

DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Pratley W Finn F Gibson DHET
Directors	W Finn, Chair of Directors A Teale, Chief Executive R Pizii M Simmons K Skerrett A Smith L Stevenson (resigned 18 October 2021) S Brown (appointed 9 March 2022) G Ewing (appointed 1 December 2021) C Watson (resigned 31 October 2022)
Company registered number	08762217
Company name	Diocese of Hereford Multi Academy Trust
Principal and registered office	Unit 11 The Business Quarter Sheet Road Ludlow SY8 1FD
Accounting Officer	A Teale
Senior management team	A Teale, Chief Executive Officer G Evans, Chief Finance Officer C McKeown, Deputy CEO M Stoppard, Deputy CEO
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors 1-3 College Yard Worcester WR1 2LB
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Academies in the Trust Bishop's Castle Primary School
Bitterley Church of England Primary School
Burford Church of England Primary School
Burley Gate Church of England Primary School
Condover Church of England School
Eastnor Parochial Primary School
Ludlow Church of England School
Ludlow Infant and Nursery school Academy
Ludlow Junior School
Morville Church of England Primary School
St Edward's Church of England Primary School
St George's Church of England Academy Clun
St Michael's Church of England Primary School
St Thomas Cantilupe Church of England Academy
Tenbury Church of England Primary School
The Hereford Academy

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Directors present the annual report together with the financial statements and auditor's report of the Charitable Company for the year end 31 August 2022. The annual report serves the purpose of both a Trustees' report, and a Directors report under company law.

The Trust operates 13 primary and 2 secondary academies in The Diocese of Hereford. These academies have a combined pupil capacity of 4,001 and had on roll of 2,984, including nursery, in the school census on 1 October 2021.

Comments from the Board of Directors

These comments are from the Board's strategic perspective and are to be read in conjunction with the CEO's report.

The academic year 2021-22 was another difficult one for education but one in which the board is pleased to note significant progress across the Trust. We would particularly highlight the following achievements, many of which are still underway and will benefit from further development:

External evaluation continues to demonstrate the Trust is succeeding in its primary objective to improve the quality of education offered in each of its schools. Three OFSTED inspections towards the end of the academic year (and two at the start of 2022-23) have all shown good progress vs. previous inspections. In some cases this has moved the school out of judgements of Special Measures or Requires Improvement, in some cases this has retained a judgement of Good against the latest and more demanding measurement criteria. As indicated in the CEO's report, the overview of where our schools are now vs. where they were at the start of this turnaround journey in January 2019, shows a very significant degree of improvement. As a Board, we are delighted to have lifted all the schools which had been placed into special measures under the previous Trust out of that category. Furthermore, the board knows that schools which have not been recently inspected continue to strengthen their provision. The availability of objective results data for this academic year, for the first time in two years, though welcome, is full of caveats. While improvements have been seen across our schools, the Board would like to see a greater level of improvement in future years.

Towards the end of the year the Trust's central team developed a 'School Matrix' which gives the Board an overview of the performance of each school across detailed criteria and enables us both to see areas of concern, where improvement is needed, and areas of high performance which can be shared across the entire trust. This process is not yet embedded into Board discussions but is already advancing as the basis of school improvement support sessions led by the SLT (see below).

This academic year has seen a number of changes at school leadership level, and the Board is pleased to note that our cohort of school Headteachers is now considered a Trust strength with no further areas of concern. Particularly important is the way in which existing Heads and Deputies have stepped up to become Executive Heads and Heads of School, showing a clear early pathway to talent development and succession planning. We have also brought in a highly respected local Executive Head from outside the Trust who is already having a positive impact. Critical to this process has been the high degree of personal support invested in new leaders by other experienced Heads within the trust, and we wish to develop this into an area of outstanding strength over the next few years.

Within the central team we have been able to increase the strength of our service to schools via the appointment of a new Chief Financial Officer, now a full-time post and also filled from within after a competitive interview process. This move is working and has led to increased simplicity, clarity and strength of budgeting and budget management processes. It has also opened the door to funding increased provision in support for schools as they improve quality of education and safeguarding.

The Board has been very supportive of the creation of a Senior Leadership Team to support the CEO. Both Deputies remain in post as Heads of their respective schools, but this move helps with succession planning and the quality of experience offered to each of our schools. The Board wants this move to be seen in the context of the creation of an Executive Leadership team (comprising our most experienced Heads and central officers) who are at the heart of our rapidly developing collegiate style of leadership: a future core strength for the Trust.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Our governance has improved at Board level by the welcome addition of Gordon Ewing, an experienced ex-Head and government inspector, and by Dean Sarah of Hereford Cathedral, both of whom have already made their expertise felt in quality of education and the development of our Church of England ethos. Improvements in our school governance have also been clear throughout this year, with a good balance of Local Academy Boards and Strategic Task Groups according to the needs of each school. The relationship between the Board and local governance has also improved with more frequent and shared meetings of chairs.

The Board is also aware of several areas where the Trust still needs to improve. As indicated above, we are keen to see a greater level of improvement in both educational attainment and progress. While recognising the huge disruption that the last few years of the pandemic have caused, and the need to treat the latest data with caution as a result, the Board, the SLT and the ELT are committed to seek further ways of increasing the educational outcomes for our children. None of us are yet happy with where we are.

As indicated above the turnaround is impressive and essentially complete and the Board is delighted with progress here. However, it leaves us with 13 schools rated Good, one Outstanding and one Requires Improvement. We need to begin strategic discussions on how we will have more schools rated at the highest level, without compromising on the on the areas that we know make for very strong schools and which are not always reflected in an OFSTED judgement.

At governance level, we are keen to further develop our abilities at Board level to add more value in quality of education and the development of our distinctive Christian ethos, and would like to make specific progress in these areas, helped by our two new Directors. The Board itself could also expand and increase its diversity to ensure even stronger governance.

Our finances, while stronger thanks to management improvements and to a degree of higher funding through the pandemic, nevertheless require strengthening, particularly in light of the (currently) unfunded teacher's pay award for the year 2022-23. This strengthening is required to attain reserve levels in line with government guidelines and to further improve the degree of central support the Trust can offer its schools. We have benefitted from an SRMA review of our finances toward the end of this year, and while there was some double counting in their recommendations, it is clear that we could be more efficient, particularly in curriculum development and associated staffing at both senior schools.

While improvements in efficiency will be made, it is clear to the Board that the Trust needs to expand in order to reach a critical mass that will allow us to offer the level of service and support to our schools, that we would wish, and that the Trust is now strong enough and ready to offer a high degree of service to new schools. While we are early in this process, the Board is pleased with the actions taken by the CEO and his team and the way he keeps us informed and asks for our guidance on handling this critical strategic issue. It has been helpful to have the Chair, CEO and two of our Heads become members of the Diocesan Board of Education. The Board would like to express their thanks and congratulations to the CEO and his team, and to the ELT and all our school leaders for a very strong year.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Diocese of Hereford Multi Academy Trust (DHMAT) was incorporated on 5 November 2013, as a company limited by guarantee and an exempt charity.

An exempt charity has charitable status and is required to comply with charity law, but unlike other charities it:

- cannot register with the Charity Commission (Commission)
- is not directly regulated by the Commission and instead has (or will have) a principal regulator
- may only be investigated by the Commission as part of a statutory inquiry at the request of its principal regulator

On the 23 July 2019, the Members agreed to formally changed its name to Diocese of Hereford Multi Academy Trust (DHMAT). The Charitable Company's Memorandum and Articles of Association are the primary governing documents of DHMAT.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

The Directors of the Diocese of Hereford Multi Academy Trust are also the Directors of the Charitable Company for the purposes of company law. The Charitable Company operates as Diocese of Hereford Multi Academy Trust.

Details of the Directors who served throughout the year, and to the date these accounts are approved, are included in the Reference and administrative details later in the report.

Members' Liability

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

Directors' Indemnities

Directors benefit from indemnity insurance purchased at DHMAT's expense to cover the liability of the Directors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Directors knew to be a breach of trust or breach of duty or which was committed by the Directors in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Directors in their capacity as Directors of DHMAT. The limit of this indemnity is £500,000.

Method of Recruitment and Appointment or Election of Directors

DHMAT runs a number of academies including Church of England and Community academies. To ensure that the vision and ethos of the Church of England is upheld in the Church of England is upheld in the Church academies. The Diocesan Board of Education appoint the DHMAT members; these Members represent the Church of England and at least 50% of all Directors will be appointed by the Church of England. This reflected in DHMAT's Articles of Association.

Potential new Directors are identified through a number of sources including the Diocese of Herford and the Regional School's Commissioner Academy Ambassadors programme. When appointing new Directors, the Board give consideration to the skills and experience mix of existing Directors in order to ensure that the Board has the necessary skills to contribute fully to DHMAT's development. Following an interview with Chairman of the Board and Chief Executive Officer, their names are proposed to DHMAT's Members for approval.

The Directors of DHMAT can co-opt additional Directors on to the board for a maximum period of one year.

The Board as at 31 August 2022 consist of:

W Finn	Co-Opted Non-Executive Director – Chair
A Smith	Non-Executive Director – Vice Chair
A Teale	Chief Executive Officer
M Simmons	Co-Opted Non-Executive Director
C Watson	Co-Opted Non-Executive Director
R Pizii	Co-Opted Non-Executive Director
K Skerrett	Co-Opted Non-Executive Director
S Brown	Co-Opted Non-Executive Director

Directors are appointed for a four-year period (apart from the CEO who serves for the duration of their appointment). Subject to remaining eligible to be a particular type of Director, any Director can be re-appointed.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Policies and Procedures Adopted for the Induction and Training of Directors

The training and induction provided for new Directors will depend upon their existing experience but would always include an offer to visit DHMAT's academies and a chance to meet staff and pupils. All Directors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Directors. As there are normally only one or two new Directors a year, induction tends to be done informally and is tailored to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

There is a Directors' away day organised each year which includes training sessions to keep the Directors updated on relevant development impacting on their roles and responsibilities.

Organisational Structure

The structure consists of the following levels: DHMAT Members (appointed by the Diocesan Board of Education (DBE) and made up of the Diocesan Director of Education (DDE), the Chair and two others), the DHMAT Board, the Chief Executive Officer (CEO) and individual Academy Local Academy Board (LABs)/Strategic Task Group (STGs). The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels whilst maintaining accountability.

The DHMAT Board ensure compliance with charity and company law requirements and has two core functions: to set the strategic direction of the organisation and to ensure the financial probity of DHMAT.

There were two committees in operation for the financial year as follow:

- Finance and Resources Committee – this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with report and regulatory requirements and reporting, receiving reports from the Responsible Officer/Internal Auditor considering senior officer salaries and drafting the annual budget including setting staff levels. It also covers the role of an Audit Committee which includes monitoring, spending, risk register and annual accounts.
- Standards Committee – this committee forms part of the main board meeting so all Directors attend. The committee is responsible for evaluating and reviewing Trust wide policy, practice, and performance in relation to curriculum planning, communications, target setting and assessment, examinations, and all pastoral issues.

The following decisions are reserved to the Board of Directors: to consider any proposals for change to the status or constitution of DHMAT and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Clerk to the Directors, to approve the Annual Development Plan and budget.

The Directors are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring DHMAT by the use of budgets and other data and making major decisions about the direction of DHMAT, capital expenditure and staff appointment.

The Directors control the academies at an executive level, whilst the Senior Leadership Team (SLT) in each academy (Executive Headteachers, Headteachers, and Deputies) implement the policies laid down by the Directors and report back to them on performance. The SLT are responsible in line with DHMAT Schemes of Delegation (SoDAs), for the authorisation of spending within agreed budgets and the appointment of the majority of staff.

A Local Academy Board (LAB)/Strategic Task Group (STG) has been created for each academy on conversion to undertake the day-to-day running of their individual academies in line with their respective SoDAs. In principle, these bodies should consist of no fewer than five and no more than eleven governors made up of:

- A minimum proportion of Foundation governors appointed by the DHMAT Board – 25% for voluntary controlled designated, and 50% for voluntary aided designated schools;

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- A minimum of two Foundation governors appointed by and representing the DHMAT Board for community schools;
- The Headteacher (ex-officio);
- One elected member of staff; and
- Two appointed parent governors.

Provided that there is a majority of DHMAT appointed Foundation governors, the LABs/STGs may appoint co-opted governors on an annual basis to provide specific skills, which the LGB needs at the time of appointment. LGB governors are appointed on a four-year basis with the exception of those appointed as ex-officio.

The Chief Executive Officer is the Accounting Officer.

Arrangement for Setting Pay and Remuneration of Key Management Personnel

The directors consider the Board of Directors and the Central leadership team comprise the key management personnel of DHMAT in charge of directing, controlling, running, and operating DHMAT on a day-to-day basis. All Directors give their time freely and no Director received remuneration in the year to perform their role as Director.

Details of Directors' expenses and related party transactions are disclosed in the notes of the accounts.

The Directors benchmark staff pay against pay levels in other Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles.

Trade Union Facilities Time

Relevant Union Officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
5	5

Percentage of time spend on facility time

Percentage of time	Number of employees
0%	5
1-50%	0
51-99%	0
100%	0

Percentage of pay bill spent on facilities time

Total cost of facility time	£2,338
Total Pay bill	£14,290,127
Percentage of total pay bill spend on facility time	0.02%

Paid Trade union activities

Time spend on paid trade union activities as a percentage of total paid facility time hours	0%
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Connected Organisations, including Related Party Relationships

There are no related parties that either control or significantly influence the decisions, strategy, and operations of DHMAT or its academies. There are no sponsors or formal Parent Teacher Associations associated with DHMAT.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

DHMAT, although a sponsor in its own right, maintains a close relationship with the Diocese of Hereford, specifically the Education Team, and ensures that all transactions are carried out in compliance with the related party transaction regulations, and at costs.

Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials;
- Having staff representative on Local Academy Boards;
- Weekly Head briefings; and
- Half termly meetings with the Headteacher.

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

The Trust personnel engages with its key suppliers such as the HR provider, finance software partners, and catering companies on a regular basis during the year to ensure the service meets the needs of the Trust.

OBJECTIVES AND ACTIVITIES

Mission and Ethos

We are a Church of England academy trust which includes Church of England academies and community academies.

The Church of England has been involved in education in England for hundreds of years. CE schools are not faith schools. They are highly inclusive places and aim to provide a vibrant education to all children in a community, not just to Christian families, but for everyone from all faith backgrounds, including those of no faith.

Jesus excluded no-one from his ministry and focused on the most vulnerable in society. Ours is an education for everyone.

'Education for Life in All its Fullness', is the goal of the Church of England's vision for Education and unsurprisingly, this is central to the vision for our diocese and our trust. At the heart of this shared vision is the search for a wisdom that rings true both with the Bible and Christian understanding and with experienced educational practice in the twenty-first century.

Support for school leaders is all too often lacking in our education system and in our Diocese. We work to provide additional and bespoke support and sustenance to our school leaders, especially our Headteachers. We cherish our school leaders because we know that high-performing headteachers and school leaders build and sustain high-performing schools which in turn enable our children to flourish.

We work in partnership with the Church of England's Foundation for Educational Leadership and together we aim to:

"inspire a set of leadership practices that both exemplify Wisdom, Knowledge & Skills, Hope & Aspiration, Community & Living Well Together, and Dignity & Respect, and that also go to the heart of educational purpose: Called – inspiring the vocation of the education leader; Connected – enabling the flourishing of children, adults, teams and communities; Committed – sustaining long-term engagement in realising this vision for education." - ***Called Connected Committed CEFEL 2020***

The DHMAT Vision

A Light in the Hereford Diocese: Grace, Service & Family

In the field of education within our rural region, the Diocese of Hereford Multi-Academy Trust has a vocational mission of Grace and Service, which helps to support our families through education.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

A Light of Grace – The Parable of the Two Sons

Jesus told a parable about a family. A parent's love for his youngest son, knew no limits. Though he had every reason to show anger, disappointment, frustration, and despair, he instead welcomed him home with open arms and showed the limitless power of love. The richness of this parable contains many lessons used to guide the mission of our group of schools.

We are fully committed to ensuring, through God's grace, that the education provided by our academies, equips every child and young person in our care with the necessary wisdom, knowledge and skills they need, to open up horizons of hope and aspiration in their young lives. We try to see each single person through God's eyes.

A Light of Service - The Good Shepherd

Jesus offers a new vision of what we are invited into. His promise of life in all its fullness is given when he describes himself as the good shepherd who calls his sheep by name, loves them to the point of laying down his life for them, and opens up a vision of an ever-wider, united community (John 10:1-18). A school where the things that go wrong are faced in that spirit can nurture in children a lifetime of perseverance in hope. - ***Called Connected Committed CEFEL 2020***

Saint Thomas Cantilupe, Hereford's own Saint, became the Bishop of Hereford in 1275. Known as the father of modern charity, his story of service and sacrifice has inspired many to undertake pilgrimage to his shrine in Hereford Cathedral.

Like St Thomas, ours is a mission of service. We exist to serve the children and families of our diocese by providing an enlightening and inspiring education. We are here to develop qualities of character that enable children to flourish together, respecting human dignity and with appreciation of the ultimate worth of each person.

A Light for Family

"The Diocese of Hereford has seldom held and is never likely to hold, a very conspicuous place among the dioceses of the Church of England, but it has claim to represent that unobtrusive phase of life which is expressed to us in the notion of family." - ***A Diocesan History – 1888 By Henry Wright Phillott - Extract from Saints and Sinners of the Marches by Michael Tavinor***

Our diocese and our trust continue to recognise the importance of family at the very heart of things, especially for our children. We maintain a climate where families can flourish together. We also try to work together as a family of academies, different in countless ways, yet bound together by a common purpose to give the children of our diocese, the best start in life, we possibly can.

We are here to develop qualities of character that enable children to flourish together, respecting human dignity and with appreciation of the ultimate worth of each person. Ours is an education which builds bridges, and which enables all our children to live a life in all its fullness.

Our Purpose

The purpose of DHMAT is to develop and maintain good and outstanding academies across the Diocese of Hereford, whether they be Church of England academies or community schools. We will act as a vehicle for sharing the best practice across leadership, governance, teaching and learning and business support. We facilitate a deep collaboration between schools.

DHMAT is able to act as lead sponsor for any Church School within the Diocese who wishes to become an academy or Church schools which are being directed to become sponsored academies by the Department of Education (DfE). DHMAT may also act as strong locally rooted trust. for any community school within the Diocese who wishes to become an academy.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Our trust's mission is to establish and manage a family of academies, where inclusive values and academic excellence enables studies to learn within an environment of respect for themselves and others.

The aims of our trust are summarised below:

- To ensure that our academies are centres of excellence with a focus on the nurture and achievement of all their children and young people
- To foster, maintain and celebrate the Christian distinctiveness of our Church Schools
- To promote mutual support, encouragement, and benefit between all our academies
- To develop, as the foundation stone of academic achievement, a strong culture of professional development amongst our staff
- To recognise and address the challenges of small rural communities
- To celebrate and maintain the unique identity of each academy within its community, and within the family of academies
- To recognise and enable those who often remain invisible, through ethnic or cultural disadvantage, or through disability or poverty

DHMAT adopts a collegiate approach to developing communities of excellence. At DHMAT we aim to achieve the best for, and from, each child. We enable each child to realise his or her full academic, creative, and physical potential and to develop positive social and moral values. Our academies are communities in which children, staff and parents should be part of a happy and caring environment.

Strategies, and Activities

As a Multi-Academy Trust, we have clear strategic aims which are founded on our mission and values. This plan sets out the following objectives to ensure that as a Trust, the public, parents, and all stakeholders have confidence in our approach.

Key priorities for the year are set out below:

Strategic Governance: To ensure that the Board of Directors of DHMAT acts on behalf of its moral and legal owners in the best interests of DHMAT, governing lawfully in accordance with its Articles of Association and having governance arrangements that demonstrate legitimate and visionary leadership, clarity of governing and managerial relationships, effective oversight, adequate support structures for sustainability and to achieve the greatest possible economies.

School Improvement – Teaching and Learning: To ensure that our academies provide the very best teaching in order to promote and provide high quality learning for our children and young people and that there is support in place for teachers to achieve this and make a difference for our pupils.

Continued Professional Development: To implement a CPD programme for our academies to ensure that our staff have the right skills to further raise standards delivers good teaching and learning and disseminate good practice to ensure the rapid improvement for pupil outcomes.

Quality Assurance: To ensure that there is a rigorous and robust programme of Quality Assurance that helps to support teachers, build expertise and capacity, and raise standards in our academies to deliver outcomes for pupils.

Integrated Support and Shared Services: To ensure that DHMAT has business arrangements that are efficient and effective and enable to deliver on its commitments to grow and prosper and deliver value for money across all DHMAT academies. Delivering best practice, minimisation of risk and for management of resources to be concentrated to the front line of our academies.

Key activities and targets were influenced by significant challenges and opportunities arising from national changes in education policy and funding. The activities included the following:

- Curriculum development and subject leadership;

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- Building maintenance projects including LED lighting installation;
- Development of a new websites to support communication;
- Development and embedding of key financial and administrative procedures; and
- Appointment of new CFO.

Public Benefit

The Directors confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance which reviewing DHMAT's aims and objectives and in planning its future activities.

DHMAT aims to advance for the public benefit, education in the Diocese of Hereford and the surrounding area. In particular, but without prejudice to the generality of the forgoing by maintaining, managing, and developing school, offering a broad curriculum.

DHMAT provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

STRATEGIC REPORT

Achievement and Performance

Though we have continued to make significant progress, as planned in a number of key areas, the first half of last year was again dominated by Covid-19 in DHMAT, as it has been for the rest of the education sector and indeed the whole nation. The pandemic disrupted three academic years and has formed the most challenging time for the education sector, since the Second World War. Our educational professionals have risen to this challenge to ensure that our Trust has not only coped but flourished.

The year has brought some milestone achievements for the Diocese of Hereford MAT. It has seen us begin the transition from a recovery phase (which began in Jan 2019) to a new chapter of growth and development of a much stronger and high performing MAT. With growing concerns for school support structures and finance, the need for DHMAT to be a strong and safe sanctuary for our schools and our families, is greater than ever before.

At the start of 2019, we had three schools in special measures. By September 2021, we had none and therefore no CE schools in special measures in the whole of the Hereford Diocese. The Hereford Academy achieved the first outstanding OfSTED judgment in its history (Personal Development) and St Thomas Cantilupe CE Primary was the first school to secure a 'good' judgement for Quality of Education and Overall Effectiveness since the pandemic suspension of OfSTED inspections. These two schools along with Ludlow Primary are now exemplars of best practice for the trust and beyond.

By the summer of 2022, all 15 of our schools had been awarded (at least) a good judgment from OfSTED for Leadership and Management, Behaviour and Personal Development.

Major achievements in last 12 months

- Supported MAT academies and wider education system though a further year of Covid pandemic challenges.
- Burford CE Primary- Moved from Requires Improvement to Good - May 2022 and OfSTED rating of good in Quality of Education, Behaviour, Personal Development & Wellbeing and Leadership & Management. We have seen significant increases in pupil numbers.
- St Edwards CE Primary Dorrington – Inspected in summer 2022 for the first time since was placed in special measure in 2016 and for the first time since joining the Trust. Achieved a good judgement in all areas.
- Conover CE Primary Dorrington – Inspected in summer 2022 for the first time since joining the trust. Achieved a good judgement in all areas.
- Recruited new DHMAT board members (experienced educationalist & Dean of Hereford Cathedral)

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- New full-time Chief Finance Officer appointment for DHMAT.
- Increased central staffing capacity on school improvement and safeguarding
- Creation of effective Executive Leadership Team. Still developing and will continue to do so but has significantly grown our leadership capacity.
- Lots of strong staff appointments at Headship and general teaching levels in key schools – New leadership at Bitterley, Burley Gate and St Michaels Bodenham. New strategic task group at Bishop's Castle and new executive headteacher appointed. Strong new leadership and governance recognised by OfSTED.
- Supporting Diocesan approach to an increasingly academised system.
- Effective use of remote training and communication for DHMAT academies and central staff.
- Stronger reputation – locally, regionally (school's commissioner), nationally (Church) (E.g. asked to support DELP training module for next cohort).
- DHMAT became Regional Delivery Partner for National Professional Qualification training with the CE Foundation for Educational Leadership and is the training partner which is leading on the NPQLTD (National Professional Qualification in Leading Teaching Development) programme for the Hereford, Gloucester and Worcester Dioceses.
- Moved into new phase of Trust growth and development. Team presentations given so far to eight schools.

Ongoing challenges

- All children have now experienced, to varying degrees, three years of significant disruption to their education. It is impossible to reverse the impact of this entirely. The negative impact is greatest is likely to be greatest for children and young people who were already facing challenges.
- Long awaited government White Paper was published in March. The expectation is that a major reform of the education system in England, will require all schools to be in strong multi-academy trusts by 2030.
- We want to grow DHMAT capacity to support schools with a stronger staffing structure and larger central team, but we lack the resources to go ahead as quickly as we would ideally like. We would like a full-time Estates Manager and a full time HR Manager, for example. We'd also like to move away from using consultancy towards more employed staff.
- We want to create rich curriculum opportunities that schools can't do alone, but cost can be a barrier. Music festivals and concerts. Theatre performances. DHMAT wide sporting opportunities and experiences. New opportunities and events are planned for 2022-23, including cathedral concerts.
- Continued development of governance model especially within the local layer. Strategic Task Group model has proved very effective as well as time-efficient but is difficult to up-scale to much larger numbers of schools.

Key Next Steps

- In the Hereford Diocese, DHMAT will become an increasingly central part of the strategy of moving more schools into multi-academy trusts. We are aiming to at least double the number of DHMAT pupils in the coming years.
- Continuing our journey towards being a strong multi-academy trust, as the government makes clear the detail of what that term actually means and as the education system reforms around us.
- Onboarding new schools. This will be an 8 to 10-year process and there are still questions around the route for small and vulnerable schools.
- Growing central capacity for support and development.
- Stronger systems of monitoring and support leading to better quality assurance in all 15 academies as well as those yet to join.
- Increasing alignment across schools on contracts and services in order to increase efficiency and to enable us to do more.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Conclusion

Thank you to the members and directors of DHMAT who have supported the complex journey so far and especially through these challenging, recent years. Your input has been instrumental in securing the progress achieved and the difference we have made to headteachers, schools, families and to the education and life chances of each individual child.

"That they might have life in all its fullness."

Inspections in 2021-22

St Edward's CE Primary (Dorrington) – April 2022

St Edwards CE Primary School received a section 5 (2 day, graded) inspection in the first week of the summer term. This was the first inspection since the school joined the trust. Its predecessor school (Dorrington CE(VA) Primary) was placed in Special Measures in March 2017. So, although technically St Edward's was not 'in' Special Measures, it was still very much linked with the old Dorrington CE(VA) OfSTED report. Anyone moving to the area, looking to find out more about local schools, could search the OfSTED website and find the 2017 report. Numbers on roll have fallen in the 30s and it is one of the smallest CE schools in the Diocese. Kerrie Lewis is the Executive Headteacher at St Edward's, Condoover and Bitterley. The inspection judged the school to be good in all areas.

OfSTED Report highlights:

"St Edward's is a school that pupils are proud to attend. Pupils happily come into school each morning. They are polite, friendly and welcoming. Pupils say that their school is like a family and that everyone is treated fairly. Pupils feel safe because the staff know them so well. They say that fallings out happen, but bullying is very rare. They appreciate the support and care they get from adults in the school as well as from Mabel, the school dog.

There is a strong focus on pupils' personal development. Pupils learn to respect and value other faiths, cultures and beliefs. Pupils are taught to be active citizens. They work closely in the community, doing things like holding a village carol concert.

Governance is strong. Trustees and members of the local academy board closely monitor the school. They have a clear and accurate view of the school. Leaders are aware of their statutory duties. They ensure that staff members' workload and well-being are considered. Staff feel valued and well supported.

Condoover CE Primary School – (Section 8, 1 day) May 2022

This was the first inspection Condoover has received since joining the trust as a converter academy in 2017. This came very soon after the Dorrington inspection and many staff were involved in both.

We were delighted with the outcome of the section 8 inspection process which leaves the schools grading from its last (2012) section 5 unchanged i.e. Good in all areas.

OfSTED Report highlights:

"Condoover CofE Primary School is a happy and welcoming school where Mabel, the school dog, greets you at the door with a wagging tail. There is a strong sense of community, and relationships between staff and pupils are very positive.

Leaders and staff have a clear vision for the school. They have high expectations of all pupils and expect them to work hard and achieve their best. Leaders and staff want all pupils at the school, including those with special educational needs and/or disabilities (SEND), to become well-rounded learners. As a result of this, they have thought carefully about the curriculum to ensure that every pupil's experience is a positive and successful one.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Pupils' personal development threads through all learning in school. Pupils understand why they need to show respect to others. They welcome and respect everyone in school and celebrate their differences. Staff and pupils actively promote the school's Christian values. Governors know the school well. The school also receives good support from the trust. Leaders are aware of the workload pressures on staff, and they manage these well."

Burford CE Primary - Section 5 (2 Day Inspection) 8 & 9th June

This was the first OfSTED inspection Burford has received since Autumn 2019 when it was judged to be 'Requires Improvement'. Headteacher Emma Winters (now Partridge) had only been in post a few weeks. There was great joy with the inspection outcome as the school achieved a good judgment in all areas.

OfSTED Report highlights:

"Burford Primary is a warm, welcoming school. Pupils are happy and they love to learn, especially in mathematics. Pupils are kind and they behave well.

There is a clear and shared ambition for all pupils to achieve their best. Leaders, the academy trust and staff have worked really hard to improve the quality of education since the last inspection. They have focused on the right priorities. They have introduced a new curriculum that is well-planned and sequenced in all subjects. Pupils' personal development is at the heart of this school. Teachers work closely with faith leaders to deepen pupils' understanding of people's similarities and differences. In a recent assembly, a pastor led discussions on 'Who can we love?' to challenge stereotypes of race, gender and disability.

Leaders from the Diocese of Hereford Multi-Academy Trust (DHMAT) provide strong governance and support for school leaders. Trust governors keep a close eye on the quality of education. The trust provides access to networks and professional mentors which is valued by leaders."

Bishop's Castle Primary School - Ungraded (1 Day) Inspection 15th Sept

Bishop's Castle, despite the name, is not a CE school. This was the first inspection the school has received since joining the trust as a converter academy in 2018. The trust has installed new governance and significant support in the last 18 months. The previous Headteacher left in March, we installed an acting headteacher for the summer and a new leadership structure since September. Kate Mather is the Executive Headteacher (with Ludlow Primary) and Katie Froggett is our Head of School. We have a new academy improvement partner supporting the school who is a lead OfSTED inspector.

Given the intensive improvement work we have been doing and the new leadership structure we were pleased with and full agreement with the outcome of the ungraded inspection. We will receive a graded inspection in 12 to 24 months but the strength of leadership and decisive action of the trust, were fully recognised.

OfSTED Report highlights:

"Pupils are happy at Bishop's Castle Primary School. They are eager to learn. Most are keen readers, and mathematics is a favourite subject. Pupils enjoy a wide range of extra-curricular clubs, including sporting and creative activities. School trips add to pupils' enjoyment and understanding of their work.

Leaders have the right priorities. They have drawn up strong plans to improve the school, and these are beginning to take effect. The multi-academy trust (MAT) that runs the school is providing valuable support

Over the last year, the multi-academy trust (MAT) has taken decisive action to strengthen the governance of the school. It has coordinated effective support from other schools in the trust. Newly appointed leaders know the school's strengths and weaknesses, and have identified the right priorities. Their plans have started to show results, for example in the teaching of early reading."

St George's CE Primary (Clun) - Ungraded (1 Day) 21st September

This was the first OfSTED inspection since the school joined the trust in May 2018. It is headteacher Rebecca Manning's first OfSTED Inspection as a headteacher. The inspection confirmed that St George's remains a 'good' school.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

OfSTED Report highlights:

“Pupils thrive at St George’s C of E Academy. They feel safe, and they very much enjoy life at school. Staff care for them as individuals. Pupils like reading, and they read widely. The school is very much part of the local community. Parents and carers share their children’s enthusiasm for the education provided.

Leaders have high expectations for staff and pupils alike. They have given careful consideration to every aspect of the school. Leaders have planned a broad and ambitious curriculum, identifying clearly what pupils should know at each stage. From Nursery onwards, staff focus on developing pupils’ independence. Staff identify any additional needs promptly.

The multi-academy trust (MAT) that runs the school has provided effective support.”

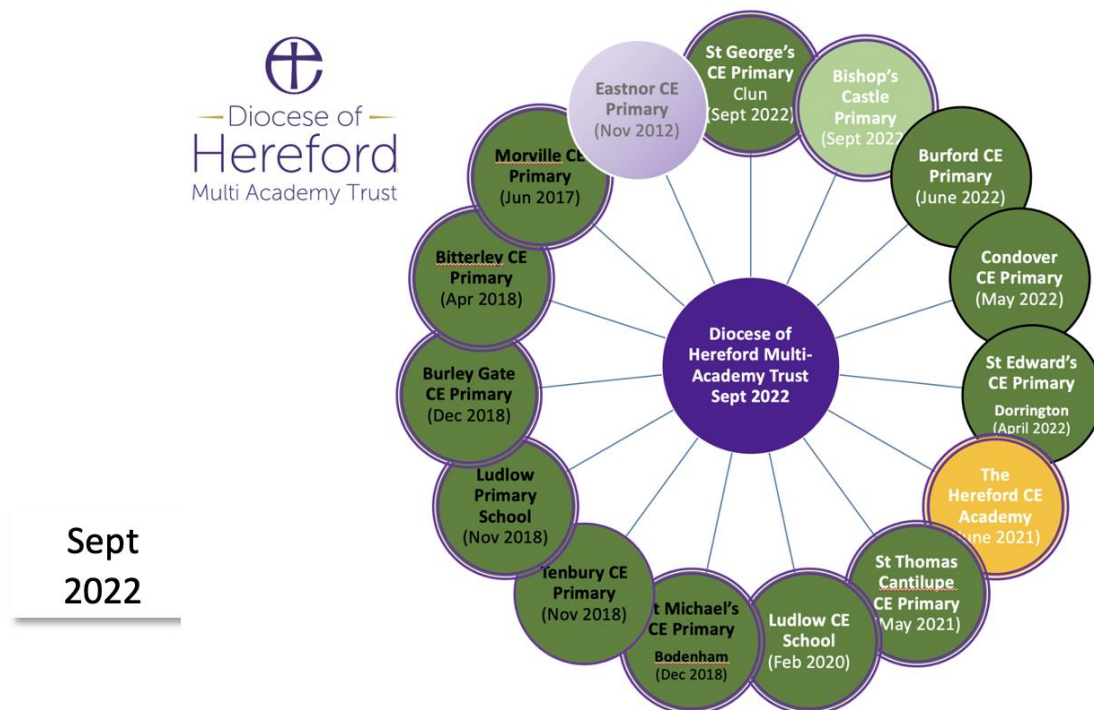
DHMAT OfSTED Inspection Improvements Since 2019

14/15 of our academies now have a good judgment for Quality of Education.

15/15 have at least good for leadership and management, behaviour, early years and personal development.

This represents a complete transformation since Jan 2019 and is also a significant step forward in the last academic year (see circle diagrams below).





Public Examinations & Tests

When the Prime Minister announced the January 2021 lockdown, he also announced that summer 2021 public examinations would also be cancelled. The government ran a consultation on how best to carry out assessments in 2021.

Algorithms were not to be used in 2021, as they had been in 2020. Instead the grades were based on rigorous teacher judgments.

Quality of Education Director Summary

- Progress has been made in both schools from the last full assessments of 2019. As mentioned above, comparison should be done with caution.
- For THA, Progress 8 is still below where they would like but grade improvement is pleasing. A National Average analysis once data is finalised is more revealing – early indications show for THA Maths only 5% behind on 9-4 and 9-5, Science only 5% behind on Double Award Science and English 15% behind across the board.
- We are heartened to see the return of Triple Science to THA, giving students a greater option to access further opportunities in the further education.
- Ludlow have had very strong English results which provisionally impact very positively on their Progress 8.

The Hereford Academy Year 11 Results

Headline figures- summary- All analysis will be done in relation to 2022 Early Entry rules: discounting Lit results.

Attainment 8 up to 3.75 (Lit incl= 3.96)

This is a ½ grade average improvement across the board from the last external validated examinations (3.03-2019). We have been rigorous with our predictions and thus we are pleased that exit data is in line with final results. SISRA allows us to collaborate with all other school nationally so we may have some collaboration data on P8 by September.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

The narrative of some inflation does require consideration in relation to use of 2020 boundaries however this is the first year of the new KS2 P8 comparison. Of more impact is the fact that of our cohort of 94 we have ten we have requested grade adjustment for and 23 we are appealing for grade recount.

EBACC 8 and EBACC: EBACC 8 NA, EBACC up from 4.7% to 6.4% at standard (9-4)

Our EBACC pass rate will dip until Languages recovers in the Academy however Triple Science pathway will be coming through in 12months which will fill in this gap for 2023 results.

Entries

Overall Entries now at 7 GCSEs with average overall entry 7.8 (the entry profile has been lowered by a number of non entries across the board). 7 students were entered for no qualifications due to consistent lack of attendance and work throughout the Covid lockdown period- these students have complex CP concerns which had been escalated to the LA.

Ludlow CE School Year 11 Results

2022 is a "transition year" between 2021 (when assessment was done directly by schools) and 2019 (the last year exams took place). This means overall grades will be about halfway between the two nationally. However, we have been advised to exercise caution over any comparisons with pre-pandemic outcomes as they are not very useful or meaningful

We know that the grading is more generous than 2019, but we have had some very positive subject outcomes: 17 subjects have performed better than in 2019, and several subjects have exceeded even the higher progress figures of 2022 – Art, Dance, E&M, Food, Geography, GCSE PE and Spanish. I believe this are possibly the best results we have ever had in these subjects.

Outcomes overall 49% on/above F20 – getting closer to 50% but needs to be nearer 60% for a positive P8

Attainment 8: 44.3 (43.3 in 2019)

Progress 8: early estimate from SISRA: -0.21 (English -0.06; Open+0.03) (2019 -0.46)

PPG 43.3% versus 51.3% others (8% gap) - this is significantly smaller than the national gap; Middle Ability disadvantaged students exceeded the performance of "Others".

SEND performed less well against non-SEND F20: 38% versus 50% others (12% gap)

Boys performed well against girls in terms of progress: % met F20: 47.8% versus 50%; English Lang and Lit they exceeded % meeting F20 by 10%

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

The Hereford Church of England Academy: GCSE Outcomes 2022- Results without English Lit (Results with English Lit)								
Measure		All	Male	Female	SEND	Non-SEND	Disadv	Non-Disadv
Key Stage 4 Cohort	Number of Students at end of KS4	92	55	37	14	78	40	52
Progress 8 &	Progress 8	-0.82	-1.02	-0.48	-1.47	-0.66	-0.96	-0.73
Attainment 8	Attainment 8	38.1 (40.26)	36.57 (37.67)	40.45 (42.64)	27.43 (29.57)	40.05 (42.18)	34.70 (36.77)	40.77 (42.94)
Ebacc	% of cohort achieving the English Baccalaureate at Grade 4 or above	6.4	7.3	5.4	0	7.7	0	11.5
	% of cohort achieving the English Baccalaureate at Grade 5 or above	5.4	5.5	5.4	0	6.4	0	9.6
	% of cohort entering the English Baccalaureate	6.5	7.3	5.4	0	7.7	0	11.5
	Ebacc average point score	3.18	3.16	3.21	2.24	3.35	2.82	3.46
Ebacc Subjects	% of cohort attaining a standard pass (Grade 4) or above in English	55.4 (71.7)	43.6 (63.2)	73 (83.8)	42.9 (50)	57.7 (75.6)	47.5 (62.5)	61.5 (78.8)
	% of cohort attaining a strong pass (Grade 5) or above in English	30.2 (48.9)	32.7 (38.6)	51.4 (64.9)	7.1 (14.3)	46.2 (55.1)	35 (42.5)	44.2 (53.8)
	% of cohort attaining a standard pass (Grade 4) or above in maths	60.9	65.5	54.1	42.9	64.1	55	65.4
	% of cohort attaining a strong pass (Grade 5) or above in maths	44.6	49.1	37.8	14.3	50	45	44.2
The Basics	% of cohort attaining a standard pass (Grade 4) or above in English & maths	44.6 (53.3)	40 (52.6)	51.4 (51.4)	21.4 (28.6)	48.7 (57.7)	37.5 (45)	50 (59.6)
	% of cohort attaining a strong pass (Grade 5) or above in English & maths	30.4 (35.9)	30.9 (35.1)	29.7 (35.1)	7.1 (7.1)	34.6 (41)	25 (32.5)	34.6 (38.5)

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Ludlow CE School: GCSE Outcomes 2022 - SISRA								
DfE Performance Table Data – this includes ALL students, including five students who did not attend school or sit any exams in Year 11								
Measure		All	Male	Female	SEND	Non-SEND	Disadv	Non-Disadv
Key Stage 4 Cohort	Number of Students at end of KS4	104	49	55	10	94	31	73
Progress 8 & Attainment 8	Progress 8 DfE Published Figures (all students)	-0.38						
	Attainment 8 DfE Published Figures (all students)	42.4						
	Progress 8 (SISRA collaboration)	-0.21	-0.45	-0.02	-0.83	-0.16	-0.43	-0.13
	Attainment 8	44.38	40.78	47.63	27.5	46.20	37.09	47.51
Ebac	% of cohort achieving the English Baccalaureate at Grade 4 or above	14.4	10.2	18.2	10.0	64.9	16.1	13.7
	% of cohort achieving the English Baccalaureate at Grade 5 or above	7.7	8.2	9.1	0.0	9.6	6.5	9.6
	% of cohort entering the English Baccalaureate DfE Published Figures (all students)	19.0	18.4	21.8	10.0	21.3	19.4	20.5
	Ebac average point score (DfE) DfE Published Figures (all students)	3.53	3.48	3.89	2.17	3.86	3.06	3.96
Ebac Subjects	% of cohort attaining a standard pass (Grade 4) or above in English	79.8	73.5	85.5	50.0	83.0	61.3	87.7
	% of cohort attaining a strong pass (Grade 5) or above in English	62.5	51.0	72.7	20.0	67.0	45.2	69.9
	% of cohort attaining a standard pass (Grade 4) or above in maths	58.7	57.1	60.0	30.0	61.7	38.7	67.1
	% of cohort attaining a strong pass (Grade 5) or above in maths	32.7	28.6	36.4	10.0	35.1	19.4	38.4
The Basics	% of cohort attaining a standard pass (Grade 4) or above in English & maths	58.7	57.1	60.0	30.0	61.7	38.7	67.1
	% of cohort attaining a strong pass (Grade 5) or above in English & maths DfE Published Figures (all students)	28.0	22.4	36.4	10.0	31.9	19.4	34.2

Academy Updates

Primary Academies

Bishop's Castle Primary School

Bishop's Castle became a converter academy in April 2018. Ofsted inspection in September 2022, retained Good judgement.

Trips & visits restarted post-covid such as Enginuity and Elan Valley. Class 5 did a 5 day residential to Pembrokeshire Autumn 2021.

The Young Engineers entered a Goblin car into the Goblin Car Race in Lichfield. There was Young Shakespeare performance in school and Class 5 and Class 1 watched performance at Theatre Severn. Class 3 and Class 4 had weekly instrument sessions with Shropshire Music Service. Bikeability and Crucial Crew took place. The whole school celebrated the Queen's Jubilee. Class 5 did 4 day residential to Pembrokeshire Autumn 2022.

Bitterley CE Primary School

Bitterley became a converter academy in July 2015. Its most recent OfSTED inspection was carried out in April 2018 when it was judged to be good. Its most recent Church of England, (Section 48) inspection took place in July 2017, when it was judged to be outstanding.

“The warm and welcoming atmosphere in the school is underpinned by a strong Christian ethos. Values such as courage, care, patience, tolerance and understanding strengthen this ethos. These values are well understood by all members of the school community and are visibly apparent in the work of the school. As a result, pupils flourish in a safe environment that supports them well, both academically and pastorally.”
OfSTED April 2018

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Since September, the school has undergone a significant painting programme, ensuring that the learning environment and shared spaces are clean, tidy, calm and a place in which the children and adults want to work and learn.

Our newly established nurture room, named the Nurturing Nest by the children is providing a great space for emotional and well-being interventions, a meeting area and somewhere for children to interact with the two school dogs, Bramble and Mabel. This term we have introduced a new phonics scheme- Little Wandle, which is already having a positive impact on early reading skills of pupils in reception and year 1.

Staff have developed their curriculum leadership roles by working closely with staff from Conover and St Edward's. A focus on collaborative work with partnership schools this year, in addition to trust wide opportunities for networking and moderation has improved staff confidence, knowledge and skills.

This year we have introduced a range of after school and lunchtime clubs such as ukulele, Hedgehog club, rugby, TT Rockstars, choir as well as an extensive programme of sporting fixtures and tournaments. Every class participates in a weekly Forest School session, led by a fully qualified Forest School leader.

Whole school attendance has improved significantly. Behaviour across the school has also improved, as a result of whole school involvement with the writing of a clear and consistent policy. Pupils are now ready to learn from the beginning of the day and engaged in their activities throughout a lesson.

Pupils and staff are encouraged to focus and reflect on the school's Christian vision- Be Courageous Be Strong, Do Everything In Love in order to overcome challenges and work towards the very best outcomes for all children in school.

Burford CE Primary School

Burford CofE Primary School is small rural primary school on the border of Shropshire and Worcestershire. It consists of 5 classes made up of 2 year groups in each class. The children come from Burford village and the neighbouring town of Tenbury Wells as well as smaller villages in the area. Burford became a converter academy in July 2015.

2021-2022 has been a very positive year at Burford CofE Primary School. Although we started the year dealing with 2 large waves of Covid in the Autumn Term, affecting both children and staff, we remained open throughout.

A new systematic, synthetic phonic scheme (Little Wandle) was introduced to all staff in the Autumn Term, resulting in 95% pass rate for Phonics Screening. Over the year we have had a number of schools both within the Trust and outside the Trust visit our school to observe Little Wandle Phonics. We have also supported other schools in setting their phonics up. We have worked closely with another school developing our Early Years environment and curriculum. We now have other schools looking at our Early Years and well as our Early Reading and Early Maths. Maths continued to be a strength within the school, with our maths lead supporting staff within the school and other schools as part of the SHAW Maths Hub.

In the Summer Term we had a very successful Ofsted moving from Requires Improvement to Good. Ofsted identified how our vision is at the heart of everything we do, the good quality of the education we provide, particularly in the attainment and progress of our children in reading, maths and history as well as the development of our curriculum.

Burford's most recent Church of England, (Section 48) inspection took place in November 2019, when it was judged to be good under the challenging new inspection framework.

'Burford is a welcoming, inclusive and vibrant school.'

'The school's leadership is driven to strive for excellence...'

'The school prioritises the support given to pupils' mental health, resilience and wellbeing.' SIAMS Inspection – November 2019

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Burley Gate CE Primary School

Burley Gate became a converter academy in October 2016. Its most recent OfSTED inspection was carried out in December 2018, when it was judged to be good. Its most recent Church of England, (Section 48) inspection took place in October 2016, when it was judged to be good. The same headteacher remains in post.

"Leaders and staff work hard to provide pupils of all ages with purposeful and stimulating learning experiences. Subjects are taught imaginatively to engage pupils' interest, broaden their knowledge, deepen their understanding and develop their skills. Staff are committed to providing a rich range of additional activities, such as the forest school, educational visits, visitors to school and extensive sport and artistic events." OfSTED Inspection Dec 2018.

There is an executive headteacher for St Michael's CE Primary, Bodenham and Burley Gate CE Primary. The two Local Academy Boards amalgamated in 2018.

Our focus at Burley Gate is to increase the number on roll for our School and Nursery. We are pleased to announce that our Nursery numbers in the last two terms increased from 2 to 9 pupils. We have established a popular 'Stay and Play' weekly session to help grow our overall numbers. New breakfast clubs and after school clubs attract good numbers and will be a selling point for the future. Our results for GLD, Phonics and KS1/KS2 SATs results are in line and above with national percentages. We were moderated by the Local Authority for Writing in KS2 and all judgements were secure. Burley Gate now have joint staff meetings with St Michael's school and leadership is shared across both schools. A new Head of School appointment in September continues to help drive standards and motivate others. Our KS2 children took part in a Mental Health Awareness project and performed at The Hereford Courtyard, we have worked hard to offer rich experiences to all our children. We recently launched a new logo and website for Burley Gate Primary School and have received positive feedback from Parents/Carers. Recently, we have focused on developing our Christian Vision based on the Good Samaritan 'love your neighbour as yourself' Mark 12:31. We strive towards connecting more with our rural local Community, inviting them to our many school and Church events.

Condover CE Primary School

Condover became a converter academy in December 2017.

Pupil voice is strong at Condover School. This year our oldest children have taken leadership roles in safeguarding, worship, sport and enrichment. As a result, all pupils feel they are involved in the progress and success of the school.

At the end of the summer term our phonics results were significantly above national average, highlighting our strong and effective approach to early reading. End of key stage 1 and 2 data was at least in line and in many areas above national average, showing that covid recovery programmes impacted positively on all pupils. Condover School continues to work in partnership with St Edward's, with shared middle and senior leaders as well as opportunities for rich collaboration both for staff and pupils. This term our focus on Talk for Writing CPD has enabled staff across three Trust schools to work together not only on improving the quality of writing but also the love of writing amongst all children.

Our Christian vision, Love Each Other And Know We Are Loved is not only evident to anyone visiting the school but also in our supportive approach when working closely with other schools.

In June the school had an ungraded inspection, the first since 2012. Condover continues to be a good school. Mabel our school dog continues to provide emotional support to parents, pupils and staff whether it is by greeting them at the school gate, visiting classes, attending meetings, listening to readers, or just being there for a cuddle.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Eastnor CE Primary School

Eastnor became a converter academy in November 2018. It has not yet received an OfSTED inspection since then. Its predecessor school's most recent OfSTED inspection was carried out in November 2012, when it was judged to be outstanding.

Its most recent Church of England, (Section 48) inspection took place in March 2018, when it was judged to be outstanding. The same headteacher remains in post.

The distinctiveness and effectiveness of Eastnor Parochial as a Church of England school are outstanding. The excellent spiritual, moral, social and cultural education which is promoted throughout the life of the school has a positive impact upon relationships and pupil's wellbeing. SIAMS March 2018

The school's Christian values-based approach encourages commitment, effort and high standards in all that we do. Indeed, we consistently secure excellent academic results for our pupils. We are rightly proud of this, but we offer so much more than just our results.

Through vibrant and enriching curriculum experiences both inside and outside the classroom, Eastnor aims to ensure that its children are equipped with the skills, attitudes, knowledge and understanding they need to excel academically, socially and emotionally so that they can successfully navigate the ever-changing demands of their world.

As a Thrive school, two new members of staff qualified as Licensed Practitioners in 2021/2022. We know that The Thrive approach is a dynamic, development and trauma-sensitive approach to meeting the emotional and social needs of children and young people. It is proven to improve attendance, behaviour and learning outcomes. As a school we believe that a child who feels loved, secure and happy can flourish and embrace life in all its fullness. This is what we want for every single child.

Music and the Arts continues to have a strong influence at our school. Each year we take part in the Herefordshire Performing Arts Festival, competing in both the singing and drama classes. In 2021/2022, our choir were placed joint first in their class. Our annual whole school production of 'Oliver!' took place at John Masefield High School for the first time and was a real hit with everyone.

We also compete in a variety of sports in a range of fixtures, tournaments and competitions both locally and further afield. During the 2021/2022 academic year our netball team became Cluster Champions in the Autumn term. They then went on to be named County Netball Champions in the summer. Our achievements in Tag Rugby were also exceptional and Eastnor won the Plate at the Ledbury Rugby Festival at Ledbury Rugby Festival in the Spring of 2022.

In September 2022, as the new academic year began, we began a new and very special project with the organisers of the RHS Spring Garden Show in Malvern. This is an ambitious, and truly inspiring project which involves far more than gardening! It links to every area of the national, and the school's, curriculum. The children are already developing plans and designs for a special Eastnor garden inspired by the theme, "Bring your Favourite Book to Life!"; the children will give presentations to local businesses to secure funding for the project and they will be filming and singing too. We can't wait to share our journey and to showcase photos of the final garden with everyone.

Ludlow Primary School

Ludlow Primary School was created from the amalgamation of Ludlow Infant School and Ludlow Junior School. Ludlow Infant School has been placed in special measures by OfSTED in November 2018. The headteacher of Ludlow Junior School became the headteacher of the newly formed school. Ludlow Junior School was inspected by OfSTED in November 2018 and was judged to be good.

Since her appointment in September 2017, the headteacher has wasted no time in addressing weaknesses in the school. As a result, the school has improved rapidly in a short space of time and standards have risen. School leaders, the local governing body and the trust are aspirational for the school and the pupils. The trust provides effective support and challenge to the school. OfSTED Nov 2018

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Over the last couple of terms, we have been busy and proactive in developing our curriculum enrichment and enhancement. This has resulted in many wider-curriculum opportunities both within our local community and wider horizons: a cultural residential to Manchester, adventurous residential to both Malvern and Oakerwood, Ludlow Food Festival, Mortimer's Project, Windfest (Shrewsbury), and we were honoured to have a primary role in the town's Remembrance ceremony. This is in addition to honouring our promise that every child actively participates in a sporting festival or event.

Academically, we are proud to share our best ever results with outcomes at the end of KS2 being in line or above the National figure in all areas. This term, we are continuing to grow our school community with eleven in-year transfers including a number of children from different countries. Our curriculum focus is developing retrieval skills and making learning stick.

Morville CE Primary School

Morville became a converter academy in September 2014. Its most recent OfSTED inspection was carried out in June 2017 when it was judged to be good. Morville's most recent Church of England, (Section 48) inspection took place in June 2017, when it was judged to be good.

A new executive headteacher for Morville was appointed by the trust in the Spring of 2019. Morville now works closely with the Trinity Federation of St Mary's CE Primary, Bridgnorth, Beckbury and Worfield CE Primary Schools, who share the same executive headteacher.

Pupil numbers at Morville School have steadily increased since 2019 and reached 60 NOR at the beginning of the Autumn term 2022. This is significant for such a small school and testament to the positive reputation the school now has in the local community. Over 50% of children attending the school attend from outside catchment.

In 2021/22 we completed a redesign of the school's curriculum. The school's new curriculum is coherently planned and sequenced towards cumulatively sufficient knowledge and skills for future learning. Teachers are now using new materials to plan relevant and engaging learning opportunities for children which draw upon and develop knowledge and skills learnt across the curriculum.

Pupil outcomes in statutory assessments at the end of the summer 2022, despite the impact of the pandemic, were positive and showed a significant improvement, across many aspects, on pre-pandemic outcomes. We firmly believe that all behaviours are a means of communication so our approach to behaviour management has evolved over time, increasingly moving away from a traditional behaviourist approach to a more humanist, relational and universal approach which is inclusive for all, and can benefit the whole school community. Our Behaviour Regulation Policy is a strength of the school which has been embedded in practice during 2021/22 with all staff actively supporting our attachment and trauma aware approaches to behaviour regulation.

After being notified about a competition being run by gm SCHOOL MINIBUS, Morville School entered the competition to win the use of a minibus for one year. We were pleased to win this competition just before Christmas 2021. The minibus was delivered in July 2022 and we now have the use of a minibus for a year. This is a brand new 16-seater school minibus. This minibus will really open the doors for some of the visits and experiences we can offer the children, including being able to make use of St Mary's Bluecoat Primary School's hall to extend our offer of Gymnastics and Dance in PE.

The school have new low-level climbing equipment installed on the playground. The equipment has been incredibly well received by children and parents. There is also an addition on a wooden gazebo on the school playground which is providing both a place for outdoor learning and a shelter.

St Edwards CE Primary School, Dorrington

St Edwards became a sponsored academy in December 2017.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Our school is really small but incredibly special! Sitting at the heart of the community, our Christian vision, Love Each Other And Know We Are Loved is evident in all aspects of school life as well as the strong partnership St Edward's has with Condover School. This term the children are developing their entrepreneurial skills by making produce and gifts to sell at the Carol Concert in December. Children are leading these sessions at lunch times. Our lead teacher has ensured the school has a strong social media presence as well as planning engaging community activities in order to showcase the uniqueness of the school so that it can grow in terms of pupil numbers.

Successful grant applications and community donations this year have meant that the indoor and outdoor Early Years environment has been further developed, making it a truly inspirational setting in which the children do their learning during their first year at school. New playground markings have also enhanced the environment.

At the end of the summer term there were some exceptionally strong individual performances in phonics with further progress this year as we continue to embed the Little Wandle phonics programme.

Key stage 1 data is above national average for those children reaching age related expectation in reading, writing and maths. 100% of pupils achieved age related expectations in reading, writing and maths at the end of key stage 2, outcomes for all children were good despite the impact of covid.

This year we have welcomed two new staff members to our small team, it is clear that they have both had a very positive impact on the school community.

Children have explained to prospective parents visiting the school this term that Mabel our school dog helps to make St Edward's special.

Pupils contribute to many aspects of school improvement and enrichment through their leadership roles. Antbullying Week activities being just one example.

In April the school was inspected by Ofsted and the historical special measures category was rightly removed and St Edward's was given a good grading in all areas.

St George's CE Primary School, Clun

St George's became a converter academy in May 2018.

During this year we have continued to develop reading at school including implementing a new Phonics scheme. We have also developed an outdoor classroom for continuous provision for our reception pupils. Our school size has grown during this year with new families joining school as in year transfers. We have developed whole school approaches and evaluated and developed our curriculum. In September 2022 we had an ungraded Ofsted inspection where the school was shown to continue to be good (See OfSTED Inspection above).

The school's most recent Church of England, (Section 48) inspection took place in October 2016, when it was judged to be outstanding.

Following a brief period of executive headship, a new headteacher took over in September 2019. The strong leadership of the new headteacher has been extremely positive for the school during the last academic year. A newly imagined vision for the school, based on the river that flows through the village, is now fully in place.

St Michael's CE Primary, Bodenham

St Michael's became a converter academy in October 2016. Its most recent OfSTED inspection was carried out in December 2018, when it was judged to be good. Its most recent Church of England, (Section 48) inspection took place in October 2016, when it was judged to be good. The same headteacher, remains in post.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

(The headteacher has) ...quickly built strong relationships with your team of staff and together you ensure that pupils have an enjoyable and successful experience at school. Pupils and staff model the school's Christian values well, because they treat each other with respect and kindness. There is a real sense of care for one another." OfSTED Inspection Dec 2018

We are proud to announce that our Numbers are strong across the school-100 on roll excluding Nursery. Our weekly 'Star Tot' sessions continue to be popular and help us to establish good Nursery numbers. New after school clubs attract high numbers and will be a selling point for the school. Our results for GLD, Phonics and KS1/KS2 SATs results are in line and above with national percentages. St Michael's now have joint staff meetings with Burley Gate School and leadership is shared across both schools.

Our School Choir performed at The Performing Arts Festival at The Salvation Army, we have worked hard to offer rich experiences for all our children. We recently launched a new website for St Michael's and have received positive feedback from Parents/Carers. We have focused on developing our Christian Vision based on the parable of the mustard seed 'Growing and learning together' and we will continue to embed this throughout the year ahead.

St Thomas Cantilupe CE Primary

2021-22 has been a year of perseverance and unity for STC. Over the summer holidays, 25 children from 7 different countries joined our school and so when we opened our doors on 7 September there was great excitement. A full school with lots of children who are ready to learn and a group of parents who want to work together is something to really celebrate; that is what we have at STC. Our shared values of unity, perseverance and love run like a thread through our school community and bring us much joy. This year we have run ESOL courses for parents, created a family room, been in the top 20% of maths results for KS1, gained an Eco School award, led training in EAL provision, created our very own stumpery and led a choral Evensong. We have represented our county in a national Christmas service, worked with our community to improve recycling and donated to our local food bank. We have had our writing published, learnt to play the tin whistle and discovered more about Tudor life in Hereford. We have continued to build our community and to thrive.

Our most recent OfSTED inspection was in the summer of 2021 when we were judged to be good in all areas:

"Over the past two years the school has improved significantly. All staff have high expectations of pupils and expect them to work hard. Pupils respond well to the challenge. Pupils are keen to learn. Subjects are planned and taught well.

Parents and carers are overwhelmingly positive about the changes that have taken place. A typical comment sums up the views of many: 'The school has changed dramatically for the better under the new leadership. The expectations are so much higher now.'" OfSTED May 2021

Tenbury CE Primary School

Tenbury became a converter academy in February 2016. Its most recent OfSTED inspection was carried out in December 2018, when it was judged to be good.

Its most recent Church of England, (Section 48) inspection took place in November 2015, when it was judged to be good.

Tenbury Church of England Primary Academy is a positive and inclusive school community. Leaders and staff provide a curriculum and enrichment activities that make a strong contribution to pupils' spiritual, moral, social and cultural development. In addition to providing a varied and stimulating curriculum, particularly in the creative and fine arts, leaders and staff have improved pupils' use of information and communication technology.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

OfSTED inspection report – December 2018

We continued to improve writing throughout our school, particularly looking at spelling and punctuation, as this has been the curriculum area which has been most affected by the Covid 19 lockdowns and disruption to schooling. This had a significant impact, as in the KS2 SATs, our Y6 pupils achieved better than the national average with 79% of Tenbury Primary Academy pupils achieving the expected standard compared to 69% nationally. Our Y2 pupils also achieved better than the national average in their writing, with 65% achieving the expected standard, compared to 58% of Y2 pupils nationally.

We continued to address gaps in learning in the key areas of Reading, Writing and Maths and again, the impact of this is shown by the SATs scores: 69% of Y6 pupils achieved the expected standard in Reading, Writing and Maths combined, compared to 59% of pupils nationally. For our Y2 pupils, 61% achieved the expected standard in Reading, Writing and Maths combined, compared to 53% of Y2 children nationally. We continued to ensure our children flourish within the Christian ethos of the school, particularly building resilience in our pupils following the difficult two years previously. We looked at spirituality and time-out for reflection, working together to develop our 'values' programme further. We also strengthened our links with our Tanzanian partner school in Maramba through a virtual partnership, where we became the lead school out of a cluster of 12 schools, based both in the UK and in Tanzania and were awarded a grant of £5000 by the British Council to help facilitate this. We developed our children's awareness of global issues and sustainability through the British Council Sustainable Development Goals and also by beginning the 'Eco Schools' initiative and setting up our own band of pupil 'Eco Warriors' who promoted recycling projects and ways to save energy in school. Our Early Years and KS1 staff completed Maths Mastery training with a focus on 'number sense' to ensure that every child leaves KS1 feeling confident in number and fluent in calculation. We developed our creative curriculum through the subject leader roles of individual staff members and by providing more information on our curriculum and useful links for parents and pupils on our school website.

Secondary Academies

Ludlow Church of England School

Ludlow became a converter academy in April 2017. The academy received a full section 5 inspection in February 2020, under the new framework and received a judgement of 'good' in all areas.

In this school, there is a strong moral purpose to give pupils a springboard to future success. This and the school's Christian values are the driving forces behind what the school provides and how it goes about providing it. Pupils experience a broad, rich education that goes beyond the academic. It expands pupils' horizons. It helps prepare them for future education, life in British society and the world of work.

Staff have pupils' best interests at heart. This motive permeates all decision-making. Consequently, pupils are safe and well cared for. Leaders strive to provide the high- quality education they believe pupils deserve. The quality of education which pupils receive has improved in recent years and keeps on getting better. –

OfSTED Inspection February 2020

Its most recent Church of England, (Section 48) inspection took place in May 2017, when it was judged to be good.

In terms of GCSE outcomes, 2021-22 has been termed by the DfE as a "transition year", and, in fact, this sums up the academic year, overall. We started September 2021 with mass-LFD testing, numerous Covid-safety protocols, and waves of whole-school vaccinations, and ended the year with a feeling that we had reclaimed our school from the pandemic and had been able to re-focus on our core purpose.

Although schools have been advised to exercise caution over any comparisons with pre-pandemic outcomes, we do tend to refer to them to give a benchmark for performance in 2022. There have been some very positive outcomes in 2022, an improved Progress 8 figure from 2019 (the last year of examinations), provisionally sitting at -0.38. We had five students who did not attend school during Years 10 and 11 (two post-January census decisions to home-educate and three children in alternative provision) and with these students removed from the cohort data, we reached -0.22 for Progress 8.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

In terms of performance against F20 target, an important progress measure, 17 subjects have performed better than in 2019, with several subjects achieving their best-ever results: Art, Dance, Enterprise & Marketing, Food, Geography, GCSE PE and Spanish. Performance of boys and students in receipt of the Pupil Premium Grant have performed better than these groups have nationally, and gaps are closing. Students with SEND performed less well; this is not historically the case at Ludlow School, and perhaps reflects additional difficulties SEND students experienced with remote learning and school closures. Students have made good progress in English Language, placing us at the national average.

Behaviour continues to be securely Good, in Ofsted-speak, with suspensions in the lowest quartile for Shropshire schools, and below the national average.

Attendance is slowly improving, but this remains a key priority for 2022-23. We ended 2021-22 sitting 2% below the national average. This year to date, we are closing this gap to -0.8 after half-term 1.

The late resignation of the Head of Science last summer has allowed an aspiring Middle Leader to work as subject leader for a term. An experienced Head of Science has been appointed, from January 2023. We currently have vacancies for a Maternity Leave in Science for January 2023 and a 0.6 FTE teacher of Spanish.

We appear to have become the school of choice in the area: Year 7 intake was significantly higher this year, with 131 students, from 115 in 2021, and we are able to move to five-form entry. We also had an unusually high number of in-year transfers in September, totalling 18 students; this is usually the figure we would expect across an academic year, not in one term. This led to a high number on roll for the census in October 2022, at 593, compared with 565 in October 2021. This will have a positive impact on income in 2023-24. Provisional figures for Year 6 applications suggests we will have around 130 students, again, and our curriculum modelling and budget are based on five-form entry.

Our budget close-down in 2021-22 ended with a modest surplus. Like all schools, we are facing the challenge of trying to minimise the impact of unfunded pay rises, energy price increases, and a higher cost of living on our 2022-23 budget. We have reached a crisis point with the funding of schools and colleges, which compromises our ability to provide the education and care to which our children and young people are entitled, particularly as we begin to emerge from the pandemic. We anticipate industrial action over the next few months, following ballots by teachers' and leaders' unions.

The Hereford Church of England Academy

The Hereford Academy received a section 8 OfSTED on 30th June & 1st July 2021. The inspection converted to a section 5 inspection at the end of day 1 and the school was removed from special measures at the end of day 2.

The judgments placed the school as 'requires improvement' for quality of education and overall effectiveness. It also received a judgment of 'good' for behaviour & attitude and leadership and management. Personal development and wellbeing were judged to be 'outstanding'.

The Hereford Academy was placed in special measures on 20th November 2018. The removal of special measures in July 2021, is a hugely significant improvement both for the school and for the trust and since then improvements have continued.

The Hereford Church of England Academy has had an interesting 2021/22. We have seen our most successful period of attainment however we have a challenge ahead of us still to ensure the achievement is also of note. Our numbers on roll continue to improve in relation to our PAN with 85% first choices for next September confirmed (125/150 places).

We are confident that for the second time in three years we will be full. For the first time we have run a DofE cohort with a number of young people achieving Bronze Award. we currently have 15 looking at doing Silver this academic year and 51 showing an interest in Bronze (we will see how that number holds up when the weather is inclement).

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Key DHMAT Progress Headlines

In spite of all the difficulties with Covid-19 during the last year, we have still managed to make some significant development progress within the DHMAT family of schools:

1. We have carried out significant HR staff absence / capability management work and have provided significant HR support at a number of schools. This has led to much stronger staffing structures within all our schools.
2. We have significantly strengthened the leadership structure at The Hereford Academy
3. We have continued to work with and develop the Headteacher Board, through Zoom meetings.
4. We strengthened our governance structures by establishing effective Strategic Task Group (STGs) at Burly Gate and Bodenham as well continuing to develop the already well-established ones at Bitterley, Bishop's Castle, Ludlow Primary, Burford CE Primary, THA and STC.
5. Very positive OfSTED inspection results (See inspection section)
6. We have continued to develop the central DHMAT team with our full-time Chief Finance Officer who has significantly strengthened our systems and processes.
7. We have ensured that all schools in the trust can fully access the Diocesan partnership agreement, including all DBE officer training.
8. Strengthened positive partnership with the West Midlands Regional Director's office who has recently confirmed our readiness for trust growth.
9. Added capacity through engagement with consultant School Improvement Policy Lead and Safeguarding Lead partitioners who hold trust-wide remits.
10. Further development of our Executive Leadership Team. The focus of this group is to execute accelerated trust-wide development, which draws closer connections, tighter quality assurance and great consistency between all our schools.
11. Engaged trust-side consultant support to lead on our school improvement strategy and safeguarding.
12. DHMAT began an approved delivery partner for National Professional Qualifications, working with the Church of England Foundation for Educational Leadership.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £500,125 was carried forward representing 3.5% of GAG.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2021 this was 101.1%% compared to 103.3% in 2021.

The following KPIs were set at the start of the year:

	Target at 1/9/21	Actual at 31/8/22
GAG carry forward	>1.5%	3.5%
Student attendance	>95.0%	92.16%
Staff costs to GAG	<90.0%	101.3%

Going Concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that DHMAT has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

FINANCIAL REVIEW

Financial Review

Most of DHMAT's income is obtained from the DfE via the Education & Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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DHMAT also receives grants for fixed assets from the DfE which 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 useful life of the assets concerned as defined in DHMAT's accounting policies.

During the year ended 31 August 2022, DHMAT received total income of £19,530k and incurred total expenditure of £21,795k. The excess of expenditure over income for the year was £2,265k.

COVID 19 has had an impact on the finances of DHMAT from the loss of letting income at The Hereford Academy to the additional cleaning costs and the purchase of PPE equipment. Throughout the lockdown period the majority of schools were open for key workers' children. The Trust has claimed back £29,665 from DfE to cover free school meals and additional costs associated with COVID 19.

At 31 August 2022 the net book value of fixed assets was £23,806k and movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of DHMAT.

DHMAT has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 28 to the financial statements. The actuarial valuations are performed annually and due to the actuaries changes in assumptions, largely due to the current economic situation, there has been a significant reduction in the deficit from £15,605k as at 31 August 2021 to £6,428k as at 31 August 2022

Key financial policies reviewed and updated included in the Debt Recovery Procedure and associated Policy and the Charging and Remission Policy.

Reserves Policy

DHMAT policy has been for cash flow levels to be built up over subsequent years to cover one month's average payroll costs which is equivalent to £1,217k. This total has not yet been built up at the present time, but the intention remains to achieve this over coming years.

The Directors review the reserve levels of DHMAT annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. The Directors take into consideration the future plans of DHMAT, the uncertainty over future income streams and other key risks identified during the risk review.

Following a review of MAT best practice in reserve policy the Directors have agreed to move to a % of income metric for reserves for 2022-23 onwards. A minimum of 4% of income is the core target with a stretch target of 7% to allow for further resilience and project development for schools and the central budget as required.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that DHMAT is paying higher employers' pension contribution over a period of years. The higher employers' pension contributions will be met from DHMAT's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of DHMAT.

Investment Policy

Day to day management of academy surplus funds is delegated to the central finance team within strict guidelines approved by the Board of Directors.

Principal Risks and Uncertainties

The Board of Directors has reviewed the major risks to which DHMAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing DHMAT are as follows:

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

- Financial – DHMAT has considerable reliance on continued Government funding through the ESFA. In the last year 98.77% of DHMAT's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same level or on the same terms.
- Failures in governance and/or management – the risk in this area arises from potential failure to effectively management DHMAT's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Directors continue to review and ensure that appropriate measures are in place to mitigate these risks.
- Reputational – the continuing success of DHMAT is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Directors, ensure that student success and achievement are closely monitored and reviewed.
- Safeguarding and child protection – the Directors continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.
- Staff – the success of DHMAT is reliant upon the quality of its staff and so the Directors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
- Fraud and mismanagement of funds – DHMAT has appointed Internal Auditors to carry out checks on financial systems and records as required by DHMAT Financial Handbook. All finance staff received training to keep them up to date with financial practice requirements and develop their skills in this area.
- DHMAT has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

DHMAT has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Directors have assessed the major risk to which DHMAT is exposed, in particular those relating to its finances, teaching, facilities, and other operational areas. The Directors have implemented a number of systems to assess and minimise those risk, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Directors examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance & Resources Committee meetings. The Directors also regularly review balance sheet and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, DHMAT had no significant liabilities arising from trade creditors or debtors that would have significant effect on liquidity.

The Board of Directors recognises that the defined benefit pension scheme deficit (Local Government Pension scheme), which is set out in Note 28 to the financial statements, represents a significant potential liability. However, as the Directors consider that DHMAT is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability minimised.

STREAMLINED ENERGY AND CARBON REPORTING

A multi academy trust with seventeen sites with buildings of varying ages and materials. Heating across the trust sites is predominantly from mains gas but some sites use other fuels. The academy trust owns minibus transportation and has several members of staff who claim business mileage. For both the minibus and business travel, the trust has recorded the number of miles travelled during the year.

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This methodology follows the GHG Reporting Protocol and uses the 2022 Government emission conversion factors for greenhouse gas company reporting.

Energy Source	Consumption	Scope	Emissions calculation
Gas – total kWh (kilowatt-hours) used for the year	2,253,480 kWh (gross CV (calorific value))	Scope 1	2,253,480 kWh * 0.18254 (2022 fuels, natural gas conversion factor gross CV to kg CO ₂ e) = 411,350 kgCO ₂ e = 411 tCO₂e
Electricity – total kWh used for the year	1,320,296 kWh	Scope 2	1,320,296 kWh * 0.19338 (2022 UK electricity conversion factor to kgCO ₂ e) = 255,319 kgCO ₂ e = 255 tCO₂e
Kerosene –32,500 litres used for the year	334,539 kwh	Scope 1	32,500 litres * 2.54013 (2022 Fuels – Kerosene conversion to kgCO ₂ e) = 82,554 kgCO ₂ e = 82.554 tCO₂e
Owned Transport Diesel Minibus –5,910 miles in the year	5,910 miles * 1.49 (2022 SECR kWh pass & delivery vehs, vans average) = 8,819 kWh	Scope 1	5,910 miles * 0.37268 (2022 freighting goods, vans average – used in lieu of passenger vehicles conversion) = 2,203 kgCO ₂ e = 2.20 tCO₂e
Reimbursed Transport – total mileage reimbursed from staff claims = 4,935 miles	4,935 miles * 1.14779 (2022 SECR kWh pass & delivery vehs, average car conversion factor to kWh, petrol) =5,664 kWh	Scope 3	4,935 miles * 0.27436 (2022 business travel and average car conversion factor to kgCO ₂ e, petrol)= 1,354 kgCO ₂ e = 1.35 tCO₂e
Total	3,922,799 kWh		753 tCO₂e
Intensity ratio	Emissions data (tCO ₂ e) compared with an appropriate business activity (pupil numbers as per Autumn census)		753 tCO ₂ e/2,974 pupils = 0.253 tCO₂e per pupil

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**TRUSTEES' REPORT (CONTINUED)
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Disclosure of Information

UK Greenhouse gas emissions and energy use data for the period 1 September 2021 to 31 August 2022	Current reporting year 2021/22	Comparison reporting year 2020/21 (figures are for illustrative purposes)
Energy consumption used to calculate emissions (kWh)	3,922,799	4,497,179
Scope 1 emissions in metric tonnes CO₂e		
Gas consumption	411	476
Kerosene consumption	82.554	96.743
Owned transport	2.20	1.69
Total Scope 1	496	575
Scope 2 emissions in metric tonnes CO₂e		
Purchased electricity	255	318
Scope 3 emissions in metric tonnes CO₂e		
Business travel in employee-owned vehicles	1.35	0.58
Total gross emissions in metric tonnes CO₂e	753	893
Intensity ratio Tonnes CO₂e per pupil	0.253	0.305

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 2022 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

- Grant applied for ground source heating at 5 academies in the trust.
- Replacement windows installed at 3 academies in the trust.
- Continuing use of virtual meetings at all academies in the trust.

PLANS FOR FUTURE PERIODS

Next Steps

DHMAT will continue to strive to provide outstanding education in all its academies and improve the levels of performance of its pupils at all levels. DHMAT will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

DHMAT will continue to strive to provide outstanding education and improve the level of performance of its pupils at all levels. DHMAT will continue to aim to attract excellent teachers and support staff in order to deliver its objectives.

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**TRUSTEES' REPORT (CONTINUED)
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DHMAT will continue to work with its academies and partner schools to improve the educational opportunities for students in the wider community.

During the next 12 months DHMAT will continue to work with ESFA and the Diocese of Hereford, the opportunities to extend the Trust to include other schools/academies in the region.

We are continuing to develop our Executive Leadership Team, which involves a smaller group of headteachers and senior support officers.

We want to see increased alignment with more networks across schools such as with subject leaders and other shared roles and responsibilities.

DHMAT Growth

Having achieved very strong inspection results in recent years, we are now moving purposefully towards growth of our academy trust. We are carefully progressing our growth plans. Increased pupil numbers will mean we can offer even more services for our academies and achieve even greater economies of scale.

The Hereford Diocese has developed new guidance on academisation. In the Hereford Diocese, DHMAT will become a central part of the education strategy to realise the Church of England's vision for education. We anticipate doubling in size by 2030 but we are keen to maintain a balance between the proportion of larger and smaller schools.

We are a strong academy trust which has deep roots into local communities. All our academies will retain their own identity and distinctiveness but we will strengthen connections and collaboration to continue to build a supportive and collaborative approach to the delivery of education across our region.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

DHMAT and its Directors do not act as the Custodian Directors of any other Charity

ADDITIONAL COMPANIES ACT REQUIREMENTS

DHMAT provide equality of opportunity to all in pre-employment and employment. Whether candidates are internal and seeking a new position within DHMAT or are external candidates, DHMAT:

- Demonstrates an open and transparent approach to recruitment
- Ensure that recruitment decisions are made using pre-agreed objective criteria
- Seeks to appoint the most suitable applicant for the job based on merit
- Ensures the recruitment and selection process conveys a positive image of DHMAT and academy and portrays DHMAT and academy as an employer of choice
- Demonstrates its commitment to employ, retain and develop the abilities of disabled people, for example, through achievement of the 'two ticks' award by Job Centre Plus.
- Ensures that the recruitment and selection of staff is conducted in a professional, timely and responsive manner and in compliance with current employment legislation
- Provides appropriate training, development, and support of those involved in recruitment and selection activities in order to ensure the recruitment of employing people is fair and legally compliant.
- Treats all applicants fairly, equitably, and efficiently, with respect and courtesy, aiming to ensure that the applicant experience is positive, irrespective of the outcome
- Ensure that if any member of staff involved in the recruitment process is related to or has a close personal relationship with an applicant then they are not involved in the recruitment process at any point. This includes, but is not restricted to, decisions on restructures, ring-fencing and decisions about post-creation and job description content.
- Ensures that all documentation relating to applicants will be treated confidentially and kept securely in accordance with DHMAT and (if relevant) the academy's Data Protection Policy.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

DHMAT does not as a matter of course require job applicants to complete a medical questionnaire as part of the application procedure. Health related questions are only asked if they are intrinsic to a function of their work, for example, ensuring applicants for PE teaching post have the physical capability to carry out the duties. Additionally, candidates are not being asked about their sickness record until they have been made a conditional offer. Additional advice can be sought from DHMAT.

If an employee has or develops a disability that is making it difficult to work, DHMAT consider what reasonable adjustments they can make in the workplace to help or schedule an interview to discuss what can be done to support them. This could be as simple as supplying an adequate, ergonomic chairs or power-assisted equipment. Any reasonable adjustments (for example, purchasing of ergonomic chair or power-assisted equipment, or the re-deployment to a different type of work if necessary) are considered and offered wherever possible.

DHMAT regularly reviews its policies and engages in discussions with all employees to provide information and consult on matters affects them.

AUDITORS

In so far as the Directors are aware:

- There is no relevant audit information of which the Charitable Company's auditors is unaware; and
- The Directors 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 auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appointment them will be proposed at the annual general meeting.

Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as company directors on 05 December 2022 and signed on the board's behalf by:



W Finn
Chair of Directors



A Teale
Accounting Officer

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

SCOPE OF RESPONSIBILITY

As Directors, we acknowledge we have overall responsibility for ensuring that DHMAT 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 Directors 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 requirement and responsibilities assigned to it in the funding agreement between DHMAT and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' report and in the Statement of Directors' responsibilities. The Board of Directors has formally met 6 times during the year.

Attendance during the year at meeting was as follows:

Director	Meetings attended	Out of a possible
A Smith	4	4
W Finn, Chair	4	4
A Teale	4	4
M Simmons	4	4
C Watson	4	4
L Stevenson	4	4
R Pizii	4	4
K Skerrett	3	4

The Finance and Resources Committee is a sub-committee of the main Board of Directors. Its purpose is to assist the Board in meeting its responsibility for performance and forecast, ensuring the adequacy and effectiveness of the financial reporting, the value for money of resources, capital projects and risk management.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
C Watson	3	3
A Teale	2	3
L Stevenson	1	3
R Pizii	3	3
M Simmons	3	3
Will Finn	1	3

REVIEW OF VALUE FOR MONEY

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

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

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

- Robust financial governance and budget management;
- Value for money purchasing;
- Reviewing controls and managing risk;
- Considering allocation/targeting/use of resources;
- Not allocating time/resources to areas where few improvements can be achieved;
- Making comparisons with similar Academies using data provided by the ESFA and the Government;
- Challenging proposals and examining their effectiveness and efficiency;
- Deploying staff effectively;
- Reviewing resources availability and requirements before recruiting;
- Reviewing the quality of curriculum provision and quality of teaching;
- Reviewing quality of children's learning to enable children to achieve nationally expected progress;
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote; and
- More effective use of ICT to provide papers for meetings so reducing printing costs.

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 ongoing process designed to identify and prioritise the risk to 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 DHMAT for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors has reviewed the key risk 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 Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

THE RISK AND CONTROL FRAMEWORK

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
- Regular review by the Finance and Resource Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programme;
- Setting targets to measure financial and other performance;
- Clearly defined purchasing (asset purchases or capital investment) guidelines;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and have appointed Kreston Reeves as internal auditors.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021**

The internal auditor's role includes giving advice on financial matters and performing range of checks on the Academy Trust's financial systems, including those adopted at academies under the Trust. In particular the checks carried out in the current period included the testing of; payroll, purchases, income and expenditure, and the bank account reconciliations.

On a termly basis the auditor reports to the Board of Directors through the Finance and Resources Committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities.

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

The Accounting Officer has been advised of the implications of the result of their review of the systems of internal control by the Audit and Risk Committee and a plan to address weakness and ensure continuous improvement of the systems in place.

Approved by order of the members of the Board of Directors on 05 December 2021 and signed on its behalf by:



W Finn
Chair of Directors



A Teale
Accounting Officer

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Diocese of Hereford Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 Trust Handbook 2021.

I confirm that I and the Academy Trust Board of Directors are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Trust Handbook 2021.

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 Directors and ESFA.



A Teale
Accounting Officer
Date: 5 December 2022

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- 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 financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

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

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

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

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



W Finn

Chair

Date: 05 December 2022

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

We have audited the financial statements of Diocese of Hereford Multi Academy Trust (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Academy Trust Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Academy Trust's affairs as at 31 August 2022 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent 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 Directors with respect to going concern are described in the relevant sections of this report.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Group and the parent Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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:

- the parent Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy Trust financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 Directors' Responsibilities, the Directors (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group's and the parent 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 Directors either intend to liquidate the Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Group's and of the parent Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Group's and of the parent Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's and of the parent Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Group and the parent Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Group and the parent Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Group and the parent Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- the matters discussed among the audit engagement team and involving relevant internal Academy specialists regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Group and the parent Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's and of the parent Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Directors and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

USE OF OUR REPORT

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



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 22nd December 2022

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 23 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Diocese of Hereford Multi Academy Trust during the year 1 September 2021 to 31 August 2022 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 Diocese of Hereford Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Diocese of Hereford Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Diocese of Hereford Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF DIOCESE OF HEREFORD MULTI ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Diocese of Hereford Multi Academy Trust's funding agreement with the Secretary of State for Education dated 24 January 2013 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 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 on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and noncompliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 22nd December 2022

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
INCOME FROM:						
Donations and capital grants:	3					
Other donations and capital grants		209,888	442,681	571,976	1,224,545	1,212,321
Other trading activities	5	229,909	-	-	229,909	(23,448)
Investments	6	10,027	-	-	10,027	16
Charitable activities		131,544	17,934,232	-	18,065,776	17,846,782
TOTAL INCOME		581,368	18,376,913	571,976	19,530,257	19,035,671
EXPENDITURE ON:						
Raising funds		-	-	-	-	9,806
Charitable activities		682,318	19,206,105	1,906,419	21,794,842	20,596,371
TOTAL EXPENDITURE		682,318	19,206,105	1,906,419	21,794,842	20,606,177
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		(100,950)	(829,192)	(1,334,443)	(2,264,585)	(1,570,506)
OTHER RECOGNISED GAINS/(LOSSES):						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	9,975,000	-	9,975,000	(849,000)
NET MOVEMENT IN FUNDS		(100,950)	9,145,808	(1,334,443)	7,710,415	(2,419,506)
RECONCILIATION OF FUNDS:						
Total funds brought forward		270,933	(15,069,867)	25,418,023	10,619,089	13,038,595
Net movement in funds		(100,950)	9,145,808	(1,334,443)	7,710,415	(2,419,506)
TOTAL FUNDS CARRIED FORWARD		169,983	(5,924,059)	24,083,580	18,329,504	10,619,089

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

The notes on pages 51 to 81 form part of these financial statements.

DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08762217

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible assets	14		23,806,003		24,853,687
CURRENT ASSETS					
Debtors	16	623,475		581,588	
Cash at bank and in hand		2,235,170		2,263,977	
		2,858,645		2,845,565	
Creditors: amounts falling due within one year	17	(1,246,018)		(1,009,148)	
NET CURRENT ASSETS					
			1,612,627		1,836,417
TOTAL ASSETS LESS CURRENT LIABILITIES					
			25,418,630		26,690,104
Creditors: amounts falling due after more than one year	18		(661,126)		(466,015)
NET ASSETS EXCLUDING PENSION LIABILITY					
			24,757,504		26,224,089
Defined benefit pension scheme liability	26		(6,428,000)		(15,605,000)
TOTAL NET ASSETS					
			18,329,504		10,619,089
FUNDS OF THE ACADEMY TRUST					
RESTRICTED FUNDS:					
Fixed asset funds		24,083,580		25,418,023	
Restricted income funds		503,941		535,133	
		24,587,521		25,953,156	
Restricted funds excluding pension asset				25,953,156	
Pension reserve		(6,428,000)		(15,605,000)	
TOTAL RESTRICTED FUNDS					
	19		18,159,521		10,348,156
UNRESTRICTED INCOME FUNDS					
	19		169,983		270,933
TOTAL FUNDS					
			18,329,504		10,619,089

The financial statements on pages 46 to 81 were approved by the Directors, and authorised for issue on and are signed on their behalf, by:

W Finn
Chair



The notes on pages 51 to 81 form part of these financial statements.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08762217**

**ACADEMY TRUST STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2022 £	2021 £	2021 £
FIXED ASSETS					
Tangible assets	14		23,806,003		24,853,687
Investments	15		1		1
			23,806,004		24,853,688
CURRENT ASSETS					
Debtors	16	624,451		582,564	
Cash at bank and in hand		2,235,170		2,263,977	
		2,859,621		2,846,541	
Creditors: amounts falling due within one year	17	(1,261,384)		(1,024,514)	
			1,598,237		1,822,027
NET CURRENT ASSETS					
TOTAL ASSETS LESS CURRENT LIABILITIES			25,404,241		26,675,715
Creditors: amounts falling due after more than one year	18		(661,126)		(466,015)
NET ASSETS EXCLUDING PENSION LIABILITY			24,743,115		26,209,700
Defined benefit pension scheme liability	26		(6,428,000)		(15,605,000)
TOTAL NET ASSETS			18,315,115		10,604,700
FUNDS OF THE ACADEMY TRUST					
RESTRICTED FUNDS:					
Fixed asset funds		24,083,580		25,418,023	
Restricted income funds		500,125		535,133	
		24,583,705		25,953,156	
Restricted funds excluding pension liability					
Pension reserve		(6,428,000)		(15,605,000)	
TOTAL RESTRICTED FUNDS			18,155,705		10,348,156
General funds	19		159,410		256,544
TOTAL FUNDS			18,315,115		10,604,700

The financial statements on pages 46 to 81 were approved by the Directors, and authorised for issue on and are signed on their behalf, by:


W Finn
Chair

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08762217**

**ACADEMY TRUST STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 AUGUST 2022**

The notes on pages 51 to 81 form part of these financial statements.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/provided by operating activities	21	(17,064)	299,800
CASH FLOWS FROM INVESTING ACTIVITIES			
	23	(276,732)	300,362
CASH FLOWS FROM FINANCING ACTIVITIES			
	22	264,989	(33,210)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR			
		(28,807)	566,952
Cash and cash equivalents at the beginning of the year		2,263,977	1,697,025
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	2,235,170	2,263,977

The notes on pages 51 to 81 form part of these financial statements

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted, judgements and key sources of estimation uncertainty, is set out below.

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

1.2 GOING CONCERN

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the 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 grant are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

• **Donations**

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

• **Other income**

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

1.4 EXPENDITURE

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

• **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Where the Academy Trust has been granted use of school buildings from the Diocese of Hereford under Supplemental Agreements, the Academies Accounts Direction prescribes that the risks and rewards of ownership remain with the Diocese. In such instances land and buildings are not included on the balance sheet of the Multi Academy Trust.

The Supplemental Agreement includes the right for the Diocese of Hereford Trustees to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

The Academy Trust includes a notional donation and corresponding expense for the use of these assets.

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

Depreciation is provided on the following bases:

Long-term leasehold land and buildings	- Land over 125 years Buildings over 50 years Land and building additions on Diocese owned estates are depreciated on a straight line basis over 2 years.
Furniture and equipment	- 20% Straightline basis
Computer equipment	- 33.3% Straight Line
Motor vehicles	- 25% Straight Line

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

Where improvements to land and building have been undertaken at an academy where assets are owned by the Diocese these improvements will be written off over a period of 2 years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

1. ACCOUNTING POLICIES (continued)

1.7 INVESTMENTS

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

1.8 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount prepaid.

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 20. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.12 OPERATING LEASES

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

1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

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

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

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

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

1.14 FUND ACCOUNTING

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	209,888	442,681	-	652,569	453,071
Capital Grants	-	-	571,976	571,976	759,250
	<u>209,888</u>	<u>442,681</u>	<u>571,976</u>	<u>1,224,545</u>	<u>1,212,321</u>
TOTAL 2021	<u>72,108</u>	<u>380,963</u>	<u>759,250</u>	<u>1,212,321</u>	

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

4. FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
DIRECT COSTS - ACTIVITIES (ACTIVITY 1)				
DFE/ESFA GRANTS				
General Annual Grant	-	14,440,141	14,440,141	13,852,742
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	835,115	835,115	812,933
Universal Infant Free School Meals	-	232,925	232,925	307,024
Teachers Pension grant	-	16,797	16,797	487,408
Teachers Pay grant	-	3,455	3,455	172,491
PE and Sports grant	-	222,280	222,280	223,030
Supplementary grant	-	188,383	188,383	-
Other DfE/ESFA grants	-	333,341	333,341	268,139
	-	16,272,437	16,272,437	16,123,767
OTHER GOVERNMENT GRANTS				
High Needs funding	-	402,241	402,241	436,291
Other government grants	-	1,048,968	1,048,968	942,020
	-	1,451,209	1,451,209	1,378,311
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	101,624	101,624	222,160
Other DfE/ESFA COVID-19 funding	-	19,900	19,900	15,860
	-	121,524	121,524	238,020
OTHER FUNDING				
Internal catering income	129,667	-	129,667	69,581
Sales to students	1,877	-	1,877	5,664
Other income	-	89,062	89,062	31,439
	131,544	89,062	220,606	106,684
	131,544	17,934,232	18,065,776	17,846,782
	131,544	17,934,232	18,065,776	17,846,782
TOTAL 2021	75,245	17,771,537	17,846,782	

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Lettings	136,441	136,441	81,306
External catering	93,468	93,468	62,410
School fund income	-	-	(166,668)
Income from charity trading activities	-	-	(496)
	<u>229,909</u>	<u>229,909</u>	<u>(23,448)</u>

6. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest	10,027	10,027	16

7. EXPENDITURE

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on fundraising activities:					
Direct costs	-	-	-	-	9,806
Educational activities:					
Direct costs	11,910,562	1,906,419	349,231	14,166,212	13,814,343
Support costs	2,898,824	1,508,989	3,220,817	7,628,630	6,782,028
	<u>14,809,386</u>	<u>3,415,408</u>	<u>3,570,048</u>	<u>21,794,842</u>	<u>20,606,177</u>
TOTAL 2021	<u>14,366,597</u>	<u>3,323,571</u>	<u>2,916,009</u>	<u>20,606,177</u>	

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Education	14,166,212	7,628,630	21,794,842	20,596,371
TOTAL 2021	<u>13,814,343</u>	<u>6,782,028</u>	<u>20,596,371</u>	

ANALYSIS OF DIRECT COSTS

	Total funds 2022 £	Total funds 2021 £
Pension finance costs	92,000	88,300
Staff costs	11,704,285	11,592,321
Depreciation	1,525,135	1,485,371
Educational supplies	344,450	279,707
Examination fees	61,670	74,328
Staff development	50,319	120,196
Other costs	117,199	49,781
Supply teachers	206,277	55,415
Technology costs	64,877	68,924
	<u>14,166,212</u>	<u>13,814,343</u>

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2022 £	Total funds 2021 £
Pension finance cost	175,000	173,700
Staff costs	2,898,824	2,718,861
Depreciation	381,284	371,343
School fund expenditure	119,709	29,375
Recruitment and support	29,208	24,637
Maintenance of premises and equipment	352,424	286,979
Cleaning	334,665	337,823
Rent and rates	527,950	497,890
Energy costs	312,912	298,334
Insurance	188,297	178,030
Security and transport	56,942	30,608
Catering	546,363	458,691
Technology costs	404,431	323,837
Office overheads	155,965	208,536
Professional services	1,129,741	839,130
Bank interest and charges	14,915	4,254
	<u>7,628,630</u>	<u>6,782,028</u>

9. NET EXPENDITURE

Net expenditure for the year includes:

	2022 £	2021 £
Operating lease rentals	35,190	21,368
Depreciation of tangible fixed assets	1,906,419	1,856,714
Fees paid to auditors for:		
- audit	32,190	28,300
- other services	5,335	7,000
	<u>1,943,934</u>	<u>1,892,382</u>

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
Wages and salaries	10,544,460	10,460,150	10,544,460	10,460,150
Social security costs	997,672	958,929	997,672	958,929
Pension costs	3,060,977	2,892,103	3,060,977	2,892,103
	14,603,109	14,311,182	14,603,109	14,311,182
Agency staff costs	206,277	55,415	206,277	55,415
	14,809,386	14,366,597	14,809,386	14,366,597

b. STAFF NUMBERS

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

	Group 2022 No.	Group As restated 2021 No.
Teachers	150	145
Support staff	255	251
Management	29	29
	434	425

c. HIGHER PAID STAFF

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	8	5
In the band £70,001 - £80,000	4	4
In the band £100,001 - £110,000	2	2

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

10. STAFF (CONTINUED)

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £327,332 (2021: £254,646).

11. CENTRAL SERVICES

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

- Payroll and HR
- Legal and professional
- Finance
- Insurance
- Marketing
- Strategic governance
- Management of the academy conversion process
- Tendering and procurement of contracts

The Group charges for these services on the following basis:

The Trust charges between 3-5% of School Budget Share and Educational Services Grant to the academies to cover the central services detailed above.

The actual amounts charged during the year were as follows:

	2022	2021
	£	£
St Thomas Cantilupe Church of England Academy	39,742	37,930
Morville Church of England Primary School	18,507	15,700
The Hereford Academy	163,635	166,188
Bitterley Church of England Primary School	24,351	22,167
Tenbury Church of England Primary School	40,631	39,756
St Michael's Church of England Primary School	23,249	17,816
Burford Church of England Primary School	30,614	30,533
Burley Gate Church of England Primary School	20,089	19,952
Ludlow Primary School	162,972	82,466
Ludlow Church of England School	81,424	150,337
Bishop's Castle Primary School	31,945	30,810
Conover Church of England Primary School	27,634	26,418
St Edward's Church of England Primary School	13,246	13,826
St George's Church of England Academy Clun	20,496	18,126
Eastnor Church of England Primary School	23,473	20,573
TOTAL	722,008	692,598

12. DIRECTORS' REMUNERATION AND EXPENSES

The Headteacher and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses Academy Trust in respect of their role as Directors. The value of Directors' remuneration and other benefits was as follows: A Teale: Remuneration: £105,000-£110,000 (2021: £105,000-£110,000), Employers pension contributions: £25,000-£30,000 (2021: £25,000-£30,000).

Other related party transactions involving the Directors are set out in note 29.

During the year ended 31 August 2022, expenses totalling £432 were reimbursed or paid directly to 1 Director (2021: £NIL).

13. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Group has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £1,153 (2021 - £1,153). The cost of this insurance is included in the total insurance cost.

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14. TANGIBLE FIXED ASSETS

GROUP AND TRUST

	Long-term leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
COST OR VALUATION					
At 1 September 2021	31,596,183	506,421	1,888,369	49,088	34,040,061
Additions	465,814	360,289	32,632	-	858,735
At 31 August 2022	<u>32,061,997</u>	<u>866,710</u>	<u>1,921,001</u>	<u>49,088</u>	<u>34,898,796</u>
DEPRECIATION					
At 1 September 2021	7,093,674	299,306	1,750,806	42,588	9,186,374
Charge for the year	1,703,111	93,778	106,280	3,250	1,906,419
At 31 August 2022	<u>8,796,785</u>	<u>393,084</u>	<u>1,857,086</u>	<u>45,838</u>	<u>11,092,793</u>
NET BOOK VALUE					
At 31 August 2022	<u><u>23,265,212</u></u>	<u><u>473,626</u></u>	<u><u>63,915</u></u>	<u><u>3,250</u></u>	<u><u>23,806,003</u></u>
At 31 August 2021	<u><u>24,502,509</u></u>	<u><u>207,115</u></u>	<u><u>137,563</u></u>	<u><u>6,500</u></u>	<u><u>24,853,687</u></u>

Included within land and buildings is land owned by the Trustees of Bitterley Grammar School and occupied by the MAT under a 125 year lease agreement. This land is therefore depreciated over the life of the lease and has been recognised applying the concept of substance over form per Section 2 of FRS102. All other schools, except those occupying land and building under a supplementary agreement, are occupied under 125 year leases from the Local Authority. See accounting policy 1.6 for more information.

The MAT also occupies land and building under control of the Diocese. These assets do not appear on the fixed asset register. Instead a notional payment is made in respect of the use of these asset along with an accompanying donation from the Diocese.

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15. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £
ACADEMY TRUST	
COST OR VALUATION	
At 1 September 2021	1
AT 31 AUGUST 2022	<u>1</u>
NET BOOK VALUE	
AT 31 AUGUST 2022	<u>1</u>
AT 31 AUGUST 2021	<u>1</u>

PRINCIPAL SUBSIDIARIES

The following was a subsidiary undertaking of the Academy Trust:

Name	Company number	Principal activity	Class of shares	Holding
Herecad Enterprises Limited	07717691	Provision of lettings and hire facilities	Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Net assets £
Herecad Enterprises Limited	(14,389)

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16. DEBTORS

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
DUE WITHIN ONE YEAR				
Trade debtors	64,432	92,049	65,426	93,043
Other debtors	85,886	79,701	85,868	79,683
Prepayments and accrued income	449,044	375,640	449,044	375,640
VAT recoverable	24,113	34,198	24,113	34,198
	623,475	581,588	624,451	582,564

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
ESFA loans	128,421	58,543	128,421	58,543
Trade creditors	262,884	195,243	263,125	195,484
Amounts owed to group undertakings	-	-	15,125	15,125
Other taxation and social security	232,317	222,057	232,317	222,057
Other creditors	210,151	210,140	210,151	210,140
Accruals and deferred income	412,245	323,165	412,245	323,165
	1,246,018	1,009,148	1,261,384	1,024,514

Included within creditors due within one year is an ESFA loan balance of £128,421. The full value of the loan outstanding is £789,547, £661,126 of which is shown as due over one year (note 18). The loan is repayable in six-monthly instalments over the remaining 8 year of the loan with an applicable annual interest rate of 2.29%.

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	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
DEFERRED INCOME				
Deferred income at 1 September 2021	193,711	197,695	193,711	197,695
Resources deferred during the year	227,276	193,711	227,726	193,711
Amounts released from previous periods	(193,711)	(197,695)	(193,711)	(197,695)
	227,276	193,711	227,726	193,711

At the balance sheet date the Trust was holding funds received in advance in respect of ESFA grants.

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2022 £	Group 2021 £	Trust 2022 £	Trust 2021 £
ESFA loans	661,126	466,015	661,126	466,015

Included within creditors due after more than one year is an ESFA loan balance of £661,126. The full value of the loan outstanding is £789,547, £128,421 of which is shown as due within one year (note 17). The loan is repayable in six-monthly instalments over the remaining 8 year of the loan with an applicable annual interest rate of 2.29%.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS					
General Funds - all funds	270,933	581,368	(682,318)	-	169,983
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	387,999	14,440,141	(14,328,015)	-	500,125
Other DfE/ESFA Grants	147,134	1,953,820	(2,097,138)	-	3,816
Other Government Grants	-	1,451,209	(1,451,209)	-	-
Other Restricted	-	531,743	(531,743)	-	-
Pension reserve	(15,605,000)	-	(798,000)	9,975,000	(6,428,000)
	<u>(15,069,867)</u>	<u>18,376,913</u>	<u>(19,206,105)</u>	<u>9,975,000</u>	<u>(5,924,059)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	21,497,837	-	(1,612,395)	-	19,885,442
DfE/ESFA Capital grants	3,635,461	571,976	(272,669)	-	3,934,768
Donations	4,820	-	(361)	-	4,459
Fixed assets purchased from GAG	174,418	-	(13,082)	-	161,336
Location Authority capital grants	105,487	-	(7,912)	-	97,575
	<u>25,418,023</u>	<u>571,976</u>	<u>(1,906,419)</u>	<u>-</u>	<u>24,083,580</u>
TOTAL RESTRICTED FUNDS	<u>10,348,156</u>	<u>18,948,889</u>	<u>(21,112,524)</u>	<u>9,975,000</u>	<u>18,159,521</u>
TOTAL FUNDS	<u><u>10,619,089</u></u>	<u><u>19,530,257</u></u>	<u><u>(21,794,842)</u></u>	<u><u>9,975,000</u></u>	<u><u>18,329,504</u></u>

19. STATEMENT OF FUNDS (CONTINUED)

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

Restricted funds

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

Other DfE/ESFA grants - This represents funding received from the ESFA for specific purposes.

Other Government Grants - Income which has been received for specific purposes.

Other Restricted - This represents income which has been received for a specific purpose.

Pension reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed asset funds

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion.

DfE/ESFA Capital grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Donations - This represents fixed assets donated to the Multi Academy Trust.

Fixed assets purchased from GAG - This represents capital spend using revenue reserves of the Trust.

Local Authority capital grants - This represents capital spend from local authority capital funding.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS					
General Funds - all funds	658,108	123,921	(511,096)	-	270,933
RESTRICTED GENERAL FUNDS					
General Annual Grant (GAG)	-	13,852,742	(13,464,743)	-	387,999
Other DfE/ESFA Grants	-	2,509,045	(2,361,911)	-	147,134
Other Government Grants	-	1,378,311	(1,378,311)	-	-
Other Restricted	-	412,402	(412,402)	-	-
Pension reserve	(14,135,000)	-	(621,000)	(849,000)	(15,605,000)
	<u>(14,135,000)</u>	<u>18,152,500</u>	<u>(18,238,367)</u>	<u>(849,000)</u>	<u>(15,069,867)</u>
RESTRICTED FIXED ASSET FUNDS					
Fixed assets transferred on conversion	23,116,860	-	(1,619,023)	-	21,497,837
DfE/ESFA Capital grants	3,206,253	653,763	(224,555)	-	3,635,461
Donations	4,820	-	-	-	4,820
Fixed assets purchased from GAG	187,554	-	(13,136)	-	174,418
Location Authority capital grants	-	105,487	-	-	105,487
	<u>26,515,487</u>	<u>759,250</u>	<u>(1,856,714)</u>	<u>-</u>	<u>25,418,023</u>
TOTAL RESTRICTED FUNDS	<u>12,380,487</u>	<u>18,911,750</u>	<u>(20,095,081)</u>	<u>(849,000)</u>	<u>10,348,156</u>
TOTAL FUNDS	<u><u>13,038,595</u></u>	<u><u>19,035,671</u></u>	<u><u>(20,606,177)</u></u>	<u><u>(849,000)</u></u>	<u><u>10,619,089</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2022 were allocated as follows:

	2022	2021
	£	£
Burford Church of England Primary School	14,492	62,367
Bitterley Church of England Primary School	(87,559)	(53,838)
St Michael's Church of England Primary School	178,940	171,090
Burley Gate Church of England Primary School	193,538	196,012
Central	(191,795)	(116,678)
Ludlow Church of England School	(275,392)	(233,814)
Ludlow Primary School	399,934	316,506
Morville Church of England Primary School	133,900	91,306
St Thomas Cantilupe Church of England Academy	51,708	77,232
Tenbury Church of England Primary School	74,787	69,648
The Hereford Academy	(11,542)	(77,353)
Bishop's Castle Primary School	43,461	75,771
Conover Church of England Primary School	36,952	31,876
St Edward's Church of England Primary School	115,405	175,317
St George's Church of England Academy Clun	(27,855)	(15,596)
Eastnor Parochial Primary School	24,950	36,220
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	673,924	806,066
Restricted fixed asset fund	24,083,580	25,418,023
Pension reserve	(6,428,000)	(15,605,000)
	<hr/>	<hr/>
TOTAL	18,329,504	10,619,089
	<hr/> <hr/>	<hr/> <hr/>

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

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

	Deficit £
Bitterley Church of England Primary School	87,559
Ludlow Church of England School	275,392
The Hereford Academy	11,542
Central	191,795
Burford Church of England Primary School	14,492
St George's Church of England Academy Clun	27,855
	=====

The Academy Trust have identified the reasons for any deficits in the academies funds below

The Academy Trust is taking the following action to return the academies to surplus:

Bitterley Church of England Primary School - Bitterley have been working with the central finance team to ensure that they return to a surplus within three years, and this is the end of the first year of that period. In addition to the planned deficit for 20-21, Bitterley have also experienced a change in staffing that has increased the deficit.

Ludlow Church of England School - this deficit has been declared to both the Board and to the ESFA, and is the result of a staffing structure which has a high retention rate and low turnover. There are planned reductions and restructures over the coming years, and the Central Team is heavily involved in working with the academy to return to a surplus position within five years.

The Hereford Academy - this deficit has improved from last year, and the academy have a strong three year budget to ensure that they return to a surplus. There has been another support staff restructure, saving additional funds, and the BFRO shows a healthy carry forward within five years.

The Central function also supported an overhaul of teaching and learning at STC in particular, and also at THA. The Central function continues to support and fund additional teaching and learning across DHMAT, but does intend to return to a surplus position within three years.

St George's Church of England Academy - St George's will be working with the central team to ensure they return to a surplus.

Burford Church of England Primary School - Burford will be working with the central team to ensure they return to a surplus.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
Burford Church of England Primary School	504,813	86,343	12,927	177,823	781,906	716,887
Bitterley Church of England Primary School	369,954	62,799	18,340	234,044	685,137	636,404
St Michael's Church of England Primary School	360,166	73,437	39,872	132,112	605,587	535,616
Burley Gate Church of England Primary School	288,093	100,799	35,196	99,113	523,201	468,909
Central	146,709	325,946	-	993,236	1,465,891	1,266,729
Ludlow Church of England School	2,599,151	412,705	67,435	634,687	3,713,978	3,645,265
Ludlow Primary School	1,315,895	263,761	26,667	341,270	1,947,593	1,926,292
Morville Church of England Primary School	209,800	39,098	3,675	116,812	369,385	310,404
St Thomas Cantilupe Church of England Academy	838,952	106,451	20,221	205,612	1,171,236	1,113,046
Tenbury Church of England Primary School	753,006	134,002	1,708	176,532	1,065,248	1,020,503
The Hereford Academy	2,255,772	639,008	119,090	728,200	3,742,070	3,780,531
Bishop's Castle Primary School	509,093	70,209	12,464	181,310	773,076	709,827
Condover Church of England Primary School	543,776	87,933	11,495	118,535	761,739	726,775

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19. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2022 £	Total 2021 £
St Edward's Church of England Primary School	179,853	38,788	5,203	142,626	366,470	299,149
St George's Church of England Academy Clun	305,783	61,373	16,291	189,060	572,507	479,063
Eastnor Parochial Primary School	340,469	48,172	15,536	141,222	545,399	493,063
ACADEMY TRUST	11,521,285	2,550,824	406,120	4,612,194	19,090,423	18,128,463

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	23,806,003	23,806,003
Current assets	169,742	2,411,326	277,577	2,858,645
Creditors due within one year	241	(1,246,259)	-	(1,246,018)
Creditors due in more than one year	-	(661,126)	-	(661,126)
Provisions for liabilities and charges	-	(6,428,000)	-	(6,428,000)
TOTAL	169,983	(5,924,059)	24,083,580	18,329,504

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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	24,853,687	24,853,687
Current assets	271,220	2,010,009	564,336	2,845,565
Creditors due within one year	(287)	(1,008,861)	-	(1,009,148)
Creditors due in more than one year	-	(466,015)	-	(466,015)
Provisions for liabilities and charges	-	(15,605,000)	-	(15,605,000)
TOTAL	270,933	(15,069,867)	25,418,023	10,619,089

21. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	(2,264,585)	(1,570,506)
ADJUSTMENTS FOR:		
Depreciation	1,906,419	1,856,714
Capital grants from DfE and Other Capital Income	(571,976)	(759,250)
Defined benefit pension scheme cost less contributions payable	531,000	359,000
Defined benefit pension scheme finance cost	267,000	262,000
Decrease in stocks	-	7,256
(Increase)/decrease in debtors	(41,887)	121,288
Increase in creditors	166,992	23,314
Interest received	(10,027)	(16)
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(17,064)	299,800

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22. CASH FLOWS FROM FINANCING ACTIVITIES

	Group 2022 £	Group 2021 £
Cash inflows from new ESFA loans	316,946	-
Repayments of ESFA loans	(51,957)	(33,210)
NET CASH PROVIDED BY/(USED IN) FINANCING ACTIVITIES	264,989	(33,210)

23. CASH FLOWS FROM INVESTING ACTIVITIES

	Group 2022 £	Group 2021 £
Interest received	10,027	16
Purchase of tangible fixed assets	(858,735)	(458,904)
Capital grants from DfE Group	571,976	759,250
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(276,732)	300,362

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash in hand and at bank	2,235,170	2,263,977
TOTAL CASH AND CASH EQUIVALENTS	2,235,170	2,263,977

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	2,263,977	(28,807)	2,235,170
Debt due within 1 year	(58,543)	(69,878)	(128,421)
Debt due after 1 year	(466,015)	(195,111)	(661,126)
	1,739,419	(293,796)	1,445,623

**NOTES TO THE FINANCIAL STATEMENTS
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26. PENSION COMMITMENTS

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

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

Contributions amounting to £184,532 were payable to the schemes at 31 August 2022 (2021 - £184,601) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,570,080 (2021 - £1,555,012).

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

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

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26. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £1,182,000 (2021 - £1,143,000), of which employer's contributions totalled £985,000 (2021 - £954,000) and employees' contributions totalled £ 197,000 (2021 - £189,000). The agreed contribution rates for future years are 19.1 per cent for employers and 5.5 - 12.5 per cent for employees.

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

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2022	2021
	%	%
Rate of increase in salaries	4.2	4.0
Rate of increase for pensions in payment/inflation	3.0	2.9
Discount rate for scheme liabilities	4.3	2.8
Inflation assumption (CPI)	2.8	1.7

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

	2022	2021
	Years	Years
Retiring today:		
Males	22.8	23.0
Females	25.0	25.1
Retiring in 20 years:		
Males	24.1	24.3
Females	26.8	26.7

SENSITIVITY ANALYSIS

	2022	2021
	£000	£000
Discount rate +0.1%	1,052	891
Mortality assumption - 1 year increase	1,095	965
CPI rate +0.1%	1,095	949
Pay growth +0.1%	1,076	922

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

26. PENSION COMMITMENTS (CONTINUED)

SHARE OF SCHEME ASSETS

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

	At 31 August 2022	At 31 August 2021
	£	£
Equities	6,441,000	6,807,000
Bonds	1,204,000	900,000
Property	670,000	396,000
Cash and other liquid assets	203,000	210,000
Other	2,220,000	1,630,000
Total market value of assets	10,738,000	9,943,000

The actual return on scheme assets was £(141,000) (2021 - £1,347,000).

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

	2022	2021
	£	£
Current service cost	(1,516,000)	(1,313,000)
Interest cost	(428,000)	(390,000)
Interest income	161,000	144,000
Administrative expenses	(17,000)	(16,000)
Total amount recognised in the consolidated statement of financial activities	(1,800,000)	(1,575,000)

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

	2022	2021
	£	£
AT 1 SEPTEMBER	25,548,000	21,669,000
Current service cost	1,516,000	1,313,000
Interest cost	428,000	390,000
Employee contributions	197,000	189,000
Actuarial gains	(10,294,000)	2,083,000
Benefits paid	(229,000)	(51,000)
Other movements	-	(45,000)
AT 31 AUGUST	17,166,000	25,548,000

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

26. PENSION COMMITMENTS (CONTINUED)

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

	2022	2021
	£	£
AT 1 SEPTEMBER	9,943,000	7,538,000
Interest income	178,000	144,000
Actuarial gains	(319,000)	1,234,000
Employer contributions	985,000	954,000
Employee contributions	197,000	189,000
Benefits paid	(229,000)	(51,000)
Administration expenses	(17,000)	(16,000)
Other movements	-	(49,000)
AT 31 AUGUST	10,738,000	9,943,000

27. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group	Group	Trust	Trust
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	35,190	35,190	35,190	35,190
Later than 1 year and not later than 5 years	35,131	70,321	35,131	70,321
	70,321	105,511	70,321	105,511

28. MEMBERS' LIABILITY

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

**DIOCESE OF HEREFORD MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

29. RELATED PARTY TRANSACTIONS

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

During the year purchases were made from Dove House Consultancy Limited, of which D Lewis, former interim CFO, is a Director, totalling £7,661 (2021: £74,484). There was a balance of £NIL (2021: £5,968) outstanding at the year end.

30. GENERAL INFORMATION

Diocese of Hereford Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Unit 11, The Business Quarter, Sheet Road, Ludlow, Shropshire, SY8 1FD.