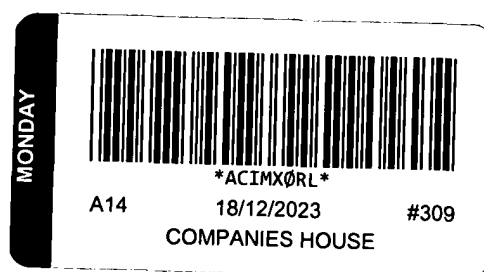


**MYTON SCHOOL TRUST**  
**(A Company Limited by Guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



**Company Limited by Guarantee**  
**Registration Number: 07669416**  
**(England & Wales)**

## **MYTON SCHOOL TRUST**

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## REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, GOVERNORS AND ADVISORS

## Members

Mr P Freeman	
Mr M Oldridge	
Mr S Payne	(Appointed 8 November 2022)
Ms J Grey	(Appointed 8 November 2022)
Mrs B Sahota	(Appointed 10 December 2022)

## Board of Governors

Mr M Oldridge *#	Chair of Governors
Mr P Freeman *#	Vice-chair of Governors
Mr A Perry *#	Headteacher & Accounting Officer
Mrs C Barnes	(Resigned 8 October 2022)
Mrs C Blake	Parent Governor (Resigned 28 April 2023)
Mr T Garner	Staff Governor (Appointed 26 September 2022)
Miss A Goddard	(Resigned 3 February 2023)
Mr T Goodwin *#	(Appointed 25 September 2023)
Mrs J Grey *#	
Mr S Payne *#	
Mrs S Popat	(Appointed 25 September 2023)
Mr J Tracey *#	(Appointed 25 September 2023)
Ms B Sahota	Parent Governor
Mrs K Sherratt *#	

\* Members of the Finance, Personnel and External Committee

# Members of the Audit Committee

## Company Secretary

Mrs E J Burrows

## Senior Leadership Team

Mr A Perry	Headteacher
Mrs E Curtis	Deputy Headteacher (Appointed 1 September 2022)
Mr S Jones	Deputy Headteacher (Resigned 31 December 2022)
Mr N Phipps	Deputy Headteacher (Appointed 1 September 2023)
Mrs E J Burrows	Finance Director
Ms S Akram	SenCo (Appointed 1 September 2023)
Mrs E Atkins	Assistant Headteacher
Mr M Aynsley	Assistant Headteacher
Mr C Cannon	Assistant Headteacher (Resigned 31 August 2023)
Mrs C Haines	DSL (Appointed 1 November 2022)
Miss A Hawkes	SenCo (Resigned 31 August 2023)
Mrs S Russell	Assistant Headteacher (Appointed 1 September 2023)
Mrs J Stevens	Assistant Headteacher
Mrs C Walker	Assistant Headteacher (Appointed 2 September 2023)

## Company Name

Myton School Trust

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, GOVERNORS AND ADVISORS (cont'd)**

**Principal and Registered Office**

Myton School  
Myton Road  
Warwick  
Warwickshire  
CV34 6PJ

**Company Registration Number (England and Wales)**

07669416

**Independent Auditors**

UHY Hacker Young (Birmingham) LLP  
9 - 11 Vittoria Street  
Birmingham  
B1 3ND

**Bankers**

Barclays Bank plc  
Barclays House  
Ground Floor Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

**Solicitors**

Browne Jacobson LLP  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

The Board of Governors present their annual report together with the financial statements and auditors' report of Myton School Trust for the year ended 31 August 2023. The annual report serves the purpose of both a governors' report and a directors' report under company law.

**Myton School Trust: Background**

Myton School was founded in 1968 following the amalgamation of 2 single sex high schools located on the current Myton School site. In 1992 Myton School was incorporated as a grant-maintained school. Following the demise of the grant-maintained structure, Myton School became a Foundation School in 1999. On 1 July 2011, Myton School converted to academy status and Myton School Trust was incorporated.

Myton School operates a fully-inclusive, co-educational comprehensive school for students aged 11 to 18 serving a catchment in South Warwick, Leamington and surrounding villages. The school has a student capacity of 1,780 and had a number on roll of 1,767 (2022: 1,783) in the school census in October 2023.

**STRUCTURE, GOVERNANCE AND MANAGEMENT****Constitution**

Myton School Trust (the "Trust") is a company limited by guarantee and an exempt charity. The Trust's memorandum and articles of association are the primary governing documents of the academy trust.

The Governors act as the Board of Governors (the "Board") for the charitable activities of the Trust and are also the directors of the Trust for the purposes of company law. The charitable company is known as Myton School Trust. The trading name of the Trust is Myton School.

Details of the Governors who served throughout the year ended 31 August 2023, and to the date these accounts are approved are included in the Reference and Administrative Details on page 1.

**Members' Liability**

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

**Governors' indemnities**

The Governors of the Trust benefit from indemnity insurance purchased by the Trust to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. The insurance shall not extend to any claim arising from any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or breach of duty or not.

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

The Members and Governors are responsible for:

- The strategic management of the Trust
- Setting and agreeing Trust policy
- Reviewing the Trust's major risks and ensuring that these are managed within agreed parameters
- Agreeing and monitoring the Trust's budget and financial performance
- Appointing the Headteacher and holding him / her to account

The method of appointment and election of Members and Governors is set out in the Trust's Articles of Association.

The Governors have set up procedures that enable regular reviews of the mix of skills that should be available to the board. New governors will then be sought with these skills, either as additional governors or replacements when existing governors stand down. The great majority of new governors will be drawn from the local community and are often either parents or carers of students at the Trust or others that have shown an interest in the future well-being of the Trust and its students.

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Method of recruitment and appointment or election of Governors (cont'd)**

Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the local community.

In accordance with the Trust's articles of association, governors can be appointed / elected as follows:

- Members of the Trust may appoint up to 11 governors.
- Members of the Trust may appoint staff governors providing that the total number of governors (including the Headteacher) who are employees of the Trust does not exceed one third of the total number of governors.
- The Local Authority (LA) may appoint an LA governor.
- The Board must include at least 2 parent governors. Parent governors are elected by parents of registered students at the Trust and then appointed by the Members.
- The governors may appoint up to 3 co-opted governors.
- In special circumstances the Secretary of State can appoint additional governors to the Board of the Trust.

As at 31 August 2023, the board comprised 2 staff governors (including the Headteacher) and 2 parent governors.

**Policies and Procedures Adopted for the Induction and Training of Governors**

New governors are given an induction pack which includes relevant terms of references, copies of key school policies and guidance on suitable governor training courses including training on safeguarding and child protection issues.

The Clerk to Governors is responsible for identifying relevant training courses and conferences organised by appropriate bodies. The Clerk to Governors informs the board of relevant training opportunities on a regular basis throughout the school year which ensures that individual governors attend relevant courses and that their knowledge and understanding of their role is fully up to date.

**Organisational Structure**

The Board of Governors have responsibility for setting and monitoring the overall strategic direction of the Trust, approving decisions reserved for governors and as set out in the scheme of delegation. The governors are also involved in appointing key members of staff. The Governors set strategic objectives and educational targets for the Trust.

The Governors are accountable to external government agencies including the Charity Commission and the Department for Education for the quality of the education they provide and they are required to have systems in place through which they can assure themselves of quality, safety, probity and good practice.

In order to discharge these responsibilities, the Governors meet as a board 6 times a year. All decisions reserved for the Governors are taken by the board as a whole.

The Board of Governors have established three sub-committees. The Finance, Personnel & External / Audit Committee meets to consider detailed matters and recommends decisions to the full board. This sub-committee also meets 6 times a year. The two other sub-committees are aligned with the School Improvement Plan structure; The Quality of Education and Key Stage 5 Committee and The Behaviour, Attitudes and Personal Development Committee. These committees meet 3 times a year, once every term, also report into the full board and hold school leaders to account on the delivery of the School Improvement Plan.

Additionally, the Board of Governors have appointed Lead Governors who chair the main committee meetings throughout the academic year and link governors who focus on key strategic, statutory and operational areas.

The Trust also has a Development Committee made up of Lead Governors that is responsible for assessing the impact of Governance, succession planning and prepares wider strategic considerations for the Board of Governors.

Each committee and sub-committee have terms of reference agreed at the beginning of each academic year.

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Organisational Structure (cont'd)**

The Headteacher is the Accounting Officer and works closely with Governors and the senior staff of the Trust.

The day-to-day management rests with the Headteacher who has overall responsibility for the Trust. The Headteacher is responsible for establishing a Senior Leadership Team, including the Finance Director, Deputy Headteachers and Assistant Headteachers. The Senior Leadership Team is responsible for the students' education and welfare, organising all staff and the day to day operations, resources and facilities.

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

The Governing Body have adopted a Pay Policy, updated annually, to take into account the provisions of the School Teachers Pay & Conditions Document ("STPCD") and the NJC Pay and Conditions for Support Staff, to manage pay and grading issues for all staff employed in the school. The Governing Body assign an Individual Salary range ("ISR") for the Headteacher's base salary taking into account (but not restricted to) the "Group" that the school would fall within under the STPCD. The Governing Body may award discretionary payment(s) to the Headteacher of up to 25% of annual salary in any year. The Governing Body will determine a 5 point pay range for all other leadership posts from within the Leadership Scale as set out in the Pay Policy. Other than the Headteacher and Staff Governor who are paid for their school related responsibilities, no Governor receives a remuneration in their capacity as a Trustee / Director / Governor of Myton School Trust.

<b>Trade union facility time</b>	<b>Numbers</b>	<b>FTE's</b>
<b>Relevant union officials</b>		
Employees who were relevant union officials during the period	5	4.26

<b>Percentage of time spent on facility time</b>	<b>Employee Numbers</b>
Percentage of time	
0%	3
1% - 50%	2
51% - 99%	-
100%	-

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

Total cost of facility time	£28,650
Total pay bill	£9,074,175
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.32%

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	7.22%
(total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	

**Connected Organisations, including Related Party Relationships**

The Trust has no connected organisations to report.

**OBJECTIVES AND ACTIVITIES****Objects and Aims**

The charitable objectives for which the Trust was established are set out in the articles of association, which can be found on our website [www.mytonschool.co.uk](http://www.mytonschool.co.uk), as follows:

- 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 a school offering a broad and balanced curriculum;

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Objects and Aims (cont'd)**

- to promote for the benefit of the inhabitants of Warwick the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances of for the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants.

**Objectives, Strategies and Activities**

Myton School is an 11-18 age range, co-educational comprehensive school with an excellent reputation, in both the local area and nationally. The socio-economic profile of the Trust's students is diverse and reflects its comprehensive and multi-cultural nature.

Myton School had the most recent Ofsted inspection in February 2023. This was an ungraded inspection hence the Ofsted grading of Good with an Outstanding 6th form received in February 2018 remained unchanged.

**Myton School Mission**

<u>Myton School Mission</u>			
Preparing all our students for lifelong success through:			
Developing self-assured learners	Removing barriers	Working together	Investing in futures

**Public Benefit**

The governors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the trust's objectives and aims and in planning future activities for the year.

In accordance with its charitable objectives, the Trust strives to advance the education of the students attending the school. The Trust's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout the Trust.

**STRATEGIC REPORT****Achievements and Performance**

No prior year comparisons have been provided due to centre assessment grades being applied due to the Covid 19 pandemic.

**GCSE Results:**

The GCSE measures are:

Basics - the proportion of students achieving at least a grade 4 (standard pass) or at least a grade 5 (good pass) in English (either English Language or Literature can be used) and maths. This replaces the 5A\* - C including English and maths used in prior years.

Attainment 8 - the average score achieved in the specified subjects of English, maths, best 3 Ebacc subjects and best 3 other subjects.

Progress 8 - how our students have achieved against the national average for students of the same ability in the attainment 8 subjects.

Value Added - Score for English, maths, Ebacc and other subjects showing how well our students did against their peers of the same ability.

Ebacc – proportion of students achieving at least a good grade in English, maths, two sciences, a language and a humanities subject.

At GCSE, the Trust achieved a basics score of 80% at grade 4 and 58% at grade 5.

The Attainment 8 measure is estimated at 52.1.



**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****GCSE Results (cont'd)**

At GCSE, the unvalidated value added progress 8 measure in 2023 is estimated to be 0.12.

The Governors and Senior Leadership Team "SLT" recognise that further work needs to be done to close the gap of some of our groups of students who are still under-achieving compared to their peers. The clear priorities for 2023-24 are to improve progress of both boys and disadvantaged students. These areas of focus are reflected in the school improvement plan.

**A Level Results:**

With the return to 2019 standards, our attainment returned to those levels at A level on results day but with some remarks/remoderation they have changed to 26% of grades awarded at A level being A\* to A. 64% were awarded A\* - B. 78% were awarded A\* - C. These outcomes have ensured another year with exceptionally high numbers of students gaining entry to their first-choice university (60%).

71% of our year 13 students were successful in securing places in higher education. 4 students have gone straight to apprenticeships, 7 to college and 7 have remained at school for a year 14. 31% of all university places were at Russell Group Universities. Many of those on a gap year will apply for HE during 2023-4 cycle taking our destinations into HE over 80%.

**Key Performance Indicators**

The Trust utilises a number of performance metrics to set strategic targets and monitor its performance. Performance is measured against agreed targets or limits and comparable "benchmarking" data is used to compare performance with other, similar schools. The main KPIs include:

- Ofsted Judgement across all 5 categories (including 16 to 19 study programmes)
- GCSE Results:
  - Basics (%) - across the whole cohort and also identified groups e.g. Pupil Premium, non-Pupil Premium, Boys, Girls, Students with Special Education Needs or Disability
  - Attainment 8 - across the whole cohort and also identified groups e.g. Pupil Premium, non-Pupil Premium, Boys, Girls, Students with Special Education Needs or Disability
  - Progress 8 - across the whole cohort and also identified groups e.g. Pupil Premium, non-Pupil Premium, Boys, Girls, Students with Special Education Needs or Disability
  - English VA, Maths VA, Ebacc and open choice VA - across the whole cohort and also identified groups e.g. Pupil Premium, non-Pupil Premium, Boys, Girls, Students with Special Education Needs or
  - A Level results: % students attaining:
    - A\* - A
    - A\* - B
    - 3 passes
    - Proportion of students gaining AAB in facilitating subjects
    - Value added

**FINANCIAL REVIEW**

Most of the Trust's income is obtained from the Education and Skills Funding Agency ("ESFA") in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

Unrestricted income comprises sports centre and other lettings revenue, donations, catering income and training / CPD activities.

In addition, the Trust received contributions towards specific costs / initiatives from King Henry VIII Foundation and Friends of Myton School. Such grants are shown in the Statement of Financial Activities as restricted funds.

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****FINANCIAL REVIEW (cont'd)**

During the year ended 31 August 2023, the Trust's total expenditure was £11,570,000 (2022: £10,913,000) compared to £15,845,000 (2022: £11,371,000) total incoming resources.

Income for the year increased by £4,474,000 (increase of £1,713,000 in 2022) due to an increase in General Annual Grant funding and to an increase in students within the school plus capital income received from Warwickshire County Council for the new 6th form building.

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme ("LPGS"), provided to support staff, to the restricted fund. This resulted in reducing the reserves in the restricted fund. It should be noted that this does not present the Trust with any current liquidity problems.

The Trust's General Annual Grant (GAG) carried forward was £Nil at 31 August 2023 as we spent more than we received by £121,000. The Trust spent the £82,000 surplus carried forward from last year plus an additional £39,000 which was funded out of unrestricted reserves. This is compared to a £82,000 surplus in the prior year.

**Key Financial Performance Indicators**

The key financial performance indicators monitored by the Leadership Team and Board on a regular basis are as follows:

- Employee costs as a percentage of total income.
- Monthly management accounts versus budget. All variations greater than £10,000 are investigated and explained to the Finance, Personnel & External Committee at the regular committee meetings.
- Forecast management accounts up to period end versus budget. All forecast variations greater than £10,000 are investigated and explained at the Finance, Personnel & External Committee at the regular committee meetings.
- GAG income versus expenditure. Significant variations are also investigated and explained as above.
- Monthly cash flow forecast.
- Employee and other costs benchmarked against national data.

**Going Concern**

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

**Reserves Policy**

The Governors' policy is to generate reserves to provide funds to continue to enhance the educational experiences and outcomes for students. The Governors set a minimum free reserves level of £300,000 for the Trust which would ensure that financial commitments can be maintained. The Governors review the reserves policy annually to ensure that this aim is being achieved.

At 31 August 2023, the trust's reserves totalled £29,288,000 (2022: £24,359,000) of which £526,000 (2022: £667,000) are held as free reserves not as fixed assets or restricted funds. The Governors intend to utilise some of these reserves to support projected in year deficits in the next couple of years due to insufficient funding to cover both teaching and support staff pay awards and rising energy costs.

**Investment Policy**

The Governors' investment powers are set out in the Trust's Memorandum and Articles of Association, which permit the investment of monies of the Trust that are not immediately required for its purposes in such investments as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Investment Policy (cont'd)**

The Trust's current policy is to invest surplus funds in short-term cash deposits.

For the year ended 31 August 2023 and in the current economic climate, the Trust's cash held in the interest-bearing account generated interest of £21,000 (2022 : £3,386) for the year.

**Principle Risks and Uncertainties**

The Governors are responsible for the management of risks to which the Trust is exposed. The Trust has formulated its own Risk Management Policy and created a comprehensive risk register that is updated regularly by Governors and the school's SLT.

The Trust has a 10-year masterplan to develop its estate and has recently commissioned a comprehensive conditions survey of the estate. This has however been superseded with the recent dictate by the DfE on 31 August for all buildings with identified RAAC to close with immediate effect. We are now working with the DfE to develop an estate strategy to address the conditions of both the RAAC building but also taking into consideration all other buildings that are greater than 20 years old.

An Internal Scrutiny review of risk management was conducted in 2022/23 as part of the audit assurance work. All 6 findings were rated "green" and were recommendations where there were opportunities to implement good or better practice to improve the efficiency or further reduce exposure to risk. No major control weaknesses were identified in the review.

For the year ending 31 August 2023, the following significant risks, including financial risks, have been identified and are being managed by the governors.

- **Main Risk:** Staff retention risk post Covid 19 pandemic (2020) and RAAC building closure (2023).  
*Risk Mitigation:* Governor committee monitors staff turnover. Clear career progression and performance management for all staff being improved to retain staff where possible.
- **Main Risk:** Risk that school cannot recruit quality staff into critical staffing positions due to low unemployment and an increase in people unavailable to work due to long-term illness.  
*Risk Mitigation:* Continued investment in recruitment and marketing of school including use of social media. More internal promotions where possible to improve retention and staff morale.  
Early recruitment and over-staffing in core subjects (Maths, English & Science) where possible.  
Training programmes being investigated to retain key support staff roles.
- **Main Risk:** Risk that 2024 exams results will be impacted negatively due to RAAC building closure and the disruption to quality learning this caused.  
*Risk Mitigation:* Canvassing DfE ministers to obtain appropriate dispensation for the exam groups impacted by the building closure and the loss of appropriate specialist teaching spaces.
- **Main Risk:** Risk that the quality of education has been adversely impacted across all year groups at Myton School due to the closure of 30% of the schools teaching space due to RAAC on 1st September 2023 which in turn delayed the start of the autumn term 2023, led to remote learning for some year groups up to 17th October 2023 and the loss of or specialist teaching areas (Drama, Art, Music & Photography).  
*Risk Mitigation:* Worked with DfE appointed case worker, project director and technical advisor to deliver emergency accommodation by 6th November.  
Working with the DfE to deliver a modular village solution by mid-February 2024 to replace all the areas  
Working with the DfE on a longer-term permanent solution which may include rebuild or mitigation works or a combination of both.  
Change in assessment calendar as needed  
Provide students with after school / school holiday catch up sessions throughout the school year

## GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## Principle Risks and Uncertainties (cont'd)

- **Main Risk:** Risk that the building now identified with RAAC (lower school – 30% of total accommodation) will not be replaced quickly, thus having a significant impact on the quality of education that the students at Myton School receive.

*Worked with DfE appointed case worker, project director and technical advisor to deliver emergency accommodation by 6th November.*

*Working with the DfE to deliver a modular village solution by mid February 2024 to replace all the areas lost.*

*Working with the DfE on a longer-term permanent solution which may include rebuild or mitigation works or a combination of both.*

- **Main Risk:** Risk that other buildings across the school estate older than 20 years are no longer fit for purpose. Heating is failing, heating distribution is failing, roofs that haven't been replaced are failing. Buildings are no longer fit for purpose - it would be more economical in the long term to rebuild the old buildings also (as opposed to continually spend money on improvements).

*Risk Mitigation: Working with the DfE on a longer-term permanent solution which may include rebuild or mitigation works or a combination of both.*

## Fundraising

The Trust does not work with any professional fund-raisers and has not entered into any fundraising agreements with a commercial participator or professional fund-raiser.

The Trust raises additional donations via 2 routes

- Donations from parents made directly to the school on a termly basis – letters are sent out to all parents / carers of students currently attending Myton School requesting a voluntary donation of £15 / term.
- Funds are also raised by the school's Parent Teacher's Association via the registered charity - Friends of Myton School ("FOMS"), (charity # 1080754). Staff of Myton School Trust attend the FOMS meetings to discuss fund raising activities.

No complaints have been received in the year regarding fund-raising activity via either route.

Myton School Trust has a clear complaints procedure accessible via its website.

## Plans for future years

## Future Strategy

The Trust's strategic plan for the next three years is to build an academic provision which ensures our students take ownership of their learning and futures, demonstrating initiative in the choices they make at school and at home. In addition, the trust aims to build a social provision which develops respectful students who can use their rich experiences to present themselves confidently.

The Trust completed the construction of a new 6<sup>th</sup> form block on time and within budget on 31 August 2023. This 18-classroom building was funded mostly by Warwickshire County Council. 70% of the new block is being used to host 140 year 7 Oakley School students whilst their school is in the process of being built (completion date August 2024). Myton School should obtain full use of the block on 1 September 2024. With the additional capacity created by the new building, the 30-year-old 6<sup>th</sup> form study spaces will be repurposed and our 400 6<sup>th</sup> form cohort will be mostly located in the new building. We are also in the process of increasing the 6<sup>th</sup> form capacity up to 550 with effect from September 2025.

On 31 August 2022 the DfE announced that any buildings that had RAAC identified within their structure had to be closed with immediate effect. At Myton School, following an independent survey instructed by the DfE, one of its main buildings – lower school – was identified as having RAAC ceilings throughout. The lower school building represents 30% of the school estate / accommodation. The closure of this building on 1 September 2023 resulted in the following:

- Delay in the start of the academic year from 5 September to 11 September

**GOVERNORS REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Future Strategy (cont'd)**

- 2 year groups being taught on line (on rotation) for 2 weeks followed by 3 weeks of 1 year group being taught on line on rotation
- 4 specialist areas – drama, music, art, and photography teaching spaces were all lost due to the lower school closure
- Emergency temporary accommodation provided by the DFE was installed on site on 16 October and 6 November 2023 to enable all year groups back into school on 17 October however with a very compromised curriculum provision as the specialist areas, with the exception of drama, could only be catered for within the remaining buildings

The Trust is now working with the DFE to develop a medium-term solution to the loss of 6,000m<sup>2</sup> of teaching space in the form of a modular village that will replace all lost accommodation including the specialist learning areas and all support and administration spaces. It is hoped that this modular village solution will be in place by mid February 2024 and no later than Easter 2024. At the same time the Trust is working with the DFE for a permanent solution to the loss of Lower School and the condition concerns of other buildings over 20 years old across the school estate.

The Trust is also working with Warwick District Council to help deliver a Myton path (pedestrian and cycle) connecting Fuseliers Way with Myton Road as part of the Warwick District Council Local Plan.

Following a number of successful Condition Improvement Fund ("CIF") bids over the last 5 years, the Trust has secured capital funding to replace the majority of flat roofs across the school site, undergo a comprehensive windows replacement project, replace the Development Centre, replace the Science block boilers and replace a number of Calorifiers. The Trust is working with the DFE to apply for an Urgent Capital Support grant to provide an interim / longer-term solution to replacing the boilers in the main boiler house that are beyond their useable life.

All future CIF bids have been put on hold due to the closure of the Lower School building and the review of the aging school estate being undertaken by the DFE.

The Trust is committed to building the character of students as well as achieving the best academic outcomes.

The Board of Governors are also committed to exploring opportunities to collaborate with local schools who share the same visions and ethos for their students within their local communities.

**Funds held as custodian trustee on behalf of others**

The Trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose. The Trust also administers the disbursement of discretionary support for learners, through the 16 – 19 Bursary funds on behalf of the ESFA.

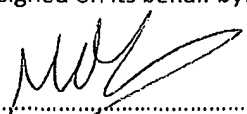
**Auditors**

UHY Hacker Young (Birmingham) LLP has indicated its willingness to continue in office.

In so far as the governors are aware:

- There is no relevant audit information of which the Trust's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors' Report is approved by order of the board of governors and the Strategic Report (included therein) is approved by the board of governors in their capacity as the directors at a meeting on 11 December 2023 and signed on its behalf by:

  
.....  
Mr Mike Oldridge  
(Chair of Governors)

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023****Scope of responsibility**

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

As governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Governors has delegated the day-to-day responsibility to the Headteacher, 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 Myton School Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns of internal control.

**Governance**

The Board of Governors has formally met 6 times during the year ended 31 August 2023.

Effective oversight of the academy trust funds is maintained by:

- Delegation of the financial oversight of the Trust to the Finance, Personnel and External ("FPE") committee as set out in the terms of reference noted on the next page;
- Update from the Chair of the FPE sub-committee at each Board of Governors meeting which includes an overview of the financial dashboard, summarising the Trust's management accounts;
- Monthly review of the Trust's management accounts performed by the Chair of Governors and the Accounting Officer.

Attendance at meetings of the Board of Governors during the year was as follows:

<b>Governor</b>	<b>Meetings Attended</b>	<b>Out of a Possible</b>
Mr M Oldridge (Chair)	6	6
Mr P Freeman (Vice-Chair)	6	6
Mr A Perry (Headteacher & Accounting Officer)	6	6
Mrs C Barnes (resigned 8 October 2022)	-	1
Ms C Blake (resigned 28 April 2023)	4	4
Mr T Garner (Appointed 26 September 2022)	5	6
Mrs A Goddard (Resigned 3 February 2023)	1	3
Mrs J Grey	6	6
Mr S Payne	6	6
Ms B Sahota	6	6
Mrs K Sherratt	6	6

**Conflict of Interest**

The Clerk to Governors maintains a register of interests that all Trustees must update at least annually and when there is any change. Declarations of interest is a standing agenda item on all Trustee meetings throughout the academic year. Currently the Trust does not own or control any subsidiaries, joint ventures or associate companies.

**Governance Reviews**

A full external review of Governance was performed by appointed internal auditors MLG Education Services and no major issues were identified. The detailed findings are discussed under The Risk And Control Framework section of this statement.

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023****Governance Reviews (cont'fd)**

The FPE Committee is a sub-committee of the main Board of Governors. Its purpose, as set out in their Terms of Reference updated annually, is to:

- Assist the decision making of the Board of Governors, by enabling more detailed consideration to be given to support the Board of Governors' responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.
- Make appropriate comments and recommendations on such matters to the Board of Governors on a regular basis.
- Ensure major issues will be referred to the full Board of Governors for ratification.
- Provide a more detailed assessment of practice and risk with regards to health and safety and personnel at Myton School.
- Review external opportunities and challenges that could have an impact on Myton School now and in the future.

The FPE sub-committee is chaired by Mr S Payne, who is a senior manager at a local authority and has experience of managing large revenue and capital budgets. The committee also has a vice-chair, Mrs J Grey who has extensive business knowledge. 6 Finance, Personnel & External sub-committee meetings were held during the year ended 31 August 2023. Attendance at these meetings was as follows:

<b>Governor</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
Mr S Payne (Chair of FPE Committee)	6	6
Mrs J Grey (Vice chair of FPE committee)	4	6
Mr A Perry (Headteacher & Accounting Officer)	4	6
Mr P Freeman	6	6
Mr M Oldridge	6	6
Mrs K Sherratt	6	6

The Audit Committee is also a sub-committee of the main Board of Governors and comprises the same members as the FPE sub-committee. Its purpose, as set out in the Terms of Reference updated annually, is to:

- review the risks to internal financial control and agree a programme of work that will address these risks
- review and approve the audit plan and ensure that it is consistent with the scope of the audit
- to receive the auditor's reports and to recommend to the full board of governors' action as appropriate in response to any audit findings
- to recommend to the full board of governors the appointment or reappointment of the auditors of the academy

<b>Governor</b>	<b>Meetings Attended</b>	<b>Out of a possible</b>
Mr S Payne (Chair of FPE Committee)	6	6
Mrs J Grey (Vice chair of FPE committee)	4	6
Mr A Perry (Headteacher & Accounting Officer)	4	6
Mr P Freeman	6	6
Mr M Oldridge	6	6
Mrs K Sherratt	6	6

**Review of Value for Money**

As accounting officer, the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

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

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

**Review of Value for Money (cont'd)**

The Accounting Officer, the Governors and all employees of the Trust apply best value principles when making any spending decisions. Decisions are taken to ensure the deployment of resources are directed towards meeting our core targets and are evaluated in terms of achieving the very best educational outcomes for our students.

The Trust follows policies and procedures which ensures best value is secured in exchange for public resources. A highly skilled Finance Team oversees all ordering and procurement activities and all orders and contracts must be supported by written quotes before the decision is taken to proceed. The following approval authorisations are adhered to as set out in the Trust's Scheme of Delegation that is reviewed and approved at the first Full Governors meeting of the academic year.

PROCUREMENT	APPROVAL	PROCESS
Purchases < £2,500	Budget Holder + Procurement Officer	From recognised suppliers
Purchases between £2,501 - £5,000	as above + Finance Manager	At least 2 Formal Written Quotes
Purchases between £5,001 - £30,000	as above + 2 SLT (1 to be FD if available)	At least 3 Formal Written Quotes
Purchases between £30,001 - £50,000	as above + FP&E	At Least 3 Formal Written Quotes
Purchases between £50,001 - £213,477	as above + FP&E	At least 3 written tenders (including specification)
Supply, Services & Design Contracts > £213,477; Public Works Contracts > £5,336,937; Social & other specific services > £663,540	as above + FP&E Approval	The Public Contracts Regulations 2015 - Government Procurement Agreement ("GPA") via Find a Tender e-notification service ("FTS")

- Throughout the academic year of 2022/23 best value principles have been applied for all the Trust's procurement activities.
- As in prior years, the budget setting process is activity led and the "capitation" process used across schools historically is not adopted. This ensures that budget holders are being allocated budgets that meet their needs for the forthcoming year, recognising budgets are driven by planned requirements and initiatives and not driven purely by student numbers.
- Regular budget monitoring is presented to budget holders and the FPE sub-committee to ensure tight budgetary controls are adhered to.
- Use of external procurement consultants are used for significant contracts and internal monitoring (e.g. cleaning contract, catering contract) to ensure best value across the school.
- Use of the ESFA View My Financial Insights ("VMFI") bench-marking tool to ensure value for money.
- The Trust allocates a proportion of funding to estate management and buys in expert services to ensure compliance with all statutory testing / requirements (e.g. legionella testing, PAT testing, maintenance of the asbestos register, tri-annual audits of Health & Safety, Fire Safety and Site Security). Specific reviews around Safeguarding which includes site security and safety are arranged through the Stowe Valley Multi-Academy Trust.
- The Trust has recently commissioned a comprehensive site condition survey which will be used to inform the estate vision going forward, in conjunction with the work with the DFE following the RAAC building closure.



**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023****The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's 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 Myton School Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Board of Governors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate these risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been put in place for the year ending 31 August 2023 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the Board of Governors.

**The Risk and Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Governors;
- regular reviews by the FPE sub-committee of reports which indicate financial performance against budget and forecasts and review of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- benchmarking performance against national standard metrics using the VMFI tool;
- clearly defined purchasing guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks by way of a risk register that is reviewed regularly by the FD, SLT and FP&E.

The Board of Governors has considered the need for a specific internal audit function and decided to appoint an internal auditor, MLG Education Services Limited, to perform additional compliance checks for the year ended 31 August 2023.

The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, in 2022/23 the appointed Internal Auditors reviewed the controls for Risk Management and Governance.

Following the review of Governance several findings were presented to the audit committee for consideration. Out of the 7 recommendations identified, 4 were considered low risk (rag rated green). The 3 medium risks (rag rated orange) were as follows:

- Ensure the Trust updates the website with the number of employees whose benefits exceed £100k.  
**Management response** - This was already included in the Trust's audited financial statements published on the website – a further disclosure was however added on the website.
- Currently, all members of the Trust are also Trustees of the Trust.  
**Management response** – This structure is in accordance with our Articles of Association. It is however recognised that the DFEs current strong preference is that the majority of members are not Trustees.
- A difference was noticed between Companies House and GIAS regarding 2 Trustee's resignation dates.  
**Management response** – this difference was immediately rectified

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

**The Risk and Control Framework (cont'd)**

Following the review of Risk Management several findings were presented to the audit committee for consideration. All 5 recommendations identified were considered low risk (rag rated green).

On an annual basis, the auditor reports to the board of governors, through the audit and risk committee on the operation of the systems of control and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**Review of Effectiveness**

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

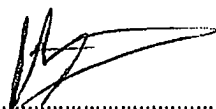
- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the Finance Director, Finance team and FPE Committee who have responsibility for the development and maintenance of the internal control framework;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance & Facilities 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 Board of Governors on 11 December 2023 and signed on its behalf by:



Mr M Oldridge  
(Chair)



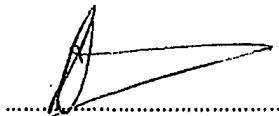
Mr A Perry  
(Accounting Officer)

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023**

As accounting officer of Myton School Trust, I have considered my responsibility to notify the Trust's Board of Governors and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022.

I confirm that I and the Trust's Board of Governors are able to identify any irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academy Trust Handbook 2022.

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 governors and ESFA.

A handwritten signature in black ink, appearing to be 'A Perry', written over a horizontal dotted line.

**Mr A Perry**  
**Accounting Officer**

**11 December 2023**

**STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2023**

The governors (who act as governors for charitable activities of Myton School Trust and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

The governors 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 governors 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 the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Governors on 11 December 2023 and signed on its behalf by:

  
.....  
Mr M Oldridge  
(Chair of Governors)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYTON SCHOOL TRUST FOR THE YEAR ENDED 31 AUGUST 2023****Qualified Opinion**

We have audited the financial statements of Myton School Trust (the charitable company) for the year ended 31 August 2023 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statement, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report the financial statements:

- give a true and fair view of the state of the Myton School Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023

**Basis for qualified opinion**

On 31 August 2023 the DfE announced that any buildings that had RAAC identified within their structure had to be closed with immediate effect. At Myton School, following an independent survey instructed by the DfE, one of its main buildings – lower school – was identified as having RAAC ceilings throughout. The lower school building represents 30% of the school estate.

The Trust is now working with the DfE to develop a medium-term solution to the loss of 6,000m<sup>2</sup> of teaching space in the form of a modular village that will replace all lost accommodation including the specialist learning areas and all support and administration spaces. It has not been possible to determine the extent of the impairment, and consequently we are unable to determine the amount of any adjustment to the carrying value of the freehold land and buildings.

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

**Key Audit Matters**

Except for the matter described in the basis for qualified opinion section we have determined that there are no key audit matters to be communicated in our report.

**Conclusions relating to going concern**

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

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

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYTON SCHOOL TRUST FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Other information**

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves on the amount of the impairment of the freehold land and buildings at 31 August 2023. We have concluded that where other information refers to the freehold land and buildings balance such as depreciation it may be materially misstated for the same reason.

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

Except for the possible effects of the matter described in the basis of qualified opinion section of our report. In our opinion, based on the work undertaken in the course of our audit:

- the information given in the governors' report (incorporating the Strategic Report, and the Governors Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the governors' report has been prepared in accordance with applicable legal requirements.

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

Except for the matter described in the basis of qualified opinion section of our report. In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the governors' report. Arising solely from the limitation on the scope of our work relating to the freehold land and buildings, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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

- 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 governors' remuneration specified by law are not made.

**Responsibilities of governors**

As explained more fully in the governors' responsibilities statement set out on page 19, the governors 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 governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYTON SCHOOL TRUST FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Responsibilities of governors (cont'd)**

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

**Auditor's 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the Myton School Trust and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Myton School Trust, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the Myton School Trust's net income for the year.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Education and Skills Funding Agency review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the governors that represented a risk of material misstatement due to fraud.

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

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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MYTON SCHOOL TRUST FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Auditor's responsibilities for the audit of the financial statements (cont'd)**

- 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 on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the governors.
- Conclude on the appropriateness of the governors' 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 trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the academy trust 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.

**Use of our report**

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



Malcolm Winston

Senior Statutory Auditor

UHY Hacker Young (Birmingham) LLP, Statutory Auditor

9-11 Vittoria Street

Birmingham

B1 3ND

11 December 2023



**INDEPENDENT REPORTING ACCOUNTANT'S AUDITOR'S ASSURANCE REPORT ON REGULARITY TO MYTON SCHOOL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2023**

In accordance with the terms of our engagement letter dated 5 July 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA), as included in the Academies Accounts Direction 2022 to 2023 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the academy trust during the period 1 September 2022 to 31 August 2023 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 Myton School Trust and the ESFA in accordance with our engagement letter. Our review has been undertaken so that we might state to the governing body and the ESFA those matters we are required to state to it 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 Myton School and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Myton School Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Myton School Trust funding agreement with the Secretary of State for Education dated 1 July 2011, and the Academy Trust Handbook extant from 1 September 2022 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 2022 to 2023. We report to you whether, anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

**Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountants issued by the ESFA 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 trust's income and expenditure.

Summary of the work undertaken was as follows:

- Analytical review of the academy trust's general activities are within the academy trusts framework of authorities;
- Consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;

**INDEPENDENT REPORTING ACCOUNTANT'S AUDITOR'S ASSURANCE REPORT ON REGULARITY TO MYTON SCHOOL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2023****Approach (cont'd)**

- Review of the general control environment for the academy trust on financial statements and on
- Sample testing of expenditure transactions to ensure the activity is permissible within the academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the academy trust's delegated authorities;
- Formal representations obtained from the board of governors and the accounting officer acknowledging the responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or governors;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or governors;
- Review of income received in accordance with the activities permitted within the academy trust's charitable objectives.

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*UHY Hacker Young (Birmingham) LLP*

**Reporting Accountant**

UHY Hacker Young (Birmingham) LLP  
9-11 Vittoria Street  
Birmingham  
B1 3ND  
11 December 2023

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

(Including Income and Expenditure Account)

			Restricted			
		Unrestricted	Restricted	Fixed	Total	Total
	Note	Funds	General	Asset	2023	2022
		£'000	£'000	£'000	£'000	£'000
<b>Income from:</b>						
Donations and Capital Grants	3	10	15	5,028	5,053	1,273
Charitable activities:						
- Funding for the academy trust's educational operations	4	-	10,601	-	10,601	9,948
Other trading activities	5	170	-	-	170	147
Investment income	6	21	-	-	21	3
<b>Total</b>		<b>201</b>	<b>10,616</b>	<b>5,028</b>	<b>15,845</b>	<b>11,371</b>
<b>Expenditure on:</b>						
Raising funds	7	118	-	-	118	71
Charitable activities:						
- Academy trust's educational operations	7 & 8	-	10,816	636	11,452	10,842
<b>Total</b>	7	<b>118</b>	<b>10,816</b>	<b>636</b>	<b>11,570</b>	<b>10,913</b>
<b>Net income/ (expenditure)</b>		<b>83</b>	<b>(200)</b>	<b>4,392</b>	<b>4,275</b>	<b>458</b>
Transfers between funds	15	(224)	39	185	-	-
Actuarial gain on defined benefit pension schemes	26	-	654	-	654	4,469
<b>Net movement in funds</b>		<b>(141)</b>	<b>493</b>	<b>4,577</b>	<b>4,929</b>	<b>4,927</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	15	<b>667</b>	<b>(609)</b>	<b>24,301</b>	<b>24,359</b>	<b>19,432</b>
<b>Total funds carried forward</b>	15	<b>526</b>	<b>(116)</b>	<b>28,878</b>	<b>29,288</b>	<b>24,359</b>

All of the academy trust's activities derive from acquisitions and continuing operations during the above two financial periods.

## BALANCE SHEET AS AT 31 AUGUST 2023

	Note	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible assets	12	<u>28,878</u>	<u>24,301</u>
		<u>28,878</u>	<u>24,301</u>
<b>Current assets</b>			
Debtors	13	676	1,277
Cash at bank and in hand		<u>967</u>	<u>1,147</u>
		<u>1,643</u>	<u>2,424</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year	14	<u>(1,117)</u>	<u>(1,675)</u>
<b>Net current assets</b>		<u>526</u>	<u>749</u>
<b>Total assets less current liabilities</b>		<u>29,404</u>	<u>25,050</u>
<b>Net assets excluding pension liability</b>		<u>29,404</u>	<u>25,050</u>
Defined benefit pension scheme liability	26	(116)	(691)
<b>Total Net Assets</b>		<u><u>29,288</u></u>	<u><u>24,359</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
- Fixed asset fund	15	28,878	24,301
- Restricted income fund	15	-	82
- Pension reserve	15	<u>(116)</u>	<u>(691)</u>
<b>Total restricted funds</b>		<u>28,762</u>	<u>23,692</u>
<b>Unrestricted income fund</b>	15	<u>526</u>	<u>667</u>
<b>Total unrestricted funds</b>		<u>526</u>	<u>667</u>
<b>Total Funds</b>		<u><u>29,288</u></u>	<u><u>24,359</u></u>

The financial statements on pages 25 to 46 were approved by the governors and authorised for issue on 11 December 2023, and are signed on their behalf by:

  
 .....  
 Mr M Oldridge (Chair)

  
 .....  
 Mr A Perry (Accounting Officer)

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £'000	2022 £'000
Net cash provided by operating activities	19	4	541
Cash flows from investing activities	20	(184)	(254)
Cash flows from financing activities	21	-	-
Change in cash and cash equivalents in the reporting period	23	<u>(180)</u>	<u>287</u>
Cash and cash equivalents at 1 September		1,147	860
Cash and cash equivalents at 31 August	22	<u>967</u>	<u>1,147</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

**1 Statement of Accounting Policies**

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

- **Basis of Preparation**

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 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Myton School Trust meets the definition of a public benefit entity under FRS 102.

- **Going Concern**

The governors 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 company to continue as a going concern. The governors 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.

- **Income**

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

- **Grants**

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

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

- **Capital grants**

Capital grants are recognised in full when there is an 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 sheet in the restricted fixed asset fund.

- **Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

- **Donations**

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

- **Other income**

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

- **Donated goods, facilities and services**

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

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

- **Transfers of freehold property**

Freehold property transferred to the Academy from the local authority at little or no consideration will be revalued at fair value in accordance with FRS 102. This value will be recognised as incoming resources in the Statement of Financial Activities and will be included in the appropriate fixed assets category and depreciated over the life of the lease.

- **Interest receivable**

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

- **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 Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

- **Tangible Fixed Assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

- **Tangible Fixed Assets (cont'd)**

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

Depreciation is provided on a straight-line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Freehold buildings	50 years
Fixtures, fittings and equipment	5 years
ICT equipment	3 years

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.

- **Leased assets**

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

- **Financial Instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. 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 instrument, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments' disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

- **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

- **Pensions Benefits**

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

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

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

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

- **Fund Accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the governors. Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

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

- **Critical accounting estimates and areas of judgement**

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

- **Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023.

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

- **Critical areas of judgement**

The critical judgements that the Governors have made in the process of applying the Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the Governors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

- **Agency arrangements**

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the ESFA. Related payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the ESFA in creditors.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

**2 GENERAL ANNUAL GRANT (gag)**

Under the funding agreement with the Secretary of State the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023 (See note 15).

**3 DONATIONS AND CAPITAL GRANTS**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
ESFA capital grants	-	102	102	116
WCC capital grants	-	4,859	4,859	-
Other donations	10	82	92	1,157
	<b>10</b>	<b>5,043</b>	<b>5,053</b>	<b>1,273</b>

The income from donations and capital grants was £5,053,000 (2022: £1,273,000) of which £10,000 (2022: £15,000) was unrestricted, £15,000 (2022: £16,000) was restricted and £5,028,000 (2022: £1,242,000) was restricted fixed assets.

**4 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>			<b>£'000</b>	<b>£'000</b>
Pre 16 Funding (General Annual Grant) (note 2)	-	7,564	7,564	7,253
16-19 Funding (General Annual Grant) (note 2)		1,913	1,913	1,721
<b>Other DfE/ESFA grants</b>				
Teachers pay grant	-	-	-	28
Teachers pension grant	-	76	76	78
Pupil premium	-	189	189	172
Supplementary grant	-	239	239	99
Mainstream Schools Additional Grant		116	116	-
PLAC grant	-	63	63	58
Rates grant	-	48	48	38
Other DfE/ESFA grants	-	34	34	7
	-	<b>10,242</b>	<b>10,242</b>	<b>9,454</b>
<b>Other Government grants</b>				
Special needs grant (WCC)	-	243	243	288
Other funding	-	35	35	35
	-	<b>278</b>	<b>278</b>	<b>323</b>
<b>COVID-19 DfE/ESFA additional funding</b>				
Catch up premium	-	-	-	87
Recovery Premium	-	59	59	29
School Led Tutoring grant	-	22	22	25
Other DfE/ESFA COVID-19 funding	-	-	-	30
	-	<b>81</b>	<b>81</b>	<b>171</b>
	-	<b>10,601</b>	<b>10,601</b>	<b>9,948</b>

The income from funding for the academy trust's educational operations was restricted for both 2023 and 2022.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 5 OTHER TRADING ACTIVITIES

	Unrestricted	Restricted		
	Funds	Funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Sundry income	76	-	76	41
Catering contribution	20	-	20	20
Resource sales	6	-	6	8
Lettings	45	-	45	62
Music income	23	-	23	16
	<u>170</u>	<u>-</u>	<u>170</u>	<u>147</u>

The income from the academy trust's other trading activities was unrestricted for both 2023 and 2022.

## 6 INVESTMENT INCOME

	Unrestricted	Restricted		
	Funds	Funds	Total 2023	Total 2022
	£'000	£'000	£'000	£'000
Bank Interest received	21	-	21	3
	<u>21</u>	<u>-</u>	<u>21</u>	<u>3</u>

The income from the academy trust's investment income was unrestricted for both 2023 and 2022.

## 7 Expenditure

Non Pay Expenditure					
	Staff Costs	Premises	Other Costs	Total 2023	Total 2022
	£'000	£'000	£'000	£'000	£'000
<b>Expenditure on raising funds</b>					
- Direct costs	53	6	59	118	71
- Allocated support costs					
<b>Academy's educational operations</b>					
- Direct costs	7,812	636	674	9,122	8,350
- Allocated support costs	1,209	731	390	2,330	2,492
	<u>9,021</u>	<u>1,367</u>	<u>1,064</u>	<u>11,452</u>	<u>10,842</u>
	<u>9,074</u>	<u>1,373</u>	<u>1,123</u>	<u>11,570</u>	<u>10,913</u>

The expenditure was £11,570,000 (2022: £10,913,000) of which £118,000 (2022: £71,000) was unrestricted, £10,816,000 (2022: £10,255,000) restricted and £636,000 (2022: £587,000) restricted fixed assets.

	2023	2022
	£'000	£'000
<b>Net (income)/expenditure for the year includes:</b>		
Operating leases rentals	16	13
Depreciation	636	587
Fees payable to auditor for:		
- audit	10	9
- other services	<u>3</u>	<u>2</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 8 CHARITABLE ACTIVITIES

	Total 2023 £'000	Total 2022 £'000
Direct costs – educational operations	9,122	8,350
Support costs – educational operations	2,330	2,492
	<u>11,452</u>	<u>10,842</u>
<b>Analysis of Support costs</b>		
Support staff costs	1,209	1,595
Technology costs	130	98
Premises costs	731	575
Legal costs -- conversion	-	-
Legal costs - other	7	2
Other support costs	243	211
Governance	10	11
	<u>2,330</u>	<u>2,492</u>

## 9 STAFF COSTS

	2023 £'000	2022 £'000
<b>a Staff costs during the year were</b>		
Wages and salaries	6,428	6,030
Social security costs	668	624
Pension costs	1,533	1,927
	<u>8,629</u>	<u>8,581</u>
Supply staff costs	440	213
Staff restructuring costs	5	-
	<u>9,074</u>	<u>8,794</u>
Staff restructuring costs comprise:		
Redundancy payments	5	-
	<u>5</u>	<u>-</u>

**b Staff severance contractual payments**

The academy trust paid £5,400 (2022 : Nil) severance payments in the year, disclosed in the following bands:

	2023	2022
£Nil - £25,000	<u>1</u>	<u>-</u>

**c Staff numbers**

The average number of persons (including senior management team) employed by the academy during the year ended 31 August 2023 expressed as whole persons was as follows:

	2023 No	2022 No
<b>Charitable Activities</b>		
Teachers	105	105
Administration and support	100	93
Management	10	10
	<u>215</u>	<u>208</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 9 STAFF COSTS

## d Higher paid staff

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

	2023	2022
	No	No
<i>Charitable Activities</i>		
£60,001 - £70,000	4	4
£70,001 - £80,000	2	2
£110,001 - £120,000	-	1
£120,001 - £130,000	1	-

## e Key management personnel

The key management of the academy trust comprise the governors and the senior management team as listed on pages 3 and 4. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £865,638 (2022: £869,356).

## 10 RELATED PARTY TRANSACTIONS - GOVERNORS' REMUNERATION AND EXPENSES

One or more governors has been paid remuneration or has received other benefits from an employment with the academy trust. The Headteacher and other staff governors receive remuneration in respect of their service as employees. Other governors did not receive any payments, other than expenses, from the Academy Trust in respect of their role as governors. The value of governor's remuneration and other remuneration was as follows:

	2023	2022
A Perry (Headteacher and Accounting Officer)	£120,000 - £125,000	£110,000 - £115,000
Remuneration	£25,000 - £30,000	£25,000 - £30,000
Employers pension contributions		

During the year ended 31 August 2023 and 31 August 2022, there were no travel and subsistence expenses reimbursed to governors.

Other related party transactions including governors are set out in note 28.

## 11 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect governors' and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The cost of this insurance is included within the total insurance cost.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 12 TANGIBLE FIXED ASSETS

	Freehold Land & Buildings	Furniture & Equipment	Computer Equipment	Assets Under Construction	Total
Cost	£'000	£'000		£'000	£'000
At 1 September 2022	27,055	604	967	1,254	29,880
Additions		178	268	4,767	5,213
Transfer of asset	114			(114)	-
Disposals	-	-	-	-	-
At 31 August 2023	<u>27,169</u>	<u>782</u>	<u>1,235</u>	<u>5,907</u>	<u>35,093</u>
<b>Depreciation</b>					
At 1 September 2022	4,441	291	847	-	5,579
Charged in year	434	97	105	-	636
Disposals	-	-	-	-	-
At 31 August 2023	<u>4,875</u>	<u>388</u>	<u>952</u>	<u>-</u>	<u>6,215</u>
<b>Net book value</b>					
At 31 August 2023	<u>22,294</u>	<u>394</u>	<u>283</u>	<u>5,907</u>	<u>28,878</u>
At 31 August 2022	<u>22,614</u>	<u>313</u>	<u>120</u>	<u>1,254</u>	<u>24,301</u>

On 31 August 2022 the DfE announced that any buildings that had RAAC identified within their structure had to be closed with immediate effect. At Myton School, following an independent survey instructed by the DfE, one of its main buildings – lower school – was identified as having RAAC ceilings throughout. The lower school building represents 30% of the school estate.

The Trust is now working with the DfE to develop a medium-term solution to the loss of 6,000m<sup>2</sup> of teaching space in the form of a modular village that will replace all lost accommodation including the specialist learning areas and all support and administration spaces. It has not been possible to determine the extent of the impairment, and consequently it has not been possible to determine the amount of any adjustment to the carrying value of the freehold land and buildings.

## 13 DEBTORS

	2023 £'000	2022 £'000
Trade debtors	350	73
VAT recoverable	58	191
Other debtors	6	9
Prepayments and accrued income	262	1,004
	<u>676</u>	<u>1,277</u>

## 14 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade creditors	260	302
Other taxation and social security	157	151
Other creditors	228	279
Accruals and deferred income	472	943
	<u>1,117</u>	<u>1,675</u>
<b>Deferred Income</b>		
Deferred income at 1 September 2022	3	124
Resources deferred in the year	1	3
Amounts released from previous years	(3)	(124)
Deferred income at 31 August 2023	<u>1</u>	<u>3</u>

At the balance sheet date, the academy was holding funds received in advance for 2022/23 for a kiln donation £1,000 (2022: £Nil), and WCC SEND funding £Nil (2022: £3,000).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 15 FUNDS

The income funds of the academy comprise the following balances of grants to be applied for specific purposes:

	Balance at 1 September 2022	Incoming Resources	Resources Expended	Gains, Losses & Transfer	Balance at 31 August 2023
	£'000	£'000	£'000	£'000	£'000
<b>Restricted general funds</b>					
General annual grant (GAG) (note i)	82	9,477	(9,598)	39	-
Pupil premium grant ESFA (note ii)	-	189	(189)	-	-
Supplementary grant (note xlii)	-	239	(239)	-	-
Rates grant (note liii)	-	48	(48)	-	-
PLAC grant (note v)	-	63	(63)	-	-
Teachers pensions (note vi)	-	76	(76)	-	-
PP Recovery Premium (note vii)	-	59	(59)	-	-
Mainstream Schools Additional Grant (note viii)	-	116	(116)	-	-
Special needs grant – WCC (note viii)	-	243	(243)	-	-
School led tutoring	-	22	(22)	-	-
Other LA Grants	-	70	(70)	-	-
Other grants / donations	-	14	(14)	-	-
	<u>82</u>	<u>10,616</u>	<u>(10,737)</u>	<u>39</u>	<u>-</u>
<b>Restricted fixed asset funds</b>					
Fixed assets (note x)	19,787	-	(636)	-	19,151
DfE / ESFA capital grants (note x)	2,907	102	-	-	3,009
Other capital grants (note x)	1,153	4,926	-	-	6,079
Capital expenditure from GAG (note x)	311	-	-	-	311
Donations (note xii)	57	-	-	-	57
Capital expenditure from unrestricted funds (note x)	86	-	-	185	271
	<u>24,301</u>	<u>5,028</u>	<u>(636)</u>	<u>185</u>	<u>28,878</u>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xi)	(691)	-	(79)	654	(116)
<b>Total restricted funds</b>	<u>23,692</u>	<u>15,644</u>	<u>(11,452)</u>	<u>878</u>	<u>28,762</u>
<b>Total unrestricted funds</b>	<u>667</u>	<u>201</u>	<u>(118)</u>	<u>(224)</u>	<u>526</u>
<b>Total funds</b>	<u>24,359</u>	<u>15,845</u>	<u>(11,570)</u>	<u>654</u>	<u>29,288</u>

## Notes

- (i) General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2023 (see note 2).
- (ii) Pupil premium grant has been used to support children from low income families placed at the Academy.
- (iii) Rates grant has been used to pay for rates costs.
- (iv) School meal grants have been provided to support children from low income families.
- (v) PLAC grant has been used to support disadvantaged children.
- (vi) Teachers pay and pension grants from DfE / ESFA represent grants to support teacher's pay costs.
- (vii) Recovery premium has been used to support pupils whose education has been impacted by COVID-19.
- (viii) Mainstream schools additional grant represents a GAG top-up to be used for the normal running of the academy.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 15 FUNDS (cont'd)

## Notes (cont'd)

- (viii) Special needs grant from WCC has been used to support pupils with learning or behavioural issues
- (ix) Other grants from WCC and other providers.
- (x) Restricted fixed assets were funded by government grants, a transfer from restricted GAG fund of £Nil (2022: £257,000), a transfer from unrestricted reserves of £185,000 (2022: £Nil) and by WCC donating Academy land and buildings on a freehold basis upon converting to Academy status.
- (xi) The pension reserve represents the deficit on the Local Government Pension Scheme (see note 26).
- (xii) A donation of laptops has been received from the Local Authority and ESFA. These laptops have been capitalised and corresponding notional income has been recognised as a donation.
- (xiii) The Supplementary Grant represents funding from the ESFA to provide support for the costs of the Health and Social Care Levy and wider costs.
- (xiv) The Covid Catch up Grant represents funding to support children and young people to catch up on missed learning caused by coronavirus (COVID19).

	Balance at 1 September 2021	Incoming Resources	Resources Expended	Gains, Losses & Transfer	Balance at 31 August 2022
	£'000	£'000	£'000	£'000	£'000
<b>Restricted general funds</b>					
General annual grant (GAG) (note i)	47	8,974	(8,682)	(257)	82
Pupil premium grant ESFA (note ii)	-	172	(172)	-	-
Supplementary grant (note xiii)	-	99	(99)	-	-
Rates grant (note iii)	-	38	(38)	-	-
PLAC grant (note v)	-	58	(58)	-	-
Teachers pay (note vi)	-	28	(28)	-	-
Teachers pensions (note vi)	-	78	(78)	-	-
PP Recovery Premium	-	29	(29)	-	-
Catch up Premium (note xiv)	-	87	(87)	-	-
Covid 19 / ESFA additional funding	-	30	(30)	-	-
Special needs grant – WCC (note viii)	-	288	(288)	-	-
School led tutoring	-	25	(25)	-	-
Other DfE / EFA Grants	-	7	(7)	-	-
Other grants / donations	-	51	(51)	-	-
	<b>47</b>	<b>9,964</b>	<b>(9,672)</b>	<b>(257)</b>	<b>82</b>
<b>Restricted fixed asset funds</b>					
Fixed assets (note x)	20,349	-	(562)	-	19,787
DfE / ESFA capital grants (note x)	2,791	116	-	-	2,907
Other capital grants (note x)	50	1,103	-	-	1,153
Capital expenditure from GAG (note x)	54	-	-	257	311
Donations (note xii)	59	23	(25)	-	57
Capital expenditure from unrestricted funds (note x)	86	-	-	-	86
	<b>23,389</b>	<b>1,242</b>	<b>(587)</b>	<b>257</b>	<b>24,301</b>
<b>Restricted pension scheme liability</b>					
Pension reserve (note xi)	(4,577)	-	(583)	4,469	(691)
<b>Total restricted funds</b>	<b>18,859</b>	<b>11,206</b>	<b>(10,842)</b>	<b>4,469</b>	<b>23,692</b>
<b>Total unrestricted funds</b>	<b>573</b>	<b>165</b>	<b>(71)</b>	<b>-</b>	<b>667</b>
<b>Total funds</b>	<b>19,432</b>	<b>11,371</b>	<b>(10,913)</b>	<b>4,469</b>	<b>24,359</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Funds balances at 31 August 2023 are represented by:

	Unrestricted	Pension Restricted	General Restricted	Fixed Assets Restricted	Total
	Funds	Funds	Funds	Funds	
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	-	28,878	28,878
Current assets	526	-	1,117	-	1,643
Current liabilities	-	-	(1,117)	-	(1,117)
Pension scheme liability	-	(116)	-	-	(116)
	<u>526</u>	<u>(116)</u>	<u>-</u>	<u>28,878</u>	<u>29,288</u>

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

Funds balances at 31 August 2022 are represented by:

	Unrestricted	Pension Restricted	General Restricted	Fixed Assets Restricted	Total
	Funds	Funds	Funds	Funds	
	£'000	£'000	£'000	£'000	£'000
Tangible fixed assets	-	-	-	24,301	24,301
Current assets	667	-	1,757	-	2,424
Current liabilities	-	-	(1,675)	-	(1,675)
Pension scheme liability	-	(691)	-	-	(691)
	<u>667</u>	<u>(691)</u>	<u>82</u>	<u>24,301</u>	<u>24,359</u>

## 17 CAPITAL COMMITMENTS

	2023	2022
	£'000	£'000
Contracted for, but not provided in the financial statements	96	903
Authorised by governors, but not yet contracted	-	3,855

## 18 COMMITMENTS UNDER OPERATING LEASES

*Operating leases*

At 31 August 2023 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases which expire:

	2023	2022
	Other	Other
	£'000	£'000
- Within one year	16	16
- Between two and five years	40	56
- After five years	-	-
	<u>57</u>	<u>72</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 19 RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	4,275	458
Adjusted for:		
Depreciation (note 12)	636	587
Capital grants from DfE and other capital income	(102)	(116)
Capital funding received from sponsors	(4,990)	(1,126)
Interest receivable	(21)	(3)
Defined benefit pension scheme cost less contributions payable (note 26)	49	503
Defined benefit pension scheme finance cost (note 26)	30	80
Decrease/(increase) in debtors	601	(808)
(Decrease)/increase in creditors	(474)	966
<b>Net cash provided by operating activities</b>	<b>4</b>	<b>541</b>

## 20 CASH FLOWS FROM INVESTING ACTIVITIES

	2023	2022
	£'000	£'000
Interest received	21	3
Purchase of tangible fixed assets	(5,297)	(1,499)
Disposal of tangible assets	-	-
Capital grants from DfE/ESFA	4,990	1,126
Capital funding received from sponsors	102	116
<b>Net cash used in investing activities</b>	<b>(184)</b>	<b>(254)</b>

## 21 CASH FLOWS FROM FINANCING ACTIVITIES

	2023	2022
	£'000	£'000
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
<b>Net cash (used in)/provided by financing activities</b>	<b>-</b>	<b>-</b>

## 22 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31	At 31
	August	August
	2023	2022
	£'000	£'000
Cash in hand and at bank	967	1,147
<b>Total cash and cash equivalents</b>	<b>967</b>	<b>1,147</b>

## 23 ANALYSIS OF CHANGES IN NET DEBT

	At 1	Cash	At 31
	September	Flows	August
	2022	2023	2023
	£'000	£'000	£'000
Cash at bank	1,147	(180)	967
Overdraft	-	-	-
	<b>1,147</b>	<b>(180)</b>	<b>967</b>
Loans within one year	-	-	-
Loans within more than one year	-	-	-
	<b>1,147</b>	<b>(180)</b>	<b>967</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

**24 CONTINGENT LIABILITIES**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the academy serving notice, the academy shall repay to the Secretary of State sums determined by

- a) the value at that time of the academy's site and premises and other assets held for the purpose of the academy: and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

**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 PENSION AND SIMILAR OBLIGATIONS**

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

The total pension cost to the Academy during the year ended 31 August 2023 was £1,533,000 (2022: £1,927,000) of which £1,053,000 (2022: £995,000) relates to the TPS and £480,000 (2022: £932,000) relates to LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

Contributions amounting to £166,000 were payable to the schemes at 31 August 2023 (2022: £153,000) and are included within other creditors.

**Teachers' Pension Scheme****Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

26 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Valuation of the Teachers' Pension Scheme (cont'd)

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,053,000 (2022: £995,000).

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

Under the definitions set out in FRS 102, the TPS is a 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 the assets held in separate trustee administered funds. The total contributions made for the year ended 31 August 2023 was £508,000 (2022: £441,000) of which employer's contributions totalled £401,000 (2022: £349,000) and employees contributions totalled £107,000 (2022: £92,000). The agreed contributions for future years are 23.2% (2022: 23.2%) for employers and 5.5% to 12.5% (2022: 5.5% to 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 liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 26 PENSION AND SIMILAR OBLIGATIONS (cont'd)

The major assumptions used by the actuary were:

	At 31 Aug 2023	At 31 Aug 2022
	% per annum	% per annum
Discount rate	5.20%	4.25%
Salary increases	4.00%	3.85%
Pension increase	3.00%	3.05%
Inflation assumption (CPI)	3.00%	3.05%
Commutation of pensions to lump sums	65%	50% - 75%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 Aug 2023	At 31 Aug 2023	At 31 Aug 2022	At 31 Aug 2022
	Approx. %	Approx. £'000	Approx. %	Approx. £'000
	Increase to Employers Liability		Increase to Employers Liability	
Discount rate reduced by 0.1% per annum	2%	139	2%	143
Assumed pension increased by 0.1% per annum	2%	127	2%	131
Salary growth increased by 0.1% per annum	0%	14	0%	13
Life expectancy at retirement increased by 1 year	4%	257	4%	252

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

	2023	2022
	Years	Years
Longevity at age 65 retiring today		
- Men	20.7	21.6
- Women	24.8	24.1
Longevity at age 65 retiring in 20 years		
- Men	21.1	22.7
- Women	25.7	25.9

	Fair Value at 31 Aug 2023	Fair Value at 31 Aug 2022
	£'000	£'000
The Academy's share of the assets in the scheme were:		
Equity instruments	3,664	3,363
Debt instruments	1,579	1,513
Property	1,011	617
Cash	63	112
Total market value of assets	<u>6,317</u>	<u>5,605</u>
Present value of scheme liabilities		
- Funded	6,317	5,605
- Unfunded	116	691
Total liabilities	<u>6,433</u>	<u>6,296</u>
Deficit in the scheme	<u>(116)</u>	<u>(691)</u>

The actual return on the scheme assets in the year was a deficit of £55,000 (2022: £238,000 deficit).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 26 PENSION AND SIMILAR OBLIGATIONS (cont'd)

## Amounts recognised in the Statement of Financial Activities

	2023	2022
	£'000	£'000
Current service cost	450	852
Interest income	(247)	(93)
Interest cost	277	173
<b>Total amount recognised in the SoFA</b>	<b>480</b>	<b>932</b>

	2023	2022
	£'000	£'000
<b>Changes in deficit during the period</b>		
Deficit in the scheme at 1 September 2022	691	4,577
Movement in year:		
- Employer service cost (net of employee contributions)	450	852
- Employer contributions	(401)	(349)
- Expected return on scheme assets	(247)	(93)
- Interest cost	277	173
- Actuarial gains	(654)	(4,469)
<b>Deficit in the scheme at 31 August 2023</b>	<b>116</b>	<b>691</b>

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

	2023	2022
	£'000	£'000
Scheme liabilities at 1 September 2022	6,296	10,070
Current service cost	450	852
Past service cost	-	-
Interest cost	277	173
Contributions by scheme participants	107	92
Benefits paid	(101)	(91)
Actuarial gains	(596)	(4,800)
<b>Scheme liabilities at 31 August 2023</b>	<b>6,433</b>	<b>6,296</b>

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

	2023	2022
	£'000	£'000
Fair value of scheme assets at 1 September 2022	5,605	5,493
Interest income	247	93
Actuarial gains/(losses)	58	(331)
Contributions by employer	401	349
Benefits paid	(101)	(91)
Contributions by scheme participants	107	92
<b>Fair value of scheme assets at 31 August 2023</b>	<b>6,317</b>	<b>5,605</b>

The estimated value of employers contributions for the year ended 31 August 2024 is £402,000 (2023: £349,000).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****27 AGENCY ARRANGEMENTS**

The Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the year it received £6,365 (2022: £11,508) and disbursed £6,188 (2022: £9,397). The Trust can carry forward any amounts unspent for 12 months. In addition to this, the Academy Trust had a balance brought forward on these funds of £11,508 (2022: £17,262) resulting in a total creditor at 31 August 2023 of £19,550 (2022: £19,373) after including an amount repayable to the ESFA in other creditors of £13,184 (2022: £7,865).

**28 RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year, CCTV equipment was purchased from Warwickshire Alarms at a value of £3,463 (2022: £Nil) following an arms length pricing tender process. No other related party transactions took place in the period of account, other than certain trustee's remuneration and expenses already disclosed in note 10.

**29 EVENTS AFTER THE END OF THE REPORTING PERIOD**

There are no material adjusting or non-adjusting events arising after the balance sheet date.