |
| Other creditors | 312 | 312 |
| Accruals and deferred income | 765 | 540 |
| | <u>1,120</u> | <u>1,261</u> |

16 Deferred income

| | 2021 | 2020 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Deferred income is included within: | | |
| Creditors due within one year | 322 | 217 |
| | <u>322</u> | <u>217</u> |
| Deferred income at 1 September 2020 | 217 | 164 |
| Released from previous years | (217) | (164) |
| Resources deferred in the year | 322 | 217 |
| | <u>322</u> | <u>217</u> |
| Deferred income at 31 August 2021 | 322 | 217 |

The deferred income relates to Universal Infant Free School Meals and rates for 21/22.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

| | Balance at 1 September 2020 £'000 | Income £'000 | Expenditure £'000 | Gains, losses and transfers £'000 | Balance at 31 August 2021 £'000 |
|-------------------------------------|--|-----------------|----------------------|--|--|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | - | 17,828 | (18,361) | 533 | - |
| UIFSM | - | 386 | (386) | - | - |
| Pupil premium | - | 1,287 | (1,287) | - | - |
| Catch-up premium | - | 333 | (227) | - | 106 |
| PE/ Sports grant | - | 235 | (99) | - | 136 |
| Rates relief | - | 47 | (47) | - | - |
| Teachers pension grant | - | 582 | (582) | - | - |
| Teachers pay grant | - | 206 | (206) | - | - |
| Other DfE/ESFA grants | - | 270 | (270) | - | - |
| Other government grants | - | 4,866 | (4,866) | - | - |
| Other restricted funds | - | (55) | - | 16 | (39) |
| Pension reserve | (9,123) | (5,836) | (2,211) | (3,647) | (20,817) |
| | <u>(9,123)</u> | <u>20,149</u> | <u>(28,542)</u> | <u>(3,098)</u> | <u>(20,614)</u> |
| Restricted fixed asset funds | | | | | |
| DfE group capital grants | 27 | 1,194 | - | (812) | 409 |
| General fixed assets | 76,343 | 20,787 | (1,008) | 291 | 96,413 |
| | <u>76,370</u> | <u>21,981</u> | <u>(1,008)</u> | <u>(521)</u> | <u>96,822</u> |
| Total restricted funds | <u>67,247</u> | <u>42,130</u> | <u>(29,550)</u> | <u>(3,619)</u> | <u>76,208</u> |
| Unrestricted funds | | | | | |
| General funds | 2,193 | 2,777 | (229) | (28) | 4,713 |
| | <u>2,193</u> | <u>2,777</u> | <u>(229)</u> | <u>(28)</u> | <u>4,713</u> |
| Total funds | <u>69,440</u> | <u>44,907</u> | <u>(29,779)</u> | <u>(3,647)</u> | <u>80,921</u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 2021.

UIFSM, Pupil premium, PE/Sports funding, Teachers pension grant, Teachers pay grant, Catch up funding and rates funding all include income from the ESFA for grants as described.

Other DFE/ESFA grants: This includes free school meals and TCaf funding.

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 in relation to non capital expenditure from CIF funding and purchase of fixed assets.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

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

| | 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) | - | - |
| UIFSM | - | 319 | (319) | - | - |
| Pupil premium | - | 649 | (649) | - | - |
| Coronavirus funding | - | 43 | (43) | - | - |
| PE/ Sports grant | - | 149 | (149) | - | - |
| Rates relief | - | 159 | (159) | - | - |
| Teachers pension grant | - | 413 | (413) | - | - |
| Teachers pay grant | - | 147 | (147) | - | - |
| Other DfE/ESFA grants | - | 123 | (123) | - | - |
| Other government grants | - | 2,252 | (2,252) | - | - |
| Pension reserve | (7,297) | (567) | (1,162) | (97) | (9,123) |
| | <u>(7,247)</u> | <u>15,047</u> | <u>(17,235)</u> | <u>312</u> | <u>(9,123)</u> |
| Restricted fixed asset funds | | | | | |
| Transfer 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>63,403</u> | <u>13,796</u> | <u>(589)</u> | <u>(240)</u> | <u>76,370</u> |
| Total restricted funds | <u>56,156</u> | <u>28,843</u> | <u>(17,824)</u> | <u>72</u> | <u>67,247</u> |
| Unrestricted funds | | | | | |
| General funds | 1,836 | 730 | (204) | (169) | 2,193 |
| | <u>1,836</u> | <u>730</u> | <u>(204)</u> | <u>(169)</u> | <u>2,193</u> |
| Total funds | <u>57,992</u> | <u>29,573</u> | <u>(18,028)</u> | <u>(97)</u> | <u>69,440</u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

17 Funds

(Continued)

Total funds analysis by academy

| | 2021 £'000 | 2020 £'000 |
|--|---------------|---------------|
| Fund balances at 31 August 2021 were allocated as follows: | | |
| Featherby Primary 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 Primary School | 1 | 1 |
| Danecourt School | 1 | - |
| Barnsole Primary School | 1 | - |
| Bligh Primary School | 1 | - |
| Ebbsfleet Green Primary School | 1 | - |
| Central services | 4,905 | 2,186 |
| | <hr/> | <hr/> |
| Total before fixed assets fund and pension reserve | 4,916 | 2,193 |
| | | |
| Restricted fixed asset fund | 96,822 | 76,370 |
| Pension reserve | (20,817) | (9,123) |
| | <hr/> | <hr/> |
| Total funds | 80,921 | 69,440 |
| | <hr/> <hr/> | <hr/> <hr/> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 2021 £'000 | Total 2020 £'000 |
|-----------------------------------|---|---------------------------------------|----------------------------------|---|------------------------|------------------------|
| Featherby Primary School | 1,897 | 227 | 63 | 436 | 2,623 | 2,829 |
| Greenacres Primary School | 1,399 | 282 | 83 | 897 | 2,661 | 2,326 |
| Nightingale Primary School | 1,031 | 126 | 55 | 194 | 1,406 | 1,415 |
| Brooklands Primary School | 956 | 103 | 35 | 264 | 1,358 | 1,436 |
| Millennium Primary School | 1,775 | 153 | 54 | 614 | 2,596 | 2,417 |
| Timbercroft Primary School | 1,614 | 120 | 11 | 377 | 2,122 | 1,996 |
| Hook Lane Primary School | 1,815 | 167 | 21 | 315 | 2,318 | 2,276 |
| Danecourt School | 2,775 | 211 | 155 | 325 | 3,466 | - |
| Barnsole Primary School | 2,262 | 199 | 44 | 377 | 2,882 | - |
| Bligh Primary School | 1,849 | 170 | 57 | 388 | 2,464 | - |
| Ebbsfleet Green Primary School | 315 | 10 | 67 | 191 | 583 | - |
| Central services | 475 | 2,856 | (27) | 988 | 4,292 | 2,010 |
| | <u>18,163</u> | <u>4,624</u> | <u>618</u> | <u>5,366</u> | <u>28,771</u> | <u>16,705</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 2021 are represented by: | | | | |
| Tangible fixed assets | - | - | 96,413 | 96,413 |
| Current assets | 4,713 | 1,323 | 409 | 6,445 |
| Creditors falling due within one year | - | (1,120) | - | (1,120) |
| Defined benefit pension liability | - | (20,817) | - | (20,817) |
| Total net assets | <u>4,713</u> | <u>(20,614)</u> | <u>96,822</u> | <u>80,921</u> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

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 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 | 2,193 | (9,123) | 76,370 | 69,440 |

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 2021

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 £2,033k (2020: £1,269k).

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 24.6% for employers and 5.5% to 12.8% for employees.

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

| Total contributions made | 2021 | 2020 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Employer's contributions | 1,290 | 626 |
| Employees' contributions | 381 | 197 |
| | <hr/> | <hr/> |
| Total contributions | 1,671 | 823 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Principal actuarial assumptions | 2021 | 2020 |
| | % | % |
| Rate of increase in salaries | 4 | 1.67 |
| Rate of increase for pensions in payment/inflation | 2.9 | 2.23 |
| Discount rate for scheme liabilities | 1.67 | 3.37 |
| | <hr/> <hr/> | <hr/> <hr/> |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

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

| | 2021 | 2020 |
|----------------------|--------------|--------------|
| | Years | Years |
| Retiring today | | |
| - Males | 21.7 | 21.7 |
| - Females | 24.2 | 24.2 |
| Retiring in 20 years | | |
| - Males | 23.2 | 23.2 |
| - Females | 25.9 | 25.8 |

Scheme liabilities would have been affected by changes in assumptions as follows:

| | 2021 | 2020 |
|-------------------------------|--------------|--------------|
| | £'000 | £'000 |
| Discount rate + 0.1% | -940 | -430 |
| Discount rate - 0.1% | +964 | +441 |
| Mortality assumption + 1 year | +1555 | +666 |
| Mortality assumption - 1 year | -1493 | -641 |
| Salary rate + 0.1% | +83 | +44 |
| Salary rate - 0.1% | -83 | -44 |
| Pension rate + 0.1% | +870 | +400 |
| Pension rate - 0.1% | -1165 | -390 |

Defined benefit pension scheme net liability

| | 2021 | 2020 |
|--------------------|--------------|--------------|
| | £'000 | £'000 |
| Scheme assets | 17,036 | 7,795 |
| Scheme obligations | (37,853) | (16,918) |
| Net liability | (20,817) | (9,123) |

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

| | 2021 | 2020 |
|------------------------------|-------------------|-------------------|
| | Fair value | Fair value |
| | £'000 | £'000 |
| Equities | 7,918 | 2,096 |
| Other bonds | 2,858 | 1,340 |
| Unitised Insurance Policies | - | 1,925 |
| UK & Overseas Unit Trusts | 2,458 | 1,390 |
| Property | 1,677 | 787 |
| Other assets | 2,125 | 257 |
| Total market value of assets | 17,036 | 7,795 |

The actual return on scheme assets was £2,276k (2020: £911k)

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

19 Pension and similar obligations

(Continued)

| Amount recognised in the statement of financial activities | 2021 | 2020 |
|--|--------------|--------------|
| | £'000 | £'000 |
| Current service cost | 3,259 | 1,632 |
| Past service cost | - | 4 |
| Interest income | (228) | - |
| Interest cost | 460 | 152 |
| Benefit changes, curtailments and settlements gains or losses | 10 | - |
| | <hr/> | <hr/> |
| Total operating charge | 3,501 | 1,788 |
| | <hr/> <hr/> | <hr/> <hr/> |
| Changes in the present value of defined benefit obligations | | 2021 |
| | | £'000 |
| At 1 September 2020 | | 14,997 |
| Transferred in on existing academies joining the Academy Trust | | 13,417 |
| Current service cost | | 3,259 |
| Interest cost | | 460 |
| Employee contributions | | 381 |
| Actuarial loss | | 5,704 |
| Benefits paid | | (365) |
| | | <hr/> |
| At 31 August 2021 | | 37,853 |
| | | <hr/> <hr/> |
| Changes in the fair value of the Academy Trust's share of scheme assets | | 2021 |
| | | £'000 |
| At 1 September 2020 | | 7,795 |
| Transferred in on existing academies joining the Academy Trust | | 5,660 |
| Interest income | | 218 |
| Actuarial gain | | 2,057 |
| Employer contributions | | 1,290 |
| Employee contributions | | 381 |
| Benefits paid | | (365) |
| | | <hr/> |
| At 31 August 2021 | | 17,036 |
| | | <hr/> <hr/> |

Barnsole Primary Trust transferred in on 1 September 2020, at this date the pension deficit totalled £5,836k. The assets and obligations as shown above as transfers in are reflected by the actuary at 31 August 2021 and therefore include the change in value throughout the year.

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2021

20 Analysis of changes in net funds

| | 1 September 2020 £'000 | Cash flows £'000 | 31 August 2021 £'000 |
|-----------------------------------|------------------------------|---------------------|----------------------------|
| Cash | 2,013 | 3,352 | 5,365 |
| Loans falling due within one year | - | (39) | (39) |
| | <u>2,013</u> | <u>3,313</u> | <u>5,326</u> |

21 Reconciliation of net income to net cash flows from operating activities

| | 2021 £'000 | 2020 £'000 |
|--|----------------|---------------|
| Net income for the reporting period | 15,128 | 11,545 |
| Adjusted for: | | |
| Net surplus on conversion to academy | (16,921) | (13,243) |
| Capital grants from DfE/ESFA and other capital income | (1,194) | (139) |
| Investment income receivable | (1) | (1) |
| Defined benefit pension costs less contributions payable | 1,979 | 1,010 |
| Defined benefit pension net finance cost | 232 | 152 |
| Depreciation of tangible fixed assets | 1,008 | 589 |
| Decrease in debtors | 388 | 73 |
| (Decrease) in creditors | (180) | (28) |
| Government grant transferred in | (3,866) | - |
| Net cash used in operating activities | <u>(3,427)</u> | <u>(42)</u> |

22 Long-term commitments, including operating leases

At 31 August 2021 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

| | 2021 £'000 | 2020 £'000 |
|-----------------------------------|---------------|---------------|
| Amounts due within one year | 4 | 3 |
| Amounts due in two and five years | 2 | - |
| | <u>6</u> | <u>3</u> |

23 Capital commitments

| | 2021 £'000 | 2020 £'000 |
|---|---------------|---------------|
| Expenditure contracted for but not provided in the accounts | 282 | 38 |

MARITIME ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2021

24 Related party transactions

Owing to the nature of the Trust'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 Trust's financial regulations and normal procurement procedures.

During the year Mr Osborne's spouse worked as a teacher at Ebbsfleet Green, 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.

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 Transfer of existing academies into the Academy Trust

On 1 September 2020 Barnsole Trust transferred into Maritime Academy Trust.

The fair value adjustment to cash relates to money received into Barnsole Trust that had not been included in the 31 August 2020 accounts.

| | Value reported by transferring trust | Fair value adjustments | Transfer in recognised |
|------------------------------|---|-----------------------------------|-----------------------------------|
| | £'000 | £'000 | £'000 |
| Net assets acquired | | | |
| Leasehold land and buildings | 20,657 | - | 20,657 |
| Other tangible fixed assets | 130 | - | 130 |
| Government grant | (55) | - | (55) |
| Cash and cash equivalents | 1,876 | 149 | 2,025 |
| Pension scheme | (5,836) | - | (5,836) |
| | <hr/> | <hr/> | <hr/> |
| Total net assets | 16,772 | 149 | 16,921 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |