

Registered number: 09628754 (England and Wales)

**Medway Anglican Schools Trust**  
(A company limited by guarantee)

**Annual report and financial statements**

**For the year ended 31 August 2018**

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

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**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Reference and administrative details**  
**For the year ended 31 August 2018**

**Members**

Incorporated Rochester Diocesan Board of Education  
S Burton-Jones  
J Clarke, Chair of the Board of Directors  
S Davis (appointed 13 December 2017)  
A Richardson (appointed 1 September 2017)

**Trustees**

J Clarke, Chair<sup>1</sup>  
S Davis (resigned 31 December 2017)<sup>1</sup>  
H Sanders<sup>1</sup>  
J Gowland-Smith (resigned 31 July 2018)<sup>1</sup>  
H Jennings (appointed 10 October 2017, resigned 31 July 2018)<sup>1</sup>  
O Allen (appointed 15 March 2018)  
S Coleman (appointed 23 January 2018)<sup>1</sup>  
G Mond (appointed 15 March 2018)<sup>1</sup>

<sup>1</sup> Finance Committee

**Company registered number**

09628754

**Company name**

Medway Anglican Schools Trust

**Principal and registered office**

St Margarets C of E Junior School, Orchard Street, Rainham, Gillingham, Kent, ME8 9AE

**Senior management team**

H Sanders, Chief Executive Officer  
K Barker, Chief Financial Officer  
S Corfield, Head Teacher of All Saints C of E Primary School to 31 October 2017  
J Strachan, Deputy Head Teacher of All Saints C of E Primary School to 31 October 2017, Head Teacher of All S School from 1 November 2017  
K Forghani Ashraff, Assistant Head Teacher of All Saints C of E Primary School from 1 September 2017  
A Pattenden, Head Teacher of St Margaret's C of E Junior School  
F Cordingley, Deputy Head Teacher of St Margaret's C of E Junior School  
J Collman, Head Teacher of St John's C of E Infants' School  
D Brown, Senior Teacher of St John's C of E Infants' School  
J Round, Senior Teacher of St John's C of E Infants' School

**Independent auditors**

Kreston Reeves LLP, 37 St Margaret's Street, Canterbury, Kent, CT1 2TU

**Bankers**

Lloyds Bank plc, 142 - 146 High Street, Chatham, Kent, ME4 4DQ

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**Reference and administrative details**  
**For the year ended 31 August 2018**

**Advisers (continued)**

**Solicitors**

Thomson Snell & Passmore, 3 Lonsdale Gardens, Tunbridge Wells, Kent, TN1 1NX

**Medway Anglican Schools Trust**  
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**Trustees' report**  
**For the year ended 31 August 2018**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates 3 primary phase academies in the Medway area: All Saints CE Primary School; St John's CE Infants School and St Margaret's CE Junior School. Its academies have a combined pupil capacity of 765 and had a roll of 761 in the school census on 19th January 2017.

**Structure, governance and management**

**Constitution**

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

The charitable company's Memorandum and Articles of Association are the primary governing documents of the academy trust.

The Trustees act as the Trustees for the charitable activities of Medway Anglican Schools Trust and are also the Directors of the charitable company for the purposes of company law.

The charitable company is known as Medway Anglican Schools Trust (MAST).

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

**Members' liability**

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

\*As required in the academy trust's funding agreement/Memorandum and Articles of Association.

**Trustees' indemnities**

Cover for third party liability and all indemnities are provided through the Trust's purchase of membership of Risk Protection Arrangements from DfE. There were no claims during the year 1 September 2017 to 31 August 2018.

**Principal Activities**

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

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

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

Medway Anglican Schools Trust recruits Directors who have the experience and skills to be able to lead and manage the business of the Trust. Potential candidates complete a skills audit and are interviewed by Director(s) of the Board. The Board then discuss the candidate and vote on whether to appoint. An invitation to join the Board is then made. The Board also writes to the Members to confirm that they agree with, and confirm the appointment.

The Board of Directors annually reviews its effectiveness and skills set and recommends the recruitment and appointment of Directors as a result of this process. The Trust will consider appointing Directors from the local governing bodies of its academies which has the dual effect of enhancing the skills of the Trust Board and reinforcing the relationship with governance at local governing body level. The Trust has also used the National Ambassador Scheme in order to try to recruit and appoint governors with commercial expertise in the fields of finance and estates management.

There are four first Directors who are named in the Incorporation documents and were appointed by members. The Chief Executive Officer is an ex-officio Director for the period of their being in post.

As laid out in the Articles of Association:

The number of Directors shall not be less than three, but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

The members appoint a minimum of five Directors. The Local Governing Bodies appoint Parent Governors, hence in accordance with the Articles of Association there is no requirement to appoint Parent Directors, although there may be Directors who are also parents of children in the Academies. Those Directors who are appointed by members can, with the agreement of the Diocese, appoint co-opted Directors. Future Directors shall be appointed or elected, as the case may be, under the Articles of Association.

*Appointment of Directors*

The Members shall appoint a minimum of 5 Directors.

The Members shall ensure that the total number of Directors including the Chief Executive Officer who are employees of the Company does not exceed one third of the total number of Directors.

Currently every Academy in the Medway Anglican Schools Trust has a local governing body and each Academy has two parent governors as part of its governing body. The parent governors are elected as detailed in the extract from the Articles of Association below:

*Parent Directors*

In circumstances where the Directors have not appointed Local Governing Bodies in respect of the Academies as envisaged in Article 101A there shall be a minimum of 2 Parent Directors and otherwise such number as the Members shall decide who shall be appointed or elected in accordance with Articles 54 - 56.

Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies shall be elected or appointed by the parents of registered pupils at one or more of the Academies and each must be a parent at the time when he is elected or appointed.

Notwithstanding Article 53, if no parents put themselves forward for election the number of Parent Directors and Parent members of the Local Governing Bodies or Advisory Bodies required shall be made up by Parent Directors and Parent members appointed by the Directors.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Method of recruitment and appointment or election of Trustees (continued)**

The Directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the Parent Directors or Parent members of Local Governing Bodies or Advisory Bodies, including any question of whether a person is a parent of a registered pupil at one of the Academies. Any election of the Parent Directors or Parent members of the Local Governing Bodies or Advisory Bodies which is contested shall be held by secret ballot.

In appointing a Parent Director or Parent member of a Local Governing Body or Advisory Body the Directors shall appoint a person who is the parent of a registered pupil at an Academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

*Chief Executive Officer*

The Chief Executive Officer shall be a Director for as long as she remains in office as such.

*Co-opted Directors*

The Directors appointed under Article 50 with the consent of the Diocesan Board of Education may appoint up to 2 Co-opted Directors for such term (not exceeding four years) and otherwise upon such conditions as they shall think fit. A 'Co-opted Director' means a person who is appointed to be a Director by being Co-opted by Directors who have not themselves been so appointed. In accordance with Article 50A, The Directors may not co-opt an employee of the Company as a Co-opted Director if thereby the number of Directors who are employees of the Company would exceed one third of the total number of Directors including the Chief Executive Officer.

*Term of Office*

The term of office for any Director (other than Co-opted Directors under Article 58) shall be four years, save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

*Resignation and Removal*

A Director shall cease to hold office if he resigns his office by notice to the Company (but only if at least three Directors will remain in office when the notice of resignation is to take effect).

A Director shall cease to hold office if he is removed by the person or persons who appointed him. This Article does not apply in respect of a Parent Director.

Where a Director resigns his office or is removed from office, the Director or, where he is removed from office, those removing him shall give written notice thereof to the Clerk.

*Disqualification of Directors*

No person shall be qualified to be a Director unless he is aged 18 or over at the date of his election or appointment. No current pupil or current student of any of the Academies shall be a Director.

A Director shall cease to hold office if he becomes incapable by reason of illness or injury of managing or administering his own affairs.

A Director shall cease to hold office if he is absent without the permission of the Directors from all their meetings held within a period of six months and the Directors resolve that his office be vacated.

A person shall be disqualified from holding or continuing to hold office as a Director if:

- his estate has been sequestrated and the sequestration has not been discharged, annulled or reduced; or
- he is the subject of a bankruptcy restrictions order or an interim order.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Method of recruitment and appointment or election of Trustees (continued)**

A person shall be disqualified from holding or continuing to hold office as a Director at any time when he is subject to a disqualification order or a disqualification undertaking under the Company Directors Disqualification Act 1986 or to an order made under section 429(2)(b) of the Insolvency Act 1986 (failure to pay under county court administration order).

A Director shall cease to hold office if he ceases to be a Director by virtue of any provision in the Companies Act 2006 or is disqualified from acting as a trustee by virtue of section 178 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).

A person shall be disqualified from holding or continuing to hold office as a Director if he has been removed from the office of charity trustee or trustee for a charity by an order made by the Charity Commission or the High Court on the grounds of any misconduct or mismanagement in the administration of the charity for which he was responsible or to which he was privy, or which he by his conduct contributed to or facilitated.

A person shall be disqualified from holding or continuing to hold office as a Director where he has, at any time, been convicted of any criminal offence, excluding any that have been spent under the Rehabilitation of Offenders Act 1974 as amended, and excluding any offence for which the maximum sentence is a fine or a lesser sentence except where a person has been convicted of any offence which falls under section 178 of the Charities Act 2011.

After the first Academy has opened, a person shall be disqualified from holding or continuing to hold office as a Director if he has not provided to the chairman of the Directors a criminal records certificate at an enhanced disclosure level under section 1138 of the Police Act 1997. In the event that the certificate discloses any information which would in the opinion of either the chairperson or the Chief Executive Officer confirm their unsuitability to work with children that person shall be disqualified. If a dispute arises as to whether a person shall be disqualified, a referral shall be made to the Secretary of State to determine the matter. The determination of the Secretary of State shall be final.

Where, by virtue of these Articles a person becomes disqualified from holding, or continuing to hold office as a Director; and he is, or is proposed, to become such a Director, he shall upon becoming so disqualified give written notice of that fact to the Clerk.

Articles 68 to 74, Articles 77 to 79 and Articles 97 to 98 also apply to any member of any committee of the Directors, including a Local Governing Body, who is not a Director.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Policies and Procedures for the Induction and Training of Trustees**

Trustees bring their key skills and experience to the Board, but may have limited experience of how Academy Trusts operate and the roles and responsibilities of the Trust Board and Local Governing Bodies.

Upon the offer of appointment being accepted, the Director is required to complete and submit a Disclosure and Barring Service form. Once the enhanced check is received and checked, the Director is formally appointed.

When a Director is appointed they undergo an induction programme which includes learning about the Academies within the Medway Anglican Schools Trust and their individual characteristics. They receive an induction pack which includes key documents to read as listed:

- Articles of Association
- Scheme of delegation
- Master funding agreement
- Supplemental funding agreement
- Structure Chart
- Trustee code of conduct
- Academies Financial Handbook
- MAST financial manual
- Governance handbook
- Keeping Children Safe in Education 2018
- MAST Structure Chart with Names
- Last year's Board minutes
- Last year's CEO reports
- Last 2 LGB minutes from trust schools

They are given: a Medway mail e-mail address for Trust communications; training in safeguarding, including the Prevent Module, links to the Trust Academy websites; a list of Local Governing Body Governors; copies of the Ofsted framework and safeguarding framework and the opportunity to meet with the Chief Executive Officer and to visit Academies in the Trust.

The new Director is mentored by an experienced Director who will support them in developing their skills and signpost training as needed. They also have access to NGA Learning Link and are invited to attend the MAST governance training sessions.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Organisational structure**

The Board of Directors is ultimately responsible to the Members and the Secretary of State for Education for the performance of the Medway Anglican Schools Trust and its academies. The Directors are responsible for the strategic direction of the Trust and have the ultimate decision-making authority. This is exercised by the Directors through strategic planning which details the vision, purpose and objectives of the Trust and setting of policy. It is managed through business and financial planning, budget monitoring, performance management, the setting of standards and the implementation of quality management processes.

The Chief Executive Officer implements the decisions of the Directors and is responsible for the day to day operations of the Trust. The Chief Executive Officer operates within the limits of the Trust's policies and procedures as approved by the Board of Directors and the powers delegated to them. The Chief Executive Officer is the Accounting Officer.

To ensure financial scrutiny and oversight, the Trust has a Finance Committee with the appropriate levels of delegation to undertake such scrutiny and oversight. For the purposes of internal control, review of systems and compliance with legislation and internal systems and policies, the Finance Committee acts as Audit Committee, with appropriate terms of reference. The committee monitors the systems and operations of the Trust and reviews the more detailed and independent internal audit work of a firm of accountants retained for these purposes as well as the work of the Trust's auditors. The membership of this committee is detailed in the reference and administrative section.

In order to provide increased monitoring and scrutiny of educational standards within the Trust academies, the Board of Directors has established from 1 September 2016 the Schools Standards Scrutiny Group. This group will provide detailed analysis of standards, holding academies to account for learner achievement, encourage Trust wide initiatives to monitor individual school performance and encourage school to school support.

A local governing body under an agreed scheme of delegation operates each of the Trust's academies. The local governing body is a committee of the Board of Directors. The Directors have delegated to the local governing body of each academy the powers and responsibilities detailed in their respective schemes of delegation, which were revised and approved by the Directors on 1 September 2017. Unless a matter is identified as strategic or specifically reserved to the Directors, all power and responsibility for the academy in question is delegated to the local governing body including the expenditure of funds allocated to the academy within the limits agreed in the scheme of delegation and financial handbook. The local governing body is at liberty to delegate its powers to the Headteacher by means of a written scheme of delegation. This gives the Headteacher the responsibility and the commensurate powers to undertake the internal management of the academy so as to ensure that its day-to-day operations can be undertaken. The Headteacher carries out these responsibilities in conjunction with the leadership team.

Although not part of the Trust's formal structure, the Chief Executive Officer chairs the Management Group which consists of all the Headteachers and the Chief Finance Officer. This operational group is the lynchpin in achieving the implementation of the Trust's strategy, policies and procedures.

In order to ensure cohesion and proper systems, each local governing body is required to implement the policies and procedures laid down by the Directors. The Trust monitors the activities of each academy through the provision of local governing body minutes, educational data, financial information and internal systems reviews, which are reviewed by the Board of Directors, finance (including audit) committee as appropriate.

The Trust provides some central services; each academy must use the Trust's audited accounts and company secretarial services, including clerking and centrally procured consultants/contractors for human resources; payroll services and finance services managed by the Chief Finance Officer. The Trust is a charity and all such services will be operated for the benefit of the academies on a cost basis. The Trust reserves the right to receive a contribution to these central costs from the academies. We have also appointed a MAST GDPR officer who trains all relevant members of MAST and fulfills the requirements of the role for the whole Trust.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

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

Pay and remuneration for key management personnel is set using the school teachers pay and conditions document and guidance on school teachers pay and conditions. Each Headteacher has a pay scale range of 7 points linked to the group size of their school. The Chief Executive Officer pay point has been determined using the National Joint Council Recommendations for Local Government. All Headteachers and the Chief Executive Officer (CEO) are subject to performance management. The Trust commission an experienced external assessor, who supports the process for the CEO and all Headteachers. This ensures that there are high expectations and consistent challenge across the Trust Academies throughout the performance management process. The Headteacher performance management panel has a minimum of one member of the Local Governing Body, a Director, the CEO as an adviser and the external assessor to support the process. CEO performance management is delivered by a minimum of two Directors with the external assessor to support the process. In all cases, there is a mid-year review. Following completion and full review of the performance management cycle, the panel members make a recommendation on pay awards and these are considered by the pay committee, which from 1 September 2017 forwards consists of at least two Directors and one member of the Local Governing Body. Deputy Headteachers and Assistant Headteachers who are also senior leaders are performance managed by the Headteachers who make a recommendation to the pay committee on pay awards. All teachers and key management personnel complete their appraisal by 31 October and receive written confirmation of their salary by 30 November.

**Member schools**

The Trust is made up of:

All Saints CE Primary School	converted 1 September 2015
St John's CE Infants School	converted 1 September 2015
St Margaret's CE Junior School	converted 1 September 2015

**Trade Union Facility Time**

The Trust encourages membership of Trade Union and other professional organisations.

During the year ended 31 August 2018, there were no employees of the Trust acting as Trade Union representatives. The Trust purchased Trade Union Facilities from Medway Council under the Trade Union Facilities Scheme Pool Buy In. The total cost of the Trade Union Facilities Scheme Pool Buy In to Medway Anglican Schools Trust for the year ended 31 August 2018 was £860.16.

**Relevant union officials**

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
0	0

**Percentage of time spent on facility time**

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

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Percentage of pay bill spent on facility time**

Provide the total cost of facility time	<b>0</b>
Provide the total pay bill	<b>0</b>
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	<b>0</b>
Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	<b>0</b>

**Related Parties and other Connected Charities and Organisations**

The Trust is an educational establishment currently consisting of three primary academies, which operate independently in relation to the provision of education to the learners that attend the academy. The Trust provides certain central services such as human resources, payroll, finance, internal and external audit, central policies, company secretarial support including clerking, which the academies use and it also facilitates, shared expertise and development.

In furtherance of its religious objectives the academies within the Trust are also involved in the Rochester Diocesan Family of Schools and the Medway Anglican School Heads partnership. These are voluntary collaborations to promote the Church of England religious ethos within schools and do not of themselves impact on the operations of the Trust.

Each academy is also a member of a local zone group of Medway Education Leaders Association who meet regularly to collaborate to seek out and adopt best practice to raise standards and improve outcomes for pupils.

During the 2017-2018 year we have provided additional leadership capacity to the St James' Primary Academy Trust under a memorandum of understanding during the absence of the substantive head of school. This has been a rich, collaborative relationship where we have learned from each other.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Related Parties and other Connected Charities and Organisations (continued)**

The Trust requires all its Members, Directors, Governors and Staff to complete a business interests form at least annually. This assists in identifying related parties either in or beyond the Trust.

<b>Members of the Trust Board</b>			
	Trustee/Director	Appointing Body	Term of Office
Julia Clarke	Director (Chair)	MAST	1 Sept 2015 – 31 Aug 2019
Hilary Sanders	CEO / ex officio Director	MAST	1 Sept 2015 – ongoing
Gill Mond	Director	MAST	15 March 2018 – 15 March 2022
Oliver Allen	Director	MAST	15 March 2018 – 15 March 2022
Steve Coleman	Director	MAST	23 January 2018– 23 January 2022
<b>Previous Members of the Board (last 12 mths)</b>			
Sue Davis	Director (Vice Chair)	MAST	1 Sept 2015 – 31 Aug 2019
Jarrold Gowland-Smith	Director	MAST	5 Oct 2016 – 4 Oct 2020
Harry Jennings	Director	MAST	10 Oct 2017 – 9 Oct 2021
<b>Trustee Roles</b>			
Julia Clarke	Chair of Directors / Safeguarding / Chair of Pay Committee / Vice Chair of Finance Committee		
Gill Mond	Director / Vice Chair of Directors		
Steve Coleman	Director / Chair of Finance Committee / Vice		

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

<b>Register of Business Interests – Directors of the Board</b>			
<b>Trustee</b>	<b>Name of Organisation/Individual</b>	<b>Date Involvement Began</b>	<b>Nature of Interest</b>
Julia Clarke	Bredhurst CE Primary Matt Durcan (spouse)	Dec 2015	NLG Governor Director at Howard School
Gill Mond	Parkwood Federation Hempstead School Fed Inspire Academy Greenacre Academy Trust Rivermead Trust	Apr 2015 May 2016 Feb 2015 Jan 2015  June 2018	Clerk to Governors Clerk to Governors Clerk to Advisory Board Clerk to Trust  Clerk to Trust
Hilary Sanders	Academy of Woodlands H&E Sanders Riverside Primary  Emily Sanders  St Mary's Island (VA) Primary	June 2015 Sept 2014 Sept 2014  1986  June 2017	Vice Chair Partner Governor resigned August 2016 due to work commitments and a potential conflict of interests Daughter is a business partner and also a governor at Brompton Westbrook Governor
Oliver Allen	None	-	-
Steve Coleman	None	-	-
<b>Register of Business Interests – Previous Members of the Board (last 12 mths)</b>			
<b>Trustee</b>	<b>Name of Organisation/Individual</b>	<b>Date Involvement Began</b>	<b>Nature of Interest</b>
Sue Davis	St John's CE Infant Reculver CE Primary Diocese of Rochester Emmaus Church	Sept 2015 Nov 2015 Jan 2014 2010	Governor (ended 31 Dec 17) Governor Employee Treasurer
Jarrod Gowland- Smith	None	-	-
Harry Jennings	None	-	-

Mrs D. Brown, Senior Teacher at St John's CE Infants School is the sister of Mrs J. Collman, the Headteacher of St John's CE Infant School.

Mrs Susan Davis (Member) is an employee of Rochester Diocese, which is a connected party.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Strategic report**

**Objectives and Activities**

**Objects and aims**

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

Aims:

- To improve outcomes for all pupils by promoting outstanding education across member schools.
- To support and sustain high standards.
- To support each school in its individual vision.
- To share and implement best practice to face the challenges of the future in a local context.
- To offer support to other primary schools facing challenge, within the capacity of the group.

**Objectives, strategies and activities**

The core purpose of the MAST is to promote outstanding education for all our children in an increasingly changing and challenging educational landscape. It is essential that the strategic and operational function of the centre adds capacity to the individual schools, through:

- supporting school improvement, by providing open and transparent evaluation and feedback.
- promoting openness and information sharing across the trust for the benefit and support of all.
- promoting professional dialogue and support between all members of the MAST staff community.
- promoting shared continuing professional development to address new skills needed as an Academy Trust including governance.
- best value for money through economy of scale purchasing and procurement of services.
- ensuring that statutory and legal duties are met through:
  - financial oversight
  - auditing including commissioning internal and external audits and audit of regulatory systems
  - oversight of Headteacher performance management
  - monitoring school performance and effectiveness and intervening where needed
  - up to date and fit for purpose employment related policies
  - health and safety policies and monitoring
  - maintaining up to date safeguarding policies and practice.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Objectives, strategies and activities (continued)**

Keeping focus on our core purpose and using the strategies above, during the period from 1 September 2017 - 31 August 2018 our objectives were:

Improve outcomes for our pupils so that Trust schools are a first choice for parents by

- Improving progress for all pupils in EYFS, key stage 1 and key stage 2.
- Improving attainment for all pupils in EYFS, key stage 1 and key stage 2.
- Raise achievement in reading for all pupils and increase the proportion of higher attaining pupils compared to national benchmarks.
- Maintaining the unique character and ethos of each school so that pupils develop within a nurturing environment.
- Promoting attendance so that pupils are in school and ready to learn at the start of the school day.

Continue to develop leadership and management across the Trust so that it moves towards outstanding by

- The recruitment and retention of talented individuals throughout the Trust, including Governors and Trustees.
- Strengthen and develop governance at all levels.
- Reviewing the management structure of schools to ensure that it is effective and efficient.
- Providing opportunities for career progression within the Trust so that talented individuals are retained.

Raise the quality of teaching and learning by

- Recruitment and retention of high quality teachers.
- Rigorous and robust quality assurance of teaching through joint lesson observations, book looks and moderation by senior leaders across the Trust.
- Investigating best practice in teaching mathematics.
- High quality CPD to support teachers and teaching support staff to increase their skills and raise expectations.

Continue to maintain management and financial systems and procedure across the Trust which meet the requirements of the law and the Academies Financial Handbook

- Update and adopt MAST wide policies and procedural documents to meet statutory requirements, which are understood by all.
- The efficient procurement, shared central costs and collaborative working between schools.

All aspects of the Trust's activities during the 2017-2018 year linked to its charitable purposes namely the advancement of educational establishments for the public benefit.

These objectives were the Trust focus for the 2017-2018 academic year.

The Trust has seen pupils in all its Academies making good progress from their starting points during the year. This was confirmed at the Ofsted inspections of every school in the Trust that took place in June and July of 2018. All schools were confirmed as good in all aspects and the inspections were rigorous and thorough, they recognized the impact of leadership at all levels and the unique characteristics of each school in the Trust.

All Saints CE Primary report: <https://files.api.ofsted.gov.uk/v1/file/2783435>  
St John's CE Infants report: <https://files.api.ofsted.gov.uk/v1/file/2783933>  
St Margaret's CE Junior report: <https://files.api.ofsted.gov.uk/v1/file/50022236>

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Objectives, strategies and activities (continued)**

Governance has been strengthened through recruitment of Governors and Directors with strong skillsets and continual professional development for Governors and Directors. We have reviewed and revised governance training to make it more effective: Governors and Directors receive regular in-school training that links their roles, key principles and procedures directly to the current position in school – so that they can immediately apply their learning to impact on the context of their school. In addition, we provided opportunities to meet as a Trust governance team for bespoke training in SIAMS (church inspection framework); and GDPR changes in May 2018, plus a governance conference which reviewed the outcomes for the Trust in 2018 and set the strategic direction for 2018-2019. This is part of our openness and transparency approach across the Trust.

The quality of teaching has continued to improve, as evidenced through the external evaluation of Her Majesty's Ofsted Inspectors and Trust commissioned external consultants. Our Teach First programme is a strength of the Trust and we have successfully developed early career teachers to qualify by the end of the year.

Providing career development opportunities for all our staff team remains a priority of the Trust. During the year, we have developed subject leadership in all schools. We have seconded a Deputy Headteacher to a Head of School in another Trust and a Headteacher to an Executive Headteacher secondment – adding leadership capacity to that school. As a result, we provided the opportunity for others to experience the Deputy Headteacher role.

We have successfully submitted an application to RSC to extend the age range of All Saints CE Primary to include an off-site nursery provision for 2,3, and 4 year olds. This opens in September 2018 and will serve the local area which has high deprivation.

Management and finance systems are in place across the Trust and deadlines for statutory returns have been met. There is an open and transparent sharing of both financial information and performance information so that all leaders and managers know and understand how the priorities for the Trust are determined, as well as knowing where we have performed well.

All aspects of the Trust's activities are linked to its charitable purposes namely the advancement of educational establishments for the public benefit.

**Public benefit**

The Directors confirm that the objectives and activities of the Trust provide identifiable benefits, namely educational, which are in pursuance of the aims of the Trust. In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. This benefit is available to young people aged from 4 to 11.

Two of our schools are in areas of high deprivation (10% most deprived nationally) and the third has pockets of deprivation. Ofsted confirmed that our strategies to meet the needs of disadvantaged pupils are impactful and are diminishing the difference. The admission criteria of the academies are not unduly restrictive and are in keeping with the religious aims of the Trust. Furthermore, the Directors confirm that they have complied with their duty to have regard to the guidance on public benefit as published by the Charity Commission.

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Achievements and Performance**

Medway Anglican Schools' Trust continues to be recognised as a Trust that performs well.

All schools were inspected, by Ofsted, in June or July 2018 and received good judgements in all areas.

The Trust has supported St James Primary Academy Trust during the year – adding leadership capacity.

We are likely to increase the number of Academies in the Trust during 2019.

The Trust's main objective is the advancement of education in the United Kingdom for the public benefit; consequently, the academic achievement of its learners is its primary focus.

During the 2017-2018 academic year, overall there was an improvement in the achievement of pupils across the Trust relative to their starting points in September 2017. Pupils have made good progress during the year at all schools in the Trust, although more needs to be done to secure above average progress between the end of key stage 1 and key stage 2 using the national benchmark calculations. This was confirmed by Ofsted inspections in June and July 2018.

**End of Key Stage 2 SATs 2018**

Academy	Percentage Read, write, maths combined	Progress in reading	Progress in writing	Progress in mathematics	Above Floor
All Saints CE Primary	38%	-3.0	-2.66	-3.26	Yes
St John's CE Infants	Not applicable				
St Margaret's CE Junior	56%	-2.7	-1.7	-2.34	Yes

This continues the trend of both schools being above floor and not coasting.

The use of pupil premium funding is impactful, again this was confirmed by external consultants and Ofsted. For example: reading improved for all pupils by the end of year 6 in 2018, and disadvantaged pupils achieved better than other pupils – diminishing the gap.

**End of Key Stage 1 2018**

Academy	Reading		Writing		Mathematics	
	% expected	% greater depth	% expected	% greater depth	% expected	% greater depth
All Saints CE Primary	78%	31%	73%	18%	73%	27%
St John's CE Infants	69%	17%	59%	10%	72%	17%
St Margaret's CE Junior	N/A	N/A	N/A	N/A	N/A	N/A

All Saints improved on the disappointing attainment in 2017 and this cohort were broadly in line with national for attainment and made good progress from low starting points on arrival at the start of the reception year.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Achievements and Performance (continued)**

St John's experienced high inward mobility across key stage 1 and figures above include the whole year 2 cohort and show a dip on the previous year for attainment. However, for those pupils who arrived at the school at the beginning of reception attainment is above the national with 83% gaining the expected standard in reading and mathematics and 80% in writing. Again Ofsted, recognized the good quality teaching and the provision in place to respond to high inward mobility.

**Phonics Check Year 1 2018**

Results at both schools dropped and were below the national and below previous attainment (St John's 47%; All Saints 60% c.f. national 83%). Both schools have a high proportion of pupils with SEN needs in this year group which is reflected in the results.

Read, Write, Ink (RWI) is being introduced at St John's CE Infants from September 2018 and refreshed at All Saints CE Primary. This will improve provision and raise standards. Both schools have experienced changes of teachers at Key Stage 1 and the focused INSET programme will ensure that all teachers have the necessary skills to deliver RWI effectively.

**End of Early Years Foundation Stage 2018**

The demographic of the children entering the reception year at both schools is changing: there is an increasing proportion of children with SEND and inwardly mobile children with little or no spoken English and new to the area – some from outside of the UK.

Children made good progress from their starting points at the beginning of the year in both schools.

The proportion of children reaching a good level of development increased to 63% at St John's CE Infants and children who were eligible for free school meals exceeded their peers, with 71% gaining a good level of development.

For All Saints, the proportion of children gaining a good level of development dipped to 60% from 67% the previous year. Despite children making good progress from their starting points, the overall award of a good level of development was limited by children's attainment in writing and reading.

The school is expanding its age range to include nursery provision off-site for 2-4year olds in September 2018 and the Assistant headteacher for EYFS will not have a class responsibility for next year; she will be ensuring that the nursery is effective and improving provision in reception.

**Attendance**

Overall attendance continues to be in line or above the National average for 2018 for All Saints CE Primary and St Margaret's CE Junior. Both have a lower than national persistent absence figure. The Pastoral Lead Workers in both schools continue to provide very effective support for families. St John's Infants has above national overall absence and persistent absence. However, there has been a small improvement in attendance in 2017-2018 with 93.5% attendance.

**Pupil Recruitment**

Both All Saints CE Primary and St Margaret's CE Juniors are over-subscribed and maintain waiting lists of pupils wishing to enter the school.

St John's CE Infants has places available in some year groups and experiences high mobility.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Key performance indicators**

The Trust undertakes monitoring of both a financial and non-financial nature, as follows:

**Financial:**

- Budget: income and expenditure to actual performance - budgets are reviewed monthly in school and by the Chief Finance Officer and each term by the respective committee for each academy.
- Management accounts are reviewed 3 times during the year by the Board Finance Committee who raise questions.
- Budget three year forecasting - this is undertaken on a rolling annual basis and it was noted that budgets in forthcoming years will be under extreme pressure due to government policy on grant income as well as the increase in pension contributions and the minimum wage pay scales.
- Staff pay as a proportion of income - this is regularly reviewed and for the year represented 82% of income, excluding conversion income.
- Specific income and expenditure to targets - is reviewed regularly for each Academy and monitored by the Chief Finance Officer who prepares management accounts for the Local Governing Bodies and the Board.
- The Trust maintains a detailed Risk Register, which is a live document and is reviewed at least termly and as necessary by the Chief Executive Officer; Chief Finance Officer and Headteachers. Actions are put in place to mitigate both financial and reputational risks.
- Benchmarking across the academies and against other similar academies – The Board and Local Governing Bodies review benchmarking against DfE finance benchmarks and this will develop as a continuing process as relevant data for the academies becomes available.

**Non-Financial:**

- Pupil numbers - reviewed by reference to each of the academy's published admission number and local and national demand for places. For 2017-2018 two academies in the Trust were full and following appeals St Margaret's CE Junior and All Saints CE Primary were briefly over PAN due to successful appeals. St John's CE Infants had 6 places free at the end of the year and there is relatively high inward and outward mobility due to the school not being full in September and then taking in pupils who are referred by Medway admissions.
- The Curriculum - continues to be reviewed during the year and adjustments made to deliver a curriculum for all pupils in all Trust schools which is both engaging, exciting and effective in promoting learning. Ofsted judged the curriculum provided as good and relevant for the children in each school.
- End of EYFS and key stage results are reviewed against local and national statistics published by the Department for Education together with data provided through Raise online, see achievement and performance section above. Summary data and information by pupil group is shared across the Trust and used to: set strategic priorities; review the impact of actions over time; embed a shared responsibility for the performance of all schools in the Trust.
- Pupil Premium and value for money - is reviewed against local and national statistics published by the Department for Education together with data provided through Raise online. Achievement of the pupil premium cohort is shown in the performance and achievement section. Again Ofsted judged the impact of our Pupil Premium provision as good.  
Sports Premium and value for money - is reviewed regularly by the Local Governing Bodies and annually by the Board. Pupils have access to a wide range of sports both through the curriculum during the school day and after school and lunchtime clubs. Our schools are successful at the Medway Youth Games. Additional funding in 2017-2018 is being used to provide additional equipment for all children to develop a healthy lifestyle through regular exercise.
- Facilities - the condition of premises are monitored with and through the Local Governing Bodies and the necessary bids for funding will be made in December 2018. One bid was successful in December 2017 and provided funding (£117,238) to repair the roof of the Victorian building at All Saints.
- Health and safety is reviewed regularly by the Local Governing Body and external reviews are commissioned for all Trust schools.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Key performance indicators (continued)**

- Energy consumption and efficiency - this is monitored by reference to the available commercial rates, although joint procurement through the Trust was limited as St Margaret's CE Juniors shared their premises with the LA maintained St Margaret's Infant's School. The Infants school has converted to Academy status with another local primary academy trust and our CFO is working with their team to seek lower costs for energy going forward. There is a single boiler to heat both schools which is sited on the Infant's site.
- Staff Performance - this is monitored through annual staff appraisal based on a single policy, the Trust ensures that staff performance is monitored and rewarded consistently and effectively. Clear expectations are communicated by the CEO/Headteacher management group to ensure consistency across the Trust. The Headteachers and CEO performance management are supported by an experienced external assessor, again this ensures impartial consistency and rigor for the process.

**Financial review**

The Trusts primary source of funding is pursuant to the Education and Skills Funding Agency master funding agreement and the academies supplemental funding agreements. In addition, the academies receive funds through lettings, donations from parents and donations and grants from local and national organisations.

During the period ended 31 August 2018, the Trust has incurred total expenditure of £3,803,037 has in delivering the aims of the Trust as set out on page 13. This expenditure was covered by recurrent ESFA grant funding plus other incoming resources of £3,738,568. The excess of income over expenditure (excluding restricted fixed asset reserve and restricted pension reserve) is £20,008.

As at 31 August the Trust had consolidated free reserves of £688,261 (all reserves excluding restricted fixed asset reserve and restricted pension reserve).

The fixed asset reserve at 31 August 2018, representing the Trust's fixed assets and unspent capital grants, is £197,632. The land and buildings where the academies are sited, is owned (but not maintained) by Rochester Diocese, and is not included in this reserve.

The restricted pension reserve at 31 August 2018 is a deficit of £1,309,000. The Trustees consider that this deficit will not have any impact on the Trust as this liability will only crystallise upon the event of the Trust ceasing to exist and without re-brokerage of the member schools. In the extremely unusual circumstances this may occur, the liability is covered by a DfE guarantee.

The Trust applies robust financial management and budgetary control. The budgets reflect the priorities of each academy and the Trust and are approved by the Board. The Trust Board's Finance Committee monitors individual academy financial performance against budget on a termly basis together with the Trust's central services budget. In the interim period between Finance Committee meetings, the Chair of the Board and the Chair of the Finance Committee receive and review monthly summary reports on financial performance against budget.

The Trust's financial policies and procedures have been approved by the Board and comply with the Academies Financial Handbook. These policies and procedures are reviewed and re-approved by the Board on a 3 yearly cycle and also upon changes to the Academies Financial Handbook and changes in Trust practice and procedure.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Going concern**

After making appropriate enquiries, the Directors have a reasonable expectation that the academy 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 Accounting Policies.

**Reserves policy**

The Directors review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trust's level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) at the year-end 31 August 2018 is £688,261. The Directors confirm that they consider the level of reserves to be adequate bearing in mind the future plans of the Trust.

The Directors have carefully considered the level of reserves that need to be continuously held to effectively manage risk and uncertainty of future funding. The Trust follows a policy of holding six weeks operating costs to meet such risks and uncertainties. At 31 August 2018, £440,000 of reserves is held by the Trust for this purpose.

In addition to continuously held reserves, the Trust has built up reserves in order to accommodate longer-term plans such as school improvement initiatives, capital investment in school buildings and infrastructure and the development of the Trust's central services and operations. At 31 August 2018, £248,000 has been earmarked by the Directors for specific future projects and further details are provided in Note 18.

**Investment Policy**

The Trust shall not undertake any form of investment in stocks, shares, bonds or any other similar investment vehicle or in property or buildings other than those related to the establishment, maintenance, carrying on, managing and developing of educational establishments. The suitability of the banking arrangements is reviewed every academic year.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Principal risks and uncertainties**

The Trust's principal risk and uncertainty concerns the provision of funding from central Government which is the major source of income for the academies and hence funding for the Trust. The current economic climate may see a reduction in funding, which may result in the Trust having a deficit budget in the future. Although the Trust and its academies have taken steps to make savings, these alone will not compensate for a reduction in central funding. In addition, further economies within the academies might impact on educational standards. This together with the recent increase in the minimum wage and pension contribution changes may further reduce flexibility to maintain current staffing levels.

The succession planning for the Trust in relation to key Directors and senior leaders, who to date, have played a pivotal role in the development of the Trust may become an issue; however, the Board is actively working to recruit more Directors with skills which enhance and complement those of existing Directors.

The Trust and its academies also acknowledge the continued importance of up-to-date, suitable and secure IT systems at all its academies and the potential issues that can be experienced by staff and students as a result of any failures. The trust has policies and procedures in place which meet the increased expectations of the changes to data protection that came into effect in May 2018.

The Trust has had its 3 year growth plan agreed by the Regional Schools Commissioner. Currently there is capacity in the senior leadership teams to support this expansion, which is planned to be measured and so sustainable. However, expansion also exposes the Trust and its academies to potentially risky alliances both financial and educational. The Trust conducts thorough due diligence checks when a school applies to join us, to mitigate risk. We have provided additional leadership capacity to another stand alone Church of England Primary Academy in 2018, and are now carrying out due diligence.

Recruitment and retention of a high quality teaching staff is a concern. All Trust schools were fully staffed during the 2017-2018 academic year, but the Trust is aware that it is becoming increasingly difficult to recruit to teacher vacancies. The Trust is mitigating risk by developing career pathways within the Trust so that we are employers of choice. For example, a recent restructure of a Trust school was successful in both improving accountability and clear roles and responsibilities, hence increasing possible career pathways without leaving the Trust for another school/academy. In addition the Trust is registered with a range of teacher training schemes (Teach First, Schools Direct) to attract high calibre trainee teachers into post. This was a particularly successful strategy in the 2017-2018 academic year and All Saints CE Primary has an excellent record of Teach First candidates making outstanding progress in their first two years.

The Trust also acknowledges that negative public relations with stakeholders and the wider community as a result of a poor Ofsted or SIAMS inspection or safeguarding issues may damage the reputation of the Trust and affect pupil numbers. All academies in the Trust were judged good by Ofsted in their June/July 2018 inspection and one has a good SIAMS inspection judgement, the other two an outstanding SIAMS judgement. The Trust and its schools are preparing for the new SIAMS framework and their SIAMS inspections in 2019 onwards.

The Trust maintains a live risk register which is reviewed regularly to assess changes and emerging risks. This register is available for review at Local Governing Body and Board meetings. The Directors are responsible for identifying risks faced by the Trust, establishing procedures to mitigate these risks, and ensuring that employees are aware of these procedures and of the implications of failing to implement them. The Directors have delegated the more detailed scrutiny of the risks faced by the Trust to the Board Finance Committee which also reviews the mitigation put in place to combat the risk. This committee advises the Directors on the significant risks faced by the Trust and its academies. The Directors confirm that the major risks, to which the Trust is exposed, as identified in the risk register, have been reviewed and systems and procedures are in place to manage these potential risks. Furthermore, the Directors are satisfied that each academy has undertaken a detailed review of those risks specific to the academy and procedures have been put in place to manage those risks. The Directors are satisfied that these procedures are consistent with the guidelines issued by the Charity Commission.

The Directors acknowledge that they have overall responsibility for ensuring that the Trust has effective and appropriate systems of control, both financial and non-financial.

**Medway Anglican Schools Trust**  
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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Fundraising**

The Charities (Protection and Social Investment) Act 2016 requires the Trust to make a statement regarding fundraising activities.

We do not undertake widespread fundraising from the general public and our fundraising activities are limited to seeking donations from the parents of pupils and seeking donations and grants from local and national organisations via their corporate social responsibility schemes. These amounts are presented in our accounts as "Income from donations and capital grants".

In relation to the above we confirm that all solicitations are managed internally, without involvement of commercial participators or professional fund-raisers, or third parties. The day to day management of all income generation is delegated to the key management team, who are accountable to the Directors.

The Trust has received no complaints in relation to fundraising activities. The appropriateness of our fundraising activity continues to form a natural part of our risk management framework and our scheme of delegation.

**Plans for future periods**

**Future developments**

The Trust's key objective is the advancement of education in the United Kingdom for the public benefit.

The Trust has reviewed its three year plan to expand the Trust and intend to attract more academies to join the Trust. This has been discussed with the Regional Schools' Commissioner.

The Trust's strategic objectives support this key purpose by aiming to:

- Build a strong community of schools with a shared purpose and Christian ethos.
- Achieve the highest standards of learning and achievement for all children and adults.
- Achieve outstanding teaching and learning.
- Develop an engaging and exciting curriculum for the 21st Century.
- Build a reputation for excellence in the community.
- Ensure that every child leaving our Academies is well equipped for the next stage of their education.
- Use innovative approaches to joint procurement to achieve Trust efficiencies and value for money.
- Nurture and develop School leadership including governance across the Trust empowering leaders to work beyond good and outstanding.

During 2017-2018 the Academies built upon their effective partnerships as a result of increasing trust in each other and recognition of the expert skills of individuals. To further strengthen and develop shared responsibility and accountability across the Trust in 2017-2018 and promote high standards, every member of the CEO/Headteacher management group continued to lead a key aspect of curriculum development to raise pupil achievement and improve teaching and learning. The headteachers carried out peer to peer reviews to support school improvement strategies. The PAN trust focus on reading was successful with all schools increasing pupil achievement in reading, particularly for disadvantaged pupils, who achieved above their peers by the end of key stage 2.

In 2018-2019 we aim to continue to raise standards in the core subjects, developing systems across the Trust so that effective development of core subjects is led by subject leaders with oversight of senior leaders. We are providing INSET to develop key skills and knowledge for our aspiring Headteachers and aspiring senior leaders. We will be continuing to support and add leadership capacity to a local Primary Academy and anticipate growing the Trust by successfully inducting another Academy into our Trust family.

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**Trustees' report (continued)**  
**For the year ended 31 August 2018**

**Funds held as custodian**

The Incorporated Rochester Diocesan Board of Education (Company number 00046014) is the site Trustee for each Academy and should therefore be treated as the Custodian Trustee. The Incorporated Rochester Diocesan Board of Education is a Private Limited Company by guarantee without share capital use of 'Limited' exemption for the purpose of providing educational support services. The objectives and principal activities of the Incorporated Rochester Diocesan Board of Education (which is also a member of the Medway Anglican Schools Trust) are:

- The Board's Corporate Funds are held to be applied in accordance with the objects clause of its Memorandum and Articles of Association which is:
  - a. To maintain and extend education in and knowledge of the Christian religion in general and the faith and practice of the Church of England in particular to all sections of the community within the Diocese of Rochester.
  - b. To carry out the functions of the Diocesan Board of Education for the Diocese of Rochester under the provisions of the Diocesan Boards of Education Measure 1991 and any legislation amending, supplementing or replacing the same.

The Diocese of Rochester Consolidated Educational Endowments were created by a resolution of the Board passed on 9 November 1994 and are held on the terms of the Uniform Statutory Trusts under Schedule 36 of the Education Act 1996.

**Employee involvement and employment of the disabled**

The Trust has a policy to eliminate unlawful discrimination and harassment on the grounds of disability and to promote equal opportunities and a positive attitude towards disabled employees.

The Trust has management systems in place to provide information to and to consult staff on matters affecting them.

**Provision of information to Auditor**

In so far as the Trustees are aware:

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

**Auditors**

The auditors, Kreston Reeves LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Full Board Meeting, as the company directors, on 11 December 2018 and signed on its behalf by:

**J Clarke**  
Chair of Trustees



**Medway Anglican Schools Trust**  
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**Governance Statement**

**Scope of Responsibility**

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

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

**Governance**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Full Board Meeting has formally met 12 times during the period, either as a Full Board Meeting; Finance Committee; Pay Panel; or Standards Committee. Attendance during the period at meetings of the Full Board Meeting was as follows:

Trustee	Meetings attended	Out of a possible
J Clarke, Chair	7	7
S Davis	3	3
H Sanders	7	7
J Gowland-Smith	1	7
H Jennings	2	6
O Allen	3	4
S Coleman	3	4
G Mond	2	4

The Board continues to seek to recruit Directors with the necessary skills and of a high calibre. During the year 2017-2018 3 Directors resigned due to commitments at work and a further 3 governors were recruited and brought additional skills and experience to the Board.

During the third year of operation, the Board has continued to set the strategic direction of the Trust and checked that management systems and key policies are in place to so that the Trust meets the requirements of the law and the Education Funding Agency's Financial Handbook.

The Board has monitored the work of the Local Governing Bodies to ensure that they are effective and follow the policies and procedures of the Trust. It has worked effectively to promote good communication from Local Governing Bodies to the Board and vice versa. The Governor training sessions were well attended and were more impactful as the principles and skills could be applied directly in context of the Academies and the Trust. Communication has improved across the year, attendance of Directors at Local Governing Body meetings when necessary provides quality assurance and the opportunity for robust discussions. There have been a number of changes in governance membership at Board and local governing bodies and the Board has reviewed the effectiveness of governance, feeding back to local Chairs and setting clear expectations for governance performance.

The Board continues to hold the Pay Review Committee for all schools in the trust and headteachers present their pay recommendations to the Board Review Committee; this ensures consistency across the Trust and that the members of the committee have the skills to make informed decisions.

Chairs of Local Governing Bodies sent their evaluation of their impact to the Board for consideration in September 2018 and the scheme of delegation is reviewed annually.

The Board holds the Chief Executive Officer to account for the performance of the Trust and has commissioned an external assessor to assist in performance management.

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**Governance Statement (continued)**

The Finance Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the Directors' Board, by enabling more detailed consideration to be given to the best means of fulfilling the Board's responsibility to ensure sound management of the academy's public and private finances and resources including the buildings and

- To ensure that the Academy undertakes proper planning, monitoring and probity.
- To make appropriate comments and recommendations on such matters to the governing body on a regular basis.
- To refer major issues to the Executive Board for approval or ratification.
- To fulfil the functions required by law of the Audit Committee.

The Finance Committee met three times during the year.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
J Clarke	3	3
S Davis	2	2
H Sanders	3	3
J Gowland-Smith	1	3
H Jennings	2	2
S Coleman	1	1
G Mond	1	1

The Pay Review committee is a sub committee of the main governing body. Its purpose is to assist the decision making of the Directors' Board in relation to pay awards.

The current terms of reference are:

- To implement the Pay Policy in a fair and objective manner and to consider any individual representations that may be made in respect of pay decisions;
- To undertake an annual pay review for each teaching member of staff based on the criteria set out in the Pay Policy with effect from 1 September;
- To observe all statutory and contractual obligations, including making arrangements to notify pay decisions to individual members of staff within appropriate timescales;
- To consider recommendations of the reviewer/Headteacher for pay rises and generically report these decisions to the next meeting of the Trust Board and Local Governing Body;
- To consider any written representations made by employees.
- To recommend to the Governing Body the annual budget required for pay purposes, including provision for discretionary pay advancement arising from performance reviews;
- To keep informed of relevant developments including legislation and statutory guidance affecting the Pay Policy and to review and to recommend changes or modification to the Trust Board, as appropriate and at least annually;
- To ensure the performance review of the Headteacher has been carried out and review the recommendation from the Headteacher performance management panel on the salary of the Headteacher for salary ratification.
- To ensure the Headteacher Performance management panel works with an External Adviser for the performance review of the Headteacher alongside the CEO, 1 director and Local Governing body Chair.

The pay review committee met once during the year.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
J Clarke	1	1
S Davis	1	1
H Sanders	1	1

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**Governance Statement (continued)**

The standards committee is a sub committee of the main governing board. The Committee's responsibility is to oversee and evaluate the standards of the member Academies of the Trust in relation to academic performance against key performance indicators, which are set in consultation with the Local Governing Bodies. The Committee shall make whatever recommendations to the MAST Board that it deems appropriate within the context of its terms of reference.

The Committee will:

- Hold the leadership and staff of the individual academy to account for academic standards and the quality of teaching.
- Receive and review reports from the CEO/ Headteachers in relation to academic standards and the quality of teaching.
- Receive and review school development plans.
- Set targets for standards for the academic year in the member schools and review standards over the last 3 years.
- Determine the measures used to assess the academic standards of schools.
- Review Ofsted reports and make recommendations to the Local Governing Body as appropriate.
- Conduct or authorise investigations into any matters within its scope of responsibility.
- Identify best practice and disseminate it.
- Review the committee's membership on an annual basis to ensure that it has appropriate skills and relevant experience.
- Identify the risks to standards

The Standards Committee met once during the year. Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
J Clarke	1	1
H Sanders	1	1
G Mond	1	1
O Allen	1	1

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**Governance Statement (continued)**

**Review of Value for Money**

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that the academy 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's use of its resources has provided good value for money during each academic year, and reports to the Full Board Meeting where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

- All Academies were judged as good in their Ofsted inspections in June and July 2018
- The gap has diminished between disadvantage pupils and other pupils, particularly in reading, which was a focus for the year.
- The aims of the MAST action plan were mainly met including: increased central procurement of services providing value for money; opening nursery provision in Chatham which will benefit both All Saints CE Primary and St John's CE Infants and which serves an area of high disadvantage – thus improving educational opportunities for pre-school children; peer to peer reviews and use of external reviews to promote good school improvement outcomes – as recognised by Ofsted.
- The number of returns required by central government have increased during the year, all deadlines have been met or exceeded.
- Shared human resources across the Trust have resulted in improved provision and outcomes for pupils: secondment of Family Liaison Officer to St John's Infants from All Saints for a day a week has supported strategies to improve attendance; Senior leaders from the are providing additional leadership capacity to another Trust from March 2018 to February 2019 to maintain effective leadership and management during the heads absence. A GDPR officer has been appointed and has trained all staff in policy and procedure.

**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 risks to the achievement of academy 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 Medway Anglican Schools Trust for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Full Board Meeting has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Full Board Meeting is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Full Board Meeting.

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Governance Statement (continued)**

**The Risk and Control Framework**

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

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

The Full Board Meeting has considered the need for a specific internal audit function and has decided to appoint Kreston Reeves as internal auditor.

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

- testing of payroll systems
- testing of purchases systems
- testing of control accounts / bank reconciliations

On a quarterly basis, the auditor reports to the Full Board Meeting through the audit committee on the operation of the systems of control and on the discharge of the Full Board Meeting's financial responsibilities.

**Review of Effectiveness**

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

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

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

Approved by order of the members of the Full Board Meeting on 11 December 2018 and signed on their behalf, by:

  
**J Clarke**  
**Chair of Trustees**

  
**H Sanders**  
**Accounting Officer**

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Medway Anglican Schools Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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



**H Sanders**  
**Accounting Officer**

Date: 11 December 2018

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Statement of Trustees' responsibilities**  
**For the year ended 31 August 2018**

The Trustees (who act as governors of Medway Anglican Schools Trust and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Full Board Meeting on 11 December 2018 and signed on its behalf by:



**J Clarke**  
**Chair of Trustees**

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Independent auditors' report on the financial statements to the members of Medway Anglican Schools Trust**

**Opinion**

We have audited the financial statements of Medway Anglican Schools Trust (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Independent auditors' report on the financial statements to the members of Medway Anglican Schools Trust**

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

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

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the Directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Independent auditors' report on the financial statements to the members of Medway Anglican Schools Trust**

**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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Independent auditors' report on the financial statements to the members of Medway Anglican Schools Trust**

**Use of our report**

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

*Kreston Reeves LLP*

**Kreston Reeves LLP**

Statutory Auditor  
Chartered Accountants

Canterbury  
11 December 2018

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Independent reporting accountants' assurance report on regularity to Medway Anglican Schools Trust and the Education & Skills Funding Agency**

In accordance with the terms of our engagement letter dated 25 September 2015 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Medway Anglican Schools Trust during the year 1 September 2017 to 31 August 2018 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 Medway Anglican Schools Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Medway Anglican Schools Trust and the 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 Medway Anglican Schools Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Medway Anglican Schools Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of Medway Anglican Schools Trust's funding agreement with the Secretary of State for Education dated 24 August 2015, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Independent reporting accountants' assurance report on regularity to Medway Anglican Schools Trust and the Education & Skills Funding Agency (continued)**

The work undertaken to draw to our conclusion includes:

- Reviewed the evidence used to support the Accounting Officer's sign off of the regularity statement
- Reviewed expenditure against specific terms of grant funding within the funding agreement
- Reviewed that grants have been applied for the purposes intended
- Confirmed that internal control procedures exist relating to expenditure incurred of cash and credit cards
- Confirmed items claimed on cash and credit cards are not for personal benefit
- Reviewed expenditure and considered whether any supplies are from related parties
- Reviewed minutes of Governing Body minutes for declaration of interests
- Considered whether other income activities are permitted within the Academy Trust's charitable objects
- Considered if borrowing agreements, including leases, have been made in accordance with the Academies Financial Handbook
- Confirmed that procurement and tendering procedures exist relating to expenditure and have been complied with.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Kreston Reeves, LLP*

**Kreston Reeves LLP**

Reporting Accountant  
Chartered Accountants

Canterbury

11 December 2018

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Statement of financial activities incorporating income and expenditure account**  
**For the year ended 31 August 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Income from:</b>						
Donations and capital grants	2	10,083	-	149,568	159,651	43,736
Charitable activities	3	-	3,411,778	-	3,411,778	3,371,346
Other trading activities	4	166,670	-	-	166,670	158,436
Investments	5	469	-	-	469	533
<b>Total income</b>		<b>177,222</b>	<b>3,411,778</b>	<b>149,568</b>	<b>3,738,568</b>	<b>3,574,051</b>
<b>Expenditure on:</b>						
Charitable activities	6	244,637	3,542,355	16,045	3,803,037	3,745,782
<b>Total expenditure</b>	7	<b>244,637</b>	<b>3,542,355</b>	<b>16,045</b>	<b>3,803,037</b>	<b>3,745,782</b>
<b>Net income / (expenditure) before transfers</b>		<b>(67,415)</b>	<b>(130,577)</b>	<b>133,523</b>	<b>(64,469)</b>	<b>(171,731)</b>
Transfers between Funds	18	92,535	(92,535)	-	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>25,120</b>	<b>(223,112)</b>	<b>133,523</b>	<b>(64,469)</b>	<b>(171,731)</b>
Actuarial gains on defined benefit pension schemes	23	-	406,000	-	406,000	945,000
<b>Net movement in funds</b>		<b>25,120</b>	<b>182,888</b>	<b>133,523</b>	<b>341,531</b>	<b>773,269</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		663,141	(1,491,888)	64,109	(764,638)	(1,537,907)
<b>Total funds carried forward</b>		<b>688,261</b>	<b>(1,309,000)</b>	<b>197,632</b>	<b>(423,107)</b>	<b>(764,638)</b>

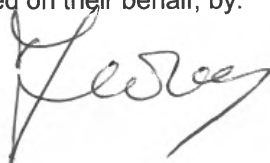
**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**  
**Registered number: 09628754**

**Balance sheet**  
**As at 31 August 2018**

	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Tangible assets	14		<b>179,712</b>		55,512
<b>Current assets</b>					
Stocks	15	<b>2,052</b>		4,475	
Debtors	16	<b>170,119</b>		135,240	
Cash at bank and in hand		<b>926,685</b>		755,256	
			<u><b>1,098,856</b></u>	<u>894,971</u>	
<b>Creditors:</b> amounts falling due within one year	17	<b>(392,675)</b>		(218,121)	
<b>Net current assets</b>			<u><b>706,181</b></u>		<u>676,850</u>
<b>Total assets less current liabilities</b>			<u><b>885,893</b></u>		<u>732,362</u>
Defined benefit pension scheme liability	23		<u><b>(1,309,000)</b></u>		<u>(1,497,000)</u>
<b>Net liabilities including pension scheme liabilities</b>			<u><u><b>(423,107)</b></u></u>		<u><u>(764,638)</u></u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	18	-		5,112	
Restricted fixed asset funds	18	<b>197,632</b>		64,109	
			<u></u>	<u></u>	
Restricted income funds excluding pension liability		<b>197,632</b>		69,221	
Pension reserve		<b>(1,309,000)</b>		(1,497,000)	
			<u></u>	<u></u>	
Total restricted income funds			<u><b>(1,111,368)</b></u>		<u>(1,427,779)</u>
Unrestricted income funds	18		<u><b>688,261</b></u>		<u>663,141</u>
<b>Total deficit</b>			<u><u><b>(423,107)</b></u></u>		<u><u>(764,638)</u></u>

The financial statements on pages 37 to 63 were approved by the Trustees, and authorised for issue, on 11 December 2018 and are signed on their behalf, by:

**J Clarke**  
**Chair of Trustees**



**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**For the year ended 31 August 2018**

	Note	2018 £	2017 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	<u>161,636</u>	<u>103,353</u>
<b>Cash flows from investing activities:</b>			
Interest from investments		469	533
Purchase of tangible fixed assets		(140,244)	(34,676)
Capital grants from DfE/ESFA and other capital income		<u>149,568</u>	<u>38,786</u>
<b>Net cash provided by investing activities</b>		<u>9,793</u>	<u>4,643</u>
<b>Change in cash and cash equivalents in the year</b>		<b>171,429</b>	107,996
Cash and cash equivalents brought forward		<u>755,256</u>	<u>647,260</u>
<b>Cash and cash equivalents carried forward</b>	21	<u><u>926,685</u></u>	<u><u>755,256</u></u>

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies**

Medway Anglican Schools Trust is a charitable company limited by guarantee and an exempt charity incorporated in England and Wales. The registered office is St Margaret's C of E Junior School, Orchard Street, Rainham, Gillingham, Kent, ME8 9AE. The principal activity of the academy trust is to provide a primary education for pupils that satisfies the requirements of the Education Act 2002.

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Medway Anglican Schools Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies (continued)**

**1.3 Income**

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. 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 when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**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.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

**Medway Anglican Schools Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies (continued)**

**1.5 Going concern**

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

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	Over 5 - 10 years straight line
Computer equipment	-	Over 3 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

The Rochester Diocesan Board of Education own the legal title of the land and property of the sites of the schools that the Academy Trust operates. In these circumstances, in the opinion of the trustees, the Academy Trust's rights over the premises does not meet the definition of an asset as the Academy Trust does not have control over the premises. Accordingly, the Academy Trust has not recognised any land and property in the financial statements. There are no formal leases in place and the Rochester Diocesan Board of Education does not charge any rent for the use of these properties.

**1.7 Interest receivable**

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

**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies (continued)**

**1.8 Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.10 Debtors**

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

**1.11 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.

**1.12 Liabilities and provisions**

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial instruments**

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

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

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies (continued)**

**1.14 Taxation**

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

**1.15 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies (continued)**

**1.16 Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

*Multi-employer defined benefit pension scheme*

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. 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.

*Tangible fixed assets*

The Academy Trust has recognised tangible fixed assets with a carrying value of £179,711 at the reporting date (see note 14). These assets are stated at their cost less provision for depreciation and impairment. The Academy Trust's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets the Academy Trust determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the Directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the Academy Trust undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the Academy Trust's forecasts for the foreseeable future which do not include any restructuring activities that the Academy Trust is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

The Rochester Diocesan Board of Education own the legal title of the land and property of the sites of the schools that the Academy Trust operates. Accordingly, the Academy Trust has not recognised any land and property in the financial statements.

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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**1. Accounting policies (continued)**

Critical areas of judgment:

*Multi-employer defined benefit pension scheme*

Certain employees participate in a multi-employer defined benefit pension scheme with other Academy Trusts in the region. In the judgement of the Trustees, the Academy Trust does not have sufficient information on the plan assets and liabilities to be able to reliably account for its share of the defined benefit obligation and plan assets. Therefore the scheme is accounted for as a defined contribution scheme, see note 22 for further details.

*Lease commitments*

The Academy Trust has entered into a range of lease commitments in respect of equipment. The classification of these leases as either financial or operating leases requires the governors to consider whether the terms and conditions of each lease are such that the Academy Trust has acquired the risks and rewards associated with the ownership of the underlying assets.

*Going concern*

In the judgement of the Trustees it is appropriate to prepare the financial statements in accordance with the going concern basis of accounting. See note 1.5 for further details.

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

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Restricted fixed asset funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
Donations	10,083	-	-	10,083	4,950
Capital Grants	-	-	149,568	149,568	38,786
	<u>10,083</u>	<u>-</u>	<u>149,568</u>	<u>159,651</u>	<u>43,736</u>
Total 2017	<u>4,950</u>	<u>-</u>	<u>38,786</u>	<u>43,736</u>	

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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**3. Funding for Academy's educational operations**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	2,990,014	2,990,014	2,982,850
Other DfE/ESFA grants	-	394,419	394,419	365,546
	-	3,384,433	3,384,433	3,348,396
<b>Other government grants</b>				
Other government grants	-	27,345	27,345	22,950
	-	27,345	27,345	22,950
	-	3,411,778	3,411,778	3,371,346
Total 2017	-	3,371,346	3,371,346	

**4. Other trading activities**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Trip income	57,185	-	57,185	61,843
Lettings income	2,160	-	2,160	4,317
Consultancy income	33,678	-	33,678	8,474
Music services income	1,903	-	1,903	15,170
Catering income	40,758	-	40,758	38,428
Uniform income	2,368	-	2,368	3,930
Supply Teacher Insurance Income	7,120	-	7,120	9,410
Miscellaneous income	21,498	-	21,498	16,864
	166,670	-	166,670	158,436
Total 2017	158,436	-	158,436	

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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**5. Investment income**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	469	-	469	533
	<u>469</u>	<u>-</u>	<u>469</u>	<u>533</u>
Total 2017	533	-	533	
	<u>533</u>	<u>-</u>	<u>533</u>	

**6. Charitable activities**

	Total 2018 £	Total funds 2017 £
<b>Direct costs - educational operations</b>		
Wages and salaries	1,912,061	1,911,481
National insurance	139,469	162,604
Pension cost	307,212	308,161
Educational supplies	213,568	183,822
Absence insurance	12,613	10,787
	<u>2,584,923</u>	<u>2,576,855</u>
<b>Support costs - educational operations</b>		
Wages and salaries	431,022	393,545
National insurance	22,610	19,329
Pension cost	247,915	238,019
Depreciation	16,045	20,590
Pension interest cost	37,000	47,000
Staff training	18,314	18,142
Staff recruitment costs	27,560	27,523
Maintenance of premises and equipment	46,992	62,350
Cleaning	14,597	12,723
Rates	22,610	23,081
Light and heat	44,069	40,562
Insurance	17,304	16,044
Staff travel	5,750	1,455
Catering costs	94,702	89,447
Computer costs	65,547	62,744
Printing, postage and stationery	25,900	21,938
Telephone	2,917	4,467
Sundry admin costs	27,712	24,077
Legal and professional	49,548	45,891
	<u>1,218,114</u>	<u>1,168,927</u>
	<u>3,803,037</u>	<u>3,745,782</u>

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**7. Expenditure**

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Activities:					
Direct costs	2,358,742	-	226,181	2,584,923	2,576,855
Support costs	701,546	128,270	388,298	1,218,114	1,168,927
	<u>3,060,288</u>	<u>128,270</u>	<u>614,479</u>	<u>3,803,037</u>	<u>3,745,782</u>
Total 2017	<u>3,033,139</u>	<u>138,716</u>	<u>573,927</u>	<u>3,745,782</u>	

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

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	16,045	20,590
Auditors' remuneration - audit	6,900	6,900
Auditors' remuneration - other services	10,650	3,800
	<u>33,600</u>	<u>31,290</u>

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**9. Staff costs**

**a. Staff costs**

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,261,153	2,262,380
Social security costs	162,078	181,933
Pension costs	555,127	546,180
	<u>2,978,358</u>	<u>2,990,493</u>
Agency staff costs	56,930	42,646
Severance payments	25,000	-
	<u><u>3,060,288</u></u>	<u><u>3,033,139</u></u>

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

Included in direct costs are non-statutory / non-contractual severance payments totalling £25,000 (2017: £Nil). Individually, the payments were: £25,000 (2017: £Nil).

**c. Staff numbers**

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

	2018 No.	2017 No.
Teachers	33	37
Administration and support	89	90
Management	10	8
	<u>132</u>	<u>135</u>

**d. Higher paid staff**

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

	2018 No.	2017 No.
In the band £60,001 - £70,000	2	2

Both of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these employees amounted to £20,644 (2017: £20,257).

**e. Key management personnel**

The key management personnel of the academy trust comprise the senior management team. The total salaries received by key management personnel for their services to the academy trust was £499,146 (2017: £416,296). Employer pension contributions were a total of £80,819 (2017: £69,354) and employer national insurance contributions were a total of £54,158 (2017: £47,696).

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**10. Central services**

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

- Educational support services
- Legal, financial and professional services
- Others as arising

The academy charges for these services on the following basis:

A flat percentage of 5.5% (2017: 3.5%) of total General Annual Grant income.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
All Saints C of E Primary School	67,942	42,966
St Margaret's C of E Junior School	72,140	45,498
St John's C of E Infants' School	23,552	15,568
	<u>163,634</u>	<u>104,032</u>
Total		

**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2018 £	2017 £
H Sanders	Remuneration	45,000-50,000	30,000-35,000
	Pension contributions paid	5,000-10,000	5,000-10,000

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, expenses totalling £396 (2017 - £151) were reimbursed to 1 Trustee (2017 - 1).

**12. Trustees' and Officers' Insurance**

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

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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**13. Other finance cost**

	2018 £	2017 £
Interest income on pension scheme assets	48,000	37,000
Interest on pension scheme liabilities	(85,000)	(84,000)
	<u>(37,000)</u>	<u>(47,000)</u>

**14. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
<b>Cost</b>				
At 1 September 2017	49,707	49,191	-	98,898
Additions	38,264	7,061	94,920	140,245
At 31 August 2018	<u>87,971</u>	<u>56,252</u>	<u>94,920</u>	<u>239,143</u>
<b>Depreciation</b>				
At 1 September 2017	4,838	38,548	-	43,386
Charge for the year	8,400	7,645	-	16,045
At 31 August 2018	<u>13,238</u>	<u>46,193</u>	<u>-</u>	<u>59,431</u>
<b>Net book value</b>				
At 31 August 2018	<u>74,733</u>	<u>10,059</u>	<u>94,920</u>	<u>179,712</u>
At 31 August 2017	<u>44,869</u>	<u>10,643</u>	<u>-</u>	<u>55,512</u>

**15. Stocks**

	2018 £	2017 £
Finished goods and goods for resale	<u>2,052</u>	<u>4,475</u>

**16. Debtors**

	2018 £	2017 £
Trade debtors	828	-
Other debtors	40,361	10,804
Prepayments and accrued income	128,930	124,436
	<u>170,119</u>	<u>135,240</u>

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

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

	2018	2017
	£	£
Trade creditors	114,193	149,671
Other taxation and social security	45,885	-
Other creditors	47,286	861
Accruals and deferred income	185,311	67,589
	<u>392,675</u>	<u>218,121</u>
	2018	2017
	£	£
<b>Deferred income</b>		
Deferred income at 1 September 2017	42,008	43,531
Resources deferred during the year	124,480	42,008
Amounts released from previous years	(42,008)	(43,531)
	<u>124,480</u>	<u>42,008</u>
Deferred income at 31 August 2018	<u>124,480</u>	<u>42,008</u>

At the balance sheet date the academy trust was holding funds received for universal free school meals, rates income, and CIF funding in respect of the following financial year.

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

**18. Statement of funds**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>Designated funds</b>						
CIF match funding	41,000	-	-	50,000	-	91,000
School improvement fund	75,000	-	-	25,000	-	100,000
Development of central services	-	-	-	57,000	-	57,000
	<u>116,000</u>	<u>-</u>	<u>-</u>	<u>132,000</u>	<u>-</u>	<u>248,000</u>
<b>General funds</b>						
General Funds	547,141	177,222	(244,637)	(39,465)	-	440,261
Total Unrestricted funds	<u>663,141</u>	<u>177,222</u>	<u>(244,637)</u>	<u>92,535</u>	<u>-</u>	<u>688,261</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	5,112	2,990,013	(2,902,590)	(92,535)	-	-
Other DfE/ESFA grants	-	394,419	(394,419)	-	-	-
Other government grants	-	27,346	(27,346)	-	-	-
Pension reserve	(1,497,000)	-	(218,000)	-	406,000	(1,309,000)
	<u>(1,491,888)</u>	<u>3,411,778</u>	<u>(3,542,355)</u>	<u>(92,535)</u>	<u>406,000</u>	<u>(1,309,000)</u>
<b>Restricted fixed asset funds</b>						
Assets held for depreciation	55,512	-	(16,045)	140,244	-	179,711
DfE/ESFA capital grants	8,597	148,352	-	(139,028)	-	17,921
RDBE capital grants	-	1,216	-	(1,216)	-	-
	<u>64,109</u>	<u>149,568</u>	<u>(16,045)</u>	<u>-</u>	<u>-</u>	<u>197,632</u>
Total restricted funds	<u>(1,427,779)</u>	<u>3,561,346</u>	<u>(3,558,400)</u>	<u>(92,535)</u>	<u>406,000</u>	<u>(1,111,368)</u>
Total of funds	<u><u>(764,638)</u></u>	<u><u>3,738,568</u></u>	<u><u>(3,803,037)</u></u>	<u><u>-</u></u>	<u><u>406,000</u></u>	<u><u>(423,107)</u></u>

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

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

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

The CIF match funding represents amounts held aside with regards to capital works for school renovations and refurbishments.

The school improvement fund is for mentoring and coaching of early careers teachers and outreach between Trust schools.

GAG represents funds to be used to cover normal running costs of the Academy Trust.

Other DfE/ESFA grants represents grants provided for specific purposes, such as pupil premium which is used to support disadvantaged pupils and assist them in decreasing the attainment gap between them and their peers.

Other government grants represents grants provided for specific purposes, such as SEN funding which is used to support pupils with special education needs.

DfE/ESFA capital grants funds is to provide the Academy Trust with its own capital money to address improvements to buildings and other facilities.

Rochester Diocesan Board of Education (RDBE) capital grants represent funding provided to the Academy Trust to assist with specific capital expenditure projects.

The restricted fixed asset fund represents the assets which were donated upon conversion to academy status, and the value of fixed assets purchased since conversion including depreciation to the balance sheet date.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

**Medway Anglican Schools Trust**  
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

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

**Analysis of academies by fund balance**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	<b>Total 2017 £</b>
All Saints C of E Primary School	<b>336,911</b>	318,268
St Margaret's C of E Junior School	<b>280,180</b>	244,613
St John's C of E Infants' School	<b>57,418</b>	84,490
Medway Anglican Academy Trust - central services	<b>13,752</b>	20,882
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	<b>688,261</b>	668,253
Restricted fixed asset fund	<b>197,632</b>	64,109
Pension reserve	<b>(1,309,000)</b>	(1,497,000)
	<hr/>	<hr/>
Total	<b>(423,107)</b>	(764,638)
	<hr/> <hr/>	<hr/> <hr/>

**Analysis of academies by cost**

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

	<b>Teaching and educational support staff costs £</b>	<b>Other support staff costs £</b>	<b>Educational supplies £</b>	<b>Other costs excluding depreciat- ion £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
All Saints C of E Primary School	<b>973,019</b>	<b>154,455</b>	<b>74,411</b>	<b>180,381</b>	<b>1,382,266</b>	1,367,875
St Margaret's C of E Junior School	<b>1,031,829</b>	<b>179,329</b>	<b>112,833</b>	<b>156,636</b>	<b>1,480,627</b>	1,498,273
St John's C of E Infants' School	<b>353,894</b>	<b>71,170</b>	<b>25,863</b>	<b>84,154</b>	<b>535,081</b>	518,801
Medway Anglican Academy Trust - central services	<b>-</b>	<b>296,592</b>	<b>461</b>	<b>91,965</b>	<b>389,018</b>	340,243
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<b>2,358,742</b>	<b>701,546</b>	<b>213,568</b>	<b>513,136</b>	<b>3,786,992</b>	3,725,192
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**Notes to the financial statements**  
**For the year ended 31 August 2018**

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

**Statement of funds - prior year**

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
<b>Designated funds</b>						
CIF match funding	-	-	-	41,000	-	41,000
School improvement fund	-	-	-	75,000	-	75,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>116,000</u>	<u>-</u>	<u>116,000</u>
<b>General funds</b>						
General Funds	606,305	163,919	(147,645)	(75,438)	-	547,141
Total Unrestricted funds	<u>606,305</u>	<u>163,919</u>	<u>(147,645)</u>	<u>40,562</u>	<u>-</u>	<u>663,141</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	2,982,850	(2,932,689)	(45,049)	-	5,112
Other DfE/ESFA grants	-	365,546	(365,546)	-	-	-
Other government grants	32,362	22,950	(55,312)	-	-	-
Pension reserve	(2,218,000)	-	(224,000)	-	945,000	(1,497,000)
	<u>(2,185,638)</u>	<u>3,371,346</u>	<u>(3,577,547)</u>	<u>(45,049)</u>	<u>945,000</u>	<u>(1,491,888)</u>
<b>Restricted fixed asset funds</b>						
Assets held for depreciation	41,426	-	(20,590)	34,676	-	55,512
DfE/ESFA capital grants	-	20,629	-	(12,032)	-	8,597
RDBE capital grants	-	18,157	-	(18,157)	-	-
	<u>41,426</u>	<u>38,786</u>	<u>(20,590)</u>	<u>4,487</u>	<u>-</u>	<u>64,109</u>
Total restricted funds	<u>(2,144,212)</u>	<u>3,410,132</u>	<u>(3,598,137)</u>	<u>(40,562)</u>	<u>945,000</u>	<u>(1,427,779)</u>
Total of funds	<u>(1,537,907)</u>	<u>3,574,051</u>	<u>(3,745,782)</u>	<u>-</u>	<u>945,000</u>	<u>(764,638)</u>

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

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	179,712	179,712
Current assets	688,261	392,675	17,920	1,098,856
Creditors due within one year	-	(392,675)	-	(392,675)
Provisions for liabilities and charges	-	(1,309,000)	-	(1,309,000)
	<u>688,261</u>	<u>(1,309,000)</u>	<u>197,632</u>	<u>(423,107)</u>

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

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	55,512	55,512
Current assets	663,141	223,233	8,597	894,971
Creditors due within one year	-	(218,121)	-	(218,121)
Provisions for liabilities and charges	-	(1,497,000)	-	(1,497,000)
	<u>663,141</u>	<u>(1,491,888)</u>	<u>64,109</u>	<u>(764,638)</u>

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(64,469)	(171,731)
<b>Adjustment for:</b>		
Depreciation charges	16,045	20,590
Interest from investments	(469)	(533)
Decrease/(increase) in stocks	2,423	(1,111)
Increase in debtors	(34,879)	(4,689)
Increase in creditors	174,553	75,613
Capital grants from DfE and other capital income	(149,568)	(38,786)
Defined benefit pension scheme cost less contributions payable	180,000	176,000
Defined benefit pension scheme finance cost	38,000	48,000
<b>Net cash provided by operating activities</b>	<u>161,636</u>	<u>103,353</u>

**21. Analysis of cash and cash equivalents**

	2018 £	2017 £
Cash in hand	926,685	755,256
<b>Total</b>	<u>926,685</u>	<u>755,256</u>

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**22. Capital commitments**

At 31 August 2018 the academy had capital commitments as follows:

	2018	2017
	£	£
Contracted for but not provided in these financial statements	<u>44,945</u>	<u>-</u>

**23. Pension commitments**

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £45,698 were payable to the schemes at 31 August 2018 (2017 - 46,466) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers 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. 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 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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**23. Pension commitments (continued)**

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £218,713 (2017 - £215,299).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website ([www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx](http://www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx)).

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £200,000 (2017 - £197,000), of which employer's contributions totalled £155,000 (2017 - £153,000) and employees' contributions totalled £45,000 (2017 - £44,000). The agreed contribution rates for future years are 20% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	<b>2018</b>	2017
Discount rate for scheme liabilities	<b>2.65 %</b>	2.60 %
Rate of increase in salaries	<b>3.80 %</b>	4.20 %
Rate of increase for pensions in payment / inflation	<b>2.30 %</b>	2.70 %
Inflation assumption (RPI)	<b>3.30 %</b>	3.60 %
Inflation assumption (CPI)	<b>2.30 %</b>	2.70 %
Commutation of pensions to lump sums	<b>50.00 %</b>	50.00 %

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

	<b>2018</b>	2017
Retiring today		
Males	<b>23.1</b>	23.0
Females	<b>25.2</b>	25.1
Retiring in 20 years		
Males	<b>25.3</b>	25.2
Females	<b>27.5</b>	27.4

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**23. Pension commitments (continued)**

<b>Sensitivity analysis</b>	<b>At 31 August 2018 £</b>	<b>At 31 August 2017 £</b>
Discount rate +0.1%	(76,000)	(74,000)
Discount rate -0.1%	77,000	76,000
Mortality assumption - 1 year increase	107,000	105,000
Mortality assumption - 1 year decrease	(104,000)	(102,000)
Salary rate +0.1%	13,000	18,000
Salary rate -0.1%	(13,000)	(17,000)

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

	<b>Fair value at 31 August 2018 £</b>	<b>Fair value at 31 August 2017 £</b>
Equities	1,379,000	1,235,000
Gilts	16,000	12,000
Other bonds	180,000	169,000
Property	250,000	215,000
Cash	62,000	56,000
Target Return Portfolio	137,000	67,000
	<hr/>	<hr/>
Total market value of assets	<b>2,024,000</b>	<b>1,754,000</b>
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £82,000 (2017 - £7,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	<b>2018 £</b>	<b>2017 £</b>
Current service cost	(335,000)	(329,000)
Administration expenses	(1,000)	(1,000)
Interest income	48,000	37,000
Interest cost	(85,000)	(84,000)
	<hr/>	<hr/>
Total	<b>(373,000)</b>	<b>(377,000)</b>
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of the defined benefit obligation were as follows:

	<b>2018 £</b>	<b>2017 £</b>
Opening defined benefit obligation	3,251,000	3,793,000
Current service cost	335,000	329,000
Interest cost	85,000	84,000
Employee contributions	45,000	44,000
Actuarial gains	(372,000)	(975,000)
Benefits paid	(11,000)	(24,000)
	<hr/>	<hr/>
Closing defined benefit obligation	<b>3,333,000</b>	<b>3,251,000</b>
	<hr/> <hr/>	<hr/> <hr/>

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**Notes to the financial statements**  
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**23. Pension commitments (continued)**

Movements in the fair value of the academy's share of scheme assets:

	2018 £	2017 £
Opening fair value of scheme assets	1,754,000	1,575,000
Interest income	48,000	37,000
Actuarial gains/(losses)	34,000	(30,000)
Employer contributions	155,000	153,000
Employee contributions	45,000	44,000
Administration expenses	(1,000)	(1,000)
Benefits paid	(11,000)	(24,000)
	<u>2,024,000</u>	<u>1,754,000</u>

**24. Operating lease commitments**

At 31 August 2018 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
<b>Amounts payable:</b>		
Within 1 year	6,645	6,308
Between 1 and 5 years	10,729	12,832
Total	<u>17,374</u>	<u>19,140</u>

**25. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/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.

**26. Related party transactions**

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

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11.

These transactions were conducted on normal commercial terms, at arm's length, without the exercise of any influence by the related party involved.

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**27. Controlling party**

The Academy Trust is run by the management team on a day to day basis. Strategic decisions are made by the Board of Trustees. There is no ultimate controlling party.