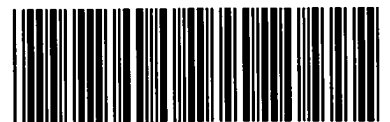


Company Registration No. 08149829 (England and Wales)

**EAST MIDLANDS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

WEDNESDAY



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# **EAST MIDLANDS ACADEMY TRUST**

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# EAST MIDLANDS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

### Trustees

K Crompton (Chair of Trustees)  
A Salam (Resigned 31.08.2023)  
S Morales  
A Davis (Resigned 27.02.2023)  
F Wheeler  
L Jones  
M Conlon  
N Bell (Resigned 30.06.2023)  
K Whittlesey (Appointed 17.03.2023)

### Members

K Crompton  
J Harris  
B Langfield  
D Houghton  
A Salam (Appointed 01.09.2023)

### Senior Management Team

*Chief Executive Officer &  
Accounting Officer*

J Coleman

*Chief Operating Officer and Chief  
Financial Officer*

P Wheeler

*Head of Education*

J Lawson

### Company registration number

08149829 (England and Wales)

### Registered office

Pyramus House  
Grange Park  
Northampton  
NN4 5EA

### Head Teacher

*Callum Brown  
Ruth Ryan  
Zoe McIntyre*

### Location

Milton Keynes  
Milton Keynes  
Northampton

### Academies operated

*Orchard Academy  
Shepherdswell Academy  
Executive Head Teacher for Castle,  
Stimpson Avenue and Hardingstone  
Academies  
Head of School – Castle Academy  
Head of School - Hardingstone Academy  
Head of School – Stimpson Avenue  
Academy  
Prince William School  
Northampton International Academy*

*Daniel Lugg  
Julie Stevens  
Luci Clapton*

Northampton  
Northampton  
Northampton

*Elizabeth Dormor  
Jane Hadlow / Martin Serrao*

Oundle  
Northampton

### Independent auditor

Mazars LLP  
6 Dominus Way  
Meridian Business Park  
Leicester  
LE19 1RP

## **EAST MIDLANDS ACADEMY TRUST**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Banker</b>	Lloyds Bank Plc Fenlands House Vicarage Farm Road Peterborough PE1 5UH
<b>Solicitors</b>	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR  Winckworth Sherwood Minerva House 5 Montague Close London SE1 9BB

# **EAST MIDLANDS ACADEMY TRUST**

## **TRUSTEES' REPORT**

The Trustees of East Midlands Academy Trust ('The Trust') present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023.

The annual report serves the purpose of a trustees' report and directors' report under company law.

The Trust supports five primaries, one secondary and one all-through school across the East Midlands. Its academies have a combined pupil capacity of 5,190 and a roll of 5,028 as of 21<sup>st</sup> July 2023.

### **OBJECTIVES AND ACTIVITIES**

The Trust was incorporated on 19<sup>th</sup> July 2012 as a Trust and a company limited by guarantee, with the purpose of establishing, maintaining, managing, and developing academies and free schools as world class centres of excellence.

East Midlands Academy Trust (EMAT) operates a supported autonomy model, sharing of resources and innovation to ensure best practice. The support provided to our EMAT community of schools includes Financial Management, Information Communications Technology (ICT), Human Resources (HR) together with Estates Management, Procurement, Governance and Marketing ensures effective use of resources throughout the community. The Executive Leadership team on which all head teachers are members, steers the evidence based innovation including our pedagogical and curriculum offering.

#### **Primary Academies**

In 2022-23, the Trust supported five primary schools: Orchard and Shepherdswell in Milton Keynes and Hardingstone, Castle and Stimpson Avenue in the centre of Northampton. When they joined the Trust, all three Northampton academies had been judged by Ofsted as 'requiring improvement or special measures'.

All primary schools are now judged to be 'good'; In 2022-2023 Hardingstone Academy was re-inspected by Ofsted in March 2023 and Orchard Academy in July 2023 both retained their Good judgement. Stimpson Academy also received an inspection from Ofsted in July 2023 and received a judgement of Good with elements of outstanding in personal development. In January 2023 Castle Academy & Hardingstone Academy opened Key Stage 1 & Key Stage 2 ten place ASD Units. Hardingstone Academy also opened a 22 place Nursery from September 2022.

#### **Secondary Academy**

Prince William School in Oundle, Northamptonshire, is a secondary school with a sixth form, which joined the Trust in 2015 with an Ofsted rating of Requires Improvement. The school secured a good at the last inspection and the disadvantaged gap has continued to close by over a grade. A development agreement was put in place in 2016 to provide new facilities to accommodate increased capacity at the school. The funding for those facilities failed to meet the cost of the development so the trust has contributed an additional £2.9 million funding to the scheme to complete the sports hall. The new sports hall will open in Summer 2024.

#### **All Through Academy**

In 2016 the Trust opened a new all through (4-19) free school, Northampton International Academy, in the centre of Northampton. The academy is educating all year groups for 2022-23. This is a major milestone for the development of the school over the past 7 years.

In February 2022 the school received a section 8 Ofsted inspection that was subsequently converted to a section 5 inspection. The school was graded inadequate at this inspection. The trust has taken swift action to improve the school. We have had monitoring inspections from Ofsted, the Ofsted monitoring inspection in October 2022 stated 'the trust has made significant changes to the leadership of the school. Leaders, trustees and academy governors lead with clear purpose. They acted swiftly to bring about change after the previous inspection. Leaders have a clear vision for providing a high-quality education to all pupils.'

The roof section of the NIA contains Reinforced Autoclaved Aerated Concrete (RAAC). At the end of August 2023, the DfE guidance changed from management and inspection of affected areas to closure. This has affected 18 classrooms, the staff room, fitness suite and catering outlet within the school. The trust has put in mitigation processes to ensure all pupils receive on-site education in a safe environment whilst the removal of the RAAC is considered.

# **EAST MIDLANDS ACADEMY TRUST**

## **TRUSTEES' REPORT**

### **Main Activities 2022-2023**

In the year 2022-2023, the Trust educated 5,028 pupils (4,801 in 2021-22) and provided support for over 614 colleagues.

### **Centralised support**

The trust provides a comprehensive suite of support to the schools to facilitate a forensic focus on the teaching and learning. The trust supported autonomy model includes school improvement, Finance, Human Resources, Payroll, Communications, Policy and Governance support, Project management and Marketing. This approach ensures that this multi-disciplinary team consistently supports each of the academies but has the capacity to either increase or reduce the level of support provided depending on the circumstances at the time.

The Information Communications Technology and Estates functions are centralised. The benefit of this centralisation has provided resilience across the service provision with the system operational 100% of the time during term time and expert staff are able to support schools when required, and to allow for the better deployment of resources. The cost savings generated from having one supplier base across schools has enabled the trust to invest in improvements to the school environment and improve the conditions for learners.

The Estates team has been centralised to provide professional management of the trust properties under the Head of Shared Services and the Estates Manager. All properties have condition surveys which informs a 10-year capital repair and preplacement plan identifying the areas of most need across the estate. The estates team ensure the buildings are properly maintained and are fit for learning. The trust has a focus on energy reduction and have continued in the year to invest in energy saving equipment including better building management controls and a programme of replacement lighting. The construction of the new sports hall at Prince William School will be low carbon and fully electric. The trust is committed to providing a low carbon estate over the next 10 years.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

East Midlands Academy Trust was incorporated on 19 July 2012 as a company limited by guarantee and an exempt charity, with the purpose of establishing, maintaining, managing, and developing academies and free schools as world class centres of excellence. In line with its Articles of Association, the Trust is governed by Members who are the owners of the Trust. Trustees are the directors of the Trust under company law and are supported by the executive under the direction of the Chief Executive Officer.

### **Members' liability**

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

### **Trustees' indemnities**

In line with normal commercial practice, the Trust holds unlimited insurance for its Trustees for their work on any single claim.

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

When new Trustees are recruited, the Board approves an appropriate process and criteria for recruitment based on a review of skills and capability. The articles allow for a maximum of twelve Trustees to be appointed by the members with no limit on the minimum number of trustees. The Trust works with several external organisations to identify additional trustees.

### **Policies and procedures adopted for the induction and training of Trustees**

Trustees are briefed regularly on educational and other Trust matters by the Senior Management Team, through briefings at Board meetings, group meetings, other sessions, visits to the academies and individual meetings. When new trustees join the Board, tailored induction training is arranged to provide them with a comprehensive understanding of the Trust and the wider context, the Trust's mission, vision, ethos and values, the operation network, and their governance responsibilities.

# **EAST MIDLANDS ACADEMY TRUST**

## **TRUSTEES' REPORT**

### **Organisational structure**

The Trustees in collaboration with the Chief Executive and Executive leadership team set the Strategic Plan and budget, monitor performance against the plan and budget, and take major decisions about the Trust, growth of academies and the appointment of the Chief Executive

The Board has established three committees to support it in carrying out its functions, which are:

- Standards & Performance committee;
- Finance, Human Resources & Estates committee;
- Audit & Risk committee.

The Board delegates specific functions to Local Advisory Bodies (LABs) as set out in our scheme of delegation. Each LAB reviews academy level policies, academy improvement plans and performance data. Recommendations can then be forwarded to the Board. The LABs carry out roles in monitoring school performance and overseeing community and parent liaison. A chairs forum connects the chairs of each of the LAB's to the chair of trustees to ensure a flow of communication between the board and the LAB. The Trustees delegate day to day responsibility to the Senior Management Team led by the Chief Executive Officer.

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

East Midlands Academy Trust is committed to the recruitment, retention, and development of an effective workforce, who contribute to its success and growth. The Trust is committed to ensuring that members of staff, who excel in their role, should be recognised, and rewarded. The Trust, therefore, recognise that the use of a range of incentives is an important strategy for motivating staff, highlighting best practice, and creating a culture of exceptional achievement. Every year the trust holds a celebration and recognition awards event where staff, governors and pupils are nominated and rewarded for their achievements throughout the year.

The pay of all employees is benchmarked against an evaluation framework with a pay grading and banding structure to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles nationally.

Trustees review annually the pay of the senior executives. They consider the pay for executives in trusts with similar characteristics and the DfE guidance on executive pay.

Trustees give their time freely and are not paid for their roles on the Board other than reimbursement for out-of-pocket expenses in line with our policy.

### **Arrangements for managing Conflicts of Interest**

The Trust maintains a register of pecuniary interests for Members, Trustees, Local Advisory Board Governors, and Senior Executive Staff. Any transactions where a conflict may arise or a perceived conflict of interest may arise, these are declared and the person with the conflicting interest will play no part in any decision making.

# **EAST MIDLANDS ACADEMY TRUST**

## **TRUSTEES' REPORT**

### **Trade Union Facility Time**

The Trust does not have a formal trade union recognition agreement however it actively engages with a number of unions and operate an informal consultation process for staff to be represented by Unions and staff consultation committee. The aim is to speed up decision making and improve communication to employees at a local level whilst providing Union support on pay and important conditions.

The Trust has an obligation to report the number of employees who were relevant union officials, the time spent on union activity and the cost of the facility time under statutory instrument 2017 328 (The Trade Union Facility Time Publication Requirement's Regulations 2017).

<b>Number of Employees who were relevant Union Officials During the period</b>	<b>Full Time Equivalent Employee Number</b>
4	3

### **Percentage of Time Spent on Facility Time**

<b>Percentage of time - %</b>	<b>Number of Employees</b>
0 – 1%	1
1-50%	3
51-99%	0
100%	0

### **Percentage of pay bill spent on Facility Time**

Total Cost of Facility Time	£12,426
Total Pay bill	£21,389,624
The percentage of the total pay bill spent on facility time	0.058%

### **Paid Trade Union Activities**

Time spent on paid trade union activities as a percentage of total paid facility time 7.47%.

The trust supports union activity by facilitating national and regional union officials with meetings by making staff available and providing accommodation for the meetings.

### **Engagement with Employees**

As part of our ongoing employee engagement strategy, we operate an Employee Forum which meets at least once a term. The forum is made up from a member of teaching or support staff from each school and is an open forum to discuss initiatives and employee concerns, and to inform representatives of matters of concern to employees. This allows the employees views to be considered when decisions are being made which may affect them.

In addition to the Employee Forum the trust issues regular communications to staff through the monthly staff newsletter and through engagement with trade union bodies.

### **Engagement with Suppliers**

EMAT has a policy of working with preferred suppliers and establishing frameworks within which to support our schools with procurement. We also use the national frameworks to ensure value for money. The trust holds regular meetings with key suppliers to review contract performance and keep suppliers informed on the changing activities of the trust.

### **Related parties and co-operation with other organisations**

There are no related parties involved in the Trust.

### **Public benefit**

The Trustees have referred to the Charity Commission guidance on public benefit when reviewing the Trust's objectives and aims whilst planning future activities and consider that the Trust's aims are demonstrably for the public benefit. We support our communities through the provision of an inclusive, high-quality education and support parents and children from all backgrounds including those where English is an additional language. The trust is supporting the wider education community through providing specialist knowledge and experience to other academy trusts in the areas of school improvement, finance, human resources and estate management and intend to develop further education partnerships in the coming years.



# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

### STRATEGIC REPORT

#### Achievements and performance

Pupils in East Midlands Academy Trust academies have continued to make good progress during the year. The strategy of providing school to school support, as well as appointing outstanding head teachers to work as 'Academy Improvement Partners' for each academy has been highly effective. This ensures a robust system of challenge and support is in place.

#### Financial review

During the year ended 31 August 2023, East Midlands Academy Trust had a total income of £32,449K and expenditure of £33,353K, after exceptional pension costs of £256K.

Most of the income came from the Department for Education (DfE) or local authorities as recurrent grants for particular purposes. These grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust reported an overall surplus on general fund activity for the year ended 31 August 2023 of £211K (2021/22: £253K) after transfers but before pension fund administration costs of £256K. The trust has budgeted a deficit of £892K in 2023-24, due to investment into the Prince William Sports Hall which has been agreed by the Trust Board.

The trust operates a General Annual Grant (GAG) pooling model for managing its financial affairs. The schools' resources were budgeted using Integrated Curriculum Financial Planning (ICFP), to determine the staffing required to effectively teach the enriched curriculum. This is subject to recognised national key performance indicators to deliver a first-class education. The schools receive their ring-fenced funding which includes Pupil Premium and SEND funding, and the trust allocated a school grant to top up the income to match the resources required. The aim is for the schools to break even on their budget allocation. The cost for centralised estates and information communications technology were met from a similar grant known as the central grant. The contingencies and contributions to reserves are held in the Head Office cost centre code.

The Trust reserves as at 31<sup>st</sup> August 2023 were £2,100K (excluding fixed assets and pension reserves). The trust has set a target of 1 month's payroll to hold as a prudent reserve. This equates to a reserve balance of £1.4 million. The trust has budgeted to achieve an operating surplus over the next 2 years of the plan but will investment £1 million of reserves to fund the Prince William Sports Hall project.

In addition to the reserves, the trust has a policy for cash balances held to be equivalent to at least one month's payroll. This equates to £1.94 million. The trust free cash balance at the 31<sup>st</sup> August 2023 was £5.2 million. The trust are holding capital receipts of £4.9 million to fund projects in progress at the year end.

The trust has enhanced its provision for higher needs students with a refurbished facility opening for Milton Keynes at Orchard Academy, and for two new Units at Castle and Hardingstone academies for children with Autism spectrum disorder. These new units opened in 2022-23.

#### Going concern

After making appropriate enquires, the Board of Trustees has an expectation that East Midlands Academy Trust has adequate resources to continue in operational existence for the foreseeable future. This is based on the current level of reserves held of £2,100K to cover any unforeseen future expenditure. The Trust has budgeted a drop in our reserves due to a deficit in 2023-24 as we commit reserves to the Prince William project of £892k which will leave reserves at £1,208K. In 2024-25 we budgeted to see a surplus of £167K and in 2025-26 we have also budgeted a surplus £202k bringing our reserves to £1.6million at the end of 2025-26.

The cash position is forecast to be £1.6million in 2023-24 and increasing to £2million by the end of 2025-26. For this reason, the Trust continues to adopt the going concern basis in preparing its financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### Promoting the Success of the Charity to achieve its charitable objectives

East Midlands Academy Trust has a strong ethos of social responsibility ensuring that each child has the opportunity through education to improve their circumstances. The trustees have instilled in the organisation a fully inclusive education, and through the strategic plan aim to support all children from all backgrounds in

# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

its growth plans. The trust aims to operate in addition to mainstream schools an eco-system to cross fertilise and share best practice including, alternative provision, special schools and a range of specialist practitioners, including mental health to support our communities.

The trust selects trusted business partners who demonstrate they can supply goods and services at economic prices, and who share our belief in supporting our students and communities. We use values based recruitment to supplement competency-based approaches to employ staff to offer the best pedagogy to our students. We support staff with extensive CPD programmes and peer to peer support. The trust has developed a network of specialists including Academy Improvement Partners (AIPs) to provide critical challenge and process improvement ensuring we continue to offer life opportunities for our students. By developing our staff and working with like-minded suppliers we are setting the platform to achieve the long-term success of our charitable objectives.

### **Financial and risk management objectives and policies**

East Midlands Academy Trust holds cash balances and other working capital balances. The Trust manages its cash resources, including maintaining sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

Other risks that the Trust is exposed to include funding decreases or pay awards to teachers and support staff that are not fully funded. These are pressures faced by all academy trusts and are mitigated through prudent budgeting.

A further risk could be a significant drop in pupil numbers. Each academy is aware of the consequence of a falling roll and the local context and is proactive in marketing for new pupils and retaining existing pupils. Additional risk mitigation has included opening nursery provisions and SEND provisions to broaden the income streams and possibly attract families that have multiple needs for their children.

### **Reserves policy**

The Trust has a reserves policy which describes the need for sufficient consolidated reserves to enable the Trust to grow in line with its Strategic Plan by ensuring there are sufficient reserves to fund that growth and combat the inevitable financial risks associated therewith, whilst avoiding the accumulation of excessive reserves from resources which should be used to improve the life chances of the pupils within the Trust's academies.

The trust board has set a policy that for the three-year financial plan 2023-24 the trust should hold revenue reserves equivalent of one month's payroll expenditure and cash equivalent of one-month pay. This would equate to £1.4 million for reserves and £1.8 million for cash. Our Reserves are forecast to reduce by £892k because of the Prince William Sports Hall thus reducing our Reserves to £1,208k.

The financial plans for the next three years include provision to build reserves up again to £1,577k over the next three years. This will allow the trust to absorb cash flow peaks and troughs and give resilience to withstand unforeseen expenditure.

The position as at 31<sup>st</sup> August 2023 is a net revenue reserve of £2,099K and cash of £5,247K. Our cash balance includes capital receipts ear marked for the Prince William Sports Hall project which we will start expense fully in 2023-24 reducing our balance to £1.6million. The trust operates a system of GaG pooling. Therefore, all reserves will be reported under the consolidated trust position. Note 16 to the accounts shows the reserves as at 31<sup>st</sup> August 2023.

At the end of 2022-23 the Trust's total reserves are £83,855K comprising restricted reserves of £83,475K, of which £83,358K relates to the restricted fixed asset fund, a pension fund deficit of £1,602K relates to the pension reserve, £1,719K relates to unspent GAG and unrestricted reserves of £380K which meets the planned reserves as set by the policy.

The pension fund deficit whilst not having an immediate impact on cash flows and expenditure do so over the long term in the form of increased employers' contributions over several years. At the tri annual LGPS pension fund valuation which took place in 2022-23, employers pension fund contributions reduced in some schools and increased in others reflecting the relative health of those pension pots.

# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

### Investment policy

The Treasury Policy includes the policy on investment. Consolidated cash reserves are invested through appropriate use of financial instruments with the Trust's principal bankers, so any income can be achieved with minimal risk.

### KEY PERFORMANCE INDICATORS

The financial key performance indicator for 2022-23 was for the Trust to achieve a surplus of £212K. on GAG and unrestricted activity. The outturn was a surplus of £211K. This was a significant achievement for the trust given the uncertainties around energy prices, teachers and support pay uplifts and general inflation in our non-pay expenditure.

### Early Years

At the time of writing there are no national comparators for this year.

The percentage of pupils reaching a good level of development is highest at Stimpson (75%) followed by NIA (72%), Hardingstone (70%), Castle (65%) and Shepherdswell (63%).

### Phonics

The proportion of pupils passing the Year 1 phonics check is above the national (79%) and highest at Castle (80%). Hardingstone (76%), Shepherdswell (76%), Stimpson Avenue (75%) and NIA (61%) are all below the national.

At the end of Year 2, the proportion of pupils across the Trust passing the phonics check was highest at Hardingstone (97%) followed by Shepherdswell (91%), Stimpson (88%), Castle (85%) and NIA (79%).

### Key Stage 1

The Trust average for pupils reaching the expected standard in 2023 is as follows, reading 65% (national; 68%), writing 58% (national; 60%), maths 66% (national; 70%).

In reading, results are highest at Hardingstone and Shepherdswell (70%), followed by NIA (64%), Stimpson Avenue (63%) and Castle (61%).

In writing, results are highest at Hardingstone (68%) followed by Shepherdswell (66%), NIA (57%), Castle (54%) and Stimpson Avenue (48%).

In maths, results are highest at Hardingstone (76%) followed by Shepherdswell (75%), Castle and NIA (62.5%) and Stimpson Avenue (61%).

### Key Stage 2 – Attainment

The Trust average for pupils reaching the expected standard in 2023 is as follows, reading 64% (national 73%), writing 66% (national 71%), and maths 65% (73%).

In reading, results are highest at Hardingstone (72%) followed by Stimpson Avenue (71%), Castle (68%), Orchard (61%) and NIA (52%).

In writing, results are highest at Castle (72%) followed by Hardingstone (69%), Orchard and Stimpson Avenue (64%), and NIA (61%).

In maths, results are highest at Hardingstone (78%) followed by Stimpson Avenue (72%), Castle (70%), NIA (63%) and Orchard (56%).

### Key Stage 2 – Progress

Progress scores in reading are highest at Hardingstone (0.1) followed by Stimpson Avenue (-0.6), Castle (-1.3), NIA (-1.6) and Orchard (-4.2).

In writing, progress is highest at Castle (1.0) followed by Hardingstone (-0.4), Stimpson (-0.8) NIA (-2.3), and Orchard (-3.4).

In maths, progress is highest at Castle (-0.3) followed by Stimpson Avenue (-1.0), NIA (-1.3), Hardingstone (-1.8) and Orchard (-4.4).

Progress scores are not significantly different from the national average apart from at Orchard (all subjects) and writing at NIA.

### GCSE & Post 16

At Prince William School, Attainment 8 was 48.7 and Progress 8 was +0.14. The proportion of students achieving both English and maths at grade 4 or above was 75% and at grade 5 or above was 51%.

At Northampton International Academy, Attainment 8 was 39.3 and progress 8 was -0.78. The proportion of students achieving both English and maths at grade 4 or above was 42% and grade 5 or above was 21%.

# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

At A level, 79% of Prince William School pupils achieved grades A\* to C, 99% achieved an A\* to E grade and the overall average grade achieved was a B-. At Northampton International Academy, 37% of pupils achieved grades A\* to C, 87% achieved grades A\* to E and the average grade was a D.

### Fundraising

The trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the trustees through the Finance, Human Resources and Estates (FHRE) committee.

### Streamlined Energy and Carbon Reporting

<b>UK Greenhouse gas emissions and energy use data for the period 1 August 2022 to 31<sup>st</sup> July 2023</b>	<b>2022-23</b>	<b>2021-22</b>
Energy Consumption used to calculate emissions (kWh)	5,912,716	5,986,917
Energy Consumption break down (kWh)		
Gas	3,505,205	3,581,893
Electricity	2,329,434	2,358,590
Transport Fuel	78,077	46,433
Scope 1 – Emissions in metric tonnes CO <sub>2</sub> e		
Gas Consumption	641.2	649.1
Owned Transport	4.8	8.1
<b>Total Scope 1</b>	<b>646.0</b>	<b>657.2</b>
Scope 2 – Emissions in metric tonnes CO <sub>2</sub> e		
Purchased Electricity	482.4	451.0
Scope 3 – Emissions in metric tonnes CO <sub>2</sub> e		
Business travel in employee-owned vehicles	10.6	7.3
Business travel in employee-owned electric vehicles	0.6	0
Business travel in employee-owned Hybrid vehicles	0.4	0
<b>Total Scope 3</b>	<b>11.6</b>	<b>7.3</b>
<b>Total Gross Emissions in metric tonnes CO<sub>2</sub>e</b>	<b>1139.9</b>	<b>1,115.0</b>
Intensity Ratio	0.23	0.23
Tonnes CO <sub>2</sub> e per pupil (5,028 pupils as at June 2023)		

### Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG reporting protocol – Corporate standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

### Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub> per pupil, the recommended ratio for the sector.

### Measures taken to improve energy efficiency

The gross emissions in 2022-23 have remained stable when compared to previous years where we had covid closures.

The trust is undertaking a phased review of its energy consumption with a view to reducing the carbon footprint. Studies have been commissioned at all academies to report on measures that can be taken to improve energy efficiency across the Trust. Over the next 3 years each site will be reviewed, and a programme will be put in place to reduce emissions. In addition, the trust will be investing in electric charge points for staff to support them in moving to electric vehicles. The new capital developments have a design brief to reduce energy consumption.

# EAST MIDLANDS ACADEMY TRUST

## TRUSTEES' REPORT

### Plans for future periods

East Midlands Academy Trust (EMAT) is committed to developing an inclusive education offering for all pupils regardless of ability. In 2023 we opened two SEND facilities at Hardingstone and Castle Academies to support children with ASD. We are developing central support functions that will enable the trust to support our own schools and those in our local communities.

Expertise in SEND support and alternative provision, school improvement, finance, human resources, and estate management are being provided together with governance to ensure we can operate a fully inclusive education to all students in the areas we operate and aim to support the wider education community with access to our specialist support.

The trust is developing its approach to support our communities of pupils and staff to be the best they can be. The EMATter community is dedicated to developing staff and students with high ambitions for success through continuous development and learning. The EMATter training hub provides specialist courses and training for staff development to support the pupils.

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

The Trust does not have funds which are held as custodian trustee on behalf of others.

### Principal risks and uncertainties

All major risks to which the Trust is exposed are contained in a risk register that is reviewed by the Audit and Risk Committee and the Board. These risks are owned by the Senior Management Team or Headteachers with policies, systems, and procedures in place to manage these risks. Each academy has its own risk register, owned by the Headteacher and their senior leaders, and these are reviewed by the LABs. The Trust, and its individual academies have business continuity plans which are updated regularly.

Trustees have assessed the major risks and uncertainties to which the Trust is exposed. The main risks and mitigation actions are:

<b>Risk</b>	<b>Risk Mitigation</b>
The long-term effect of Covid-19 on our students and staff.	Specific measures have been put in place to support students with academic interventions and improve access to remote learning opportunities over the long term to ensure students are not disadvantaged from the school closures. Enhanced mental health support is provided to students to combat long term covid effects. Staff wellbeing is monitored, and staff are supported through the trust wellbeing programmes.
Funding and liabilities	The trust operates a pooling of resources and a purchasing strategy designed to maximise the economies of scale we benefit from. The use of monthly financial scrutiny of each school and the centre together with clear financial procedures allows for control of the financial performance. Maintain sufficient reserves to cover any potential unfunded liabilities.
Educational performance and results	Ongoing monitoring of the delivery and progress being made, and interventions implemented as required. Regular monitoring of school performance and effectiveness to highlight and address any areas of poor performance.
Reputational risks	Ensure ongoing assessment of problems/threats with appropriate action being undertaken centrally to avoid and mitigate.
Governance and compliance (statutory and legal)	Continually recruiting, training Governors/Board Members and the appointment of a Head of Governance to ensure compliance.
Estate Management (inclusive of energy management)	Assessment of condition of estate and medium to long term planning for improvement. Reduce risk of energy price fluctuation through fixed price contracts.

# **EAST MIDLANDS ACADEMY TRUST**

## **TRUSTEES' REPORT**

Recruitment and retention

Effective and positive Marketing programme to recruit students to the academies. A Head of People and Culture to improve our staff recruitment ,retention and people development.

### **EMPLOYEE CONSULTATION AND DISABLED EMPLOYEES**

The Trust is an equal opportunities employer and actively works to address unconscious/conscious bias to ensure discrimination of any kind is eradicated from its recruitment and employment processes.

The Trust encourages the involvement of its employees through regular staff meetings that have responsibility for the dissemination of information of particular concern to employees, and through staff surveys and staff committees for receiving their views.

### **AUDITOR**

MAZARS LLP is the appointed auditor to the charitable company during the year.

### **Statement as to disclosure of information to auditor**

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Report is approved by order of the Board of Trustees and the Strategic Report (included therein) is approved by the Board of Trustees in their capacity as the directors at a meeting on 18<sup>th</sup> December 2023 and signed on its behalf by:

  
Kevin Crompton (Dec 19, 2023 14:02 GMT)

K Crompton  
Chair of Trustees

# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

### Scope of responsibility

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

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

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

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The trustees discharge their responsibilities through meeting as a whole board, and via the committees where much of the work of the trust is scrutinised on behalf of the board. Overall Governance is achieved in collaboration with these other committees. Examples of the additional meetings Trustees attend are Finance, Human Resources & Estates Committee (FHRE), Standards and Performance Committee (S&P) and Audit and Risk Committee(A&R).

The trust continues to operate Hybrid meetings with trustees meeting in person and via teams to ensure quorum. The same arrangements were put in place for our local advisory board meetings. This arrangement has proven very successful and will continue into the foreseeable future.

The Members formally met on 27<sup>th</sup> February 2023 to conduct their Annual General Meeting for 2021/2022. To finalise the separation between the layers of governance, new members were appointed during these meetings and a member with dual role stepped down to serve only as a trustee.

Attendance to the meetings was as follow:

Members	Meetings attended	Out of possible
K Crompton (Chair)	2	2
J Harris	2	2
B Langfield	2	2
D Houghton	2	2

The Board of Trustees has formally met four times during the 2022/2023. One new trustee was appointed in March 2023. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
K Crompton (Chair of Trustees)	3	4
A Salam	4	4
S Morales	2	4
K Whittlesey	2	2
F Wheeler	4	4
L Jones	2	4
M Conlon	4	4
N Bell	2	3
A Davis	1	2

The Finance, Human Resources and Estates group is a committee of the main Board of Trustees, and its role is to support the Board by overseeing financial, Human Resources and Estates activity of the Trust along with other controls and risk management, in the context of planned growth. The Group exists to ensure probity and efficiency in the management and expenditure of the Trust's income from the DfE, in compliance with the Education & Skills Funding Agency's Academies Financial Handbook. The Group is chaired by Ayo Salam. Attendance at meetings in the year 2022/2023 was as follows:

## EAST MIDLANDS ACADEMY TRUST

### GOVERNANCE STATEMENT

Trustees	Meetings attended	Out of possible
A Salam (Chair of Committee)	4	5
Andy Davies	0	3
S Morales	2	4
K Crompton	5	6
F Wheeler	1	1
M Conlon	6	6
N Bell	3	5

The Audit and Risk Group is a committee of the main Board of Trustees, tasked with setting the Trust's risk appetite and ensuring that controls are in place to manage and mitigate risk within this. To retain independence, the membership of the group has two trustees who are not members of the Finance and Human Resources Group. The group was chaired by Martin Conlon. Trustee attendance at the meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
M Conlon (Chair of Committee)	3	3
S Morales	1	3
A Salam	2	3
N Bell	1	1

The Standards and Performance group is a committee of the main Board of Trustees. The committee manages the standards and performance of the schools in relation to pupil outcomes, well-being, exclusions, and inclusion and receives school performance data collated by the School Effectiveness and Improvement team. The committee is chaired by Leigh Jones. Trustee attendance at the meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
L Jones (Chair of Committee)	5	5
M Conlon	4	5
K Whittlesey	1	2
F Wheeler	5	5
N Bell	2	5

#### Governance reviews

The trust conducted an External Review of Governance during May 2022 which concluded that governance was effective and robust and that trustees were efficient in holding executive leaders to account. As part of the ERG a skills audit for the trust board and each of the local advisory boards was carried out. This has resulted in governance improvement plans being developed for each board. The Chairs Forum has continued to meet during the year to align governance across all layers. The Forum meets 3 times a year and is chaired by the Chair of the Trust. All schools are represented by the Chair and/or Vice-Chair of each LAB.

The trust recruited additional members and trustees during 2022-23 to strengthen the Board further and provide greater separation between members and trustees. Recruitment is ongoing across all layers of governance with an emphasis in diversity around local recruitment to truly reflect the communities we serve.

#### Review of value for money

East Midlands Academy Trust's vision is that every child deserves to be the best they can be, and any wastefulness or inefficiency will hinder the fulfilment of this vision. It is our aim to achieve the best quality and value for money to enhance the life chances of the children in our academies.

As the Trust matures and grows it is better able to benefit from economies of scale, shared resources and effective procurement, all of which contribute towards excellent value for money. The trust centralised its estates and information communications technology functions into one shared service centre. We have been creating better value for money by consolidating suppliers and putting in place common systems across the trust to reduce the cost of supporting the education for students. The procurement manager has completed a complete spend categorisation and is targeting the highest areas of spend to ensure we achieve best value



# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

for money. The trust has repurchased its energy, cleaning and catering contracts through framework agreements and specialist contractors.

### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in East Midlands Academy Trust for the year 1<sup>st</sup> September 2022 to 31<sup>st</sup> August 2023 and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

The Board of Trustees 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 those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating, and managing the Trust's significant risks that has been in place for the period 1<sup>st</sup> September 2022 to 31<sup>st</sup> August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### **The risk and control framework**

The Trust's system of internal financial control is based on a framework of 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 Trustees;
- regular reviews by the Finance, HR and Estates committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.
- Appointment of independent internal auditors to review and monitor the control environment.

The Board of Trustees discharges its duties through the Audit and Risk Committee for the appointment and review of internal audit work providing the internal scrutiny of the Trust's financial controls. During 2022-23 MacIntyre Hudson were appointed to act as internal auditors for the Trust. A programme of work was agreed with trustees following an assessment of the principal risks facing the trust and in line with priorities set out by trustees and the Chair of Audit and Risk Committee.

This work was completed in the year and reports were issued to the Audit and Risk Committee. The reports to the committee outlined the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The areas of review during the year included:

- Facilities Management
- Financial Planning & Monitoring
- Procurement and Payment
- Quality Assurance
- Strategic Planning

The auditors made a number of recommendations that have been adopted by the trust.

A review of VAT was completed in October 2023.

# EAST MIDLANDS ACADEMY TRUST

## GOVERNANCE STATEMENT

### Review of effectiveness

The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control.

During the year, the review has been informed by:

- the work of the internal audit
- the financial management and governance self-assessment process including the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor

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

Approved by order of the Board of Trustees on 18 December 2023 and signed on its behalf by:

Kevin Crompton  
Kevin Crompton (Dec 19, 2023 14:02 GMT)

K Crompton  
Chair of Trustees

Joshua Coleman  
Joshua Coleman (Dec 19, 2023 14:07 GMT)

J Coleman  
Accounting Officer

## EAST MIDLANDS ACADEMY TRUST

### STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of East Midlands Academy Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State for Education. As part of my consideration, I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Trust's Board of Trustees are able to identify any material 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 Trustees and ESFA.

Joshua Coleman  
Joshua Coleman (Dec 19, 2023 14:07 GMT)

J Coleman  
**Accounting Officer**

Date: 18 December 2023

## EAST MIDLANDS ACADEMY TRUST

### STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees, who are also the directors of East Midlands Academy Trust for the purposes of company law, are responsible for preparing the Trustees' Report (including the strategic 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of East Midlands Academy Trust and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


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

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

Approved by order of the members of the Board of Trustees on 18<sup>th</sup> December 2023 and signed on its behalf by:

  
Kevin Crompton (Dec 19, 2023 14:02 GMT)

K Crompton  
**Chair of Trustees**

  
Joshua Coleman (Dec 19, 2023 14:07 GMT)

J Coleman  
**Accounting Officer**

## **EAST MIDLANDS ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST**

#### **Opinion**

We have audited the financial statements of East Midlands Academy Trust ("the 'Academy Trust') for the Year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities; Statement of Recommended Practice applicable to Charities (Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency.

In our opinion, the financial statements:

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

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements section" of our report. We are independent of the 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 opinion.

#### **Conclusions relating to going concern**

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

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

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

#### **Other information**

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

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

## **EAST MIDLANDS ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST**

We have nothing to report in this regard.

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

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

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

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

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

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 20, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Academy Trust 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

## **EAST MIDLANDS ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST**

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.

Based on our understanding of the Academy Trust and its activities, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

In addition, we evaluated the trustees' and 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 related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **EAST MIDLANDS ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EAST MIDLANDS ACADEMY TRUST**

#### **Use of the audit report**

This report is made solely to the Academy Trust's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy Trust's members those matters we are required to state to them in an 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 Academy Trust and the Academy Trust's members as a body for our audit work, for this report, or for the opinions we have formed.

**DRH**

David Hoose (Dec 19, 2023 15:20 GMT)

**David Hoose (Senior Statutory Auditor) for and on behalf of Mazars LLP**

**Chartered Accountants and Statutory Auditor**

**6 Dominus Way**

**Meridian Business Park**

**Leicester**

**LE19 1RP**

**Date:** Dec 19, 2023



## **EAST MIDLANDS ACADEMY TRUST**

### **INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO EAST MIDLANDS ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 September 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 East Midlands 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 East Midlands Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to East Midlands Academy Trust 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 East Midlands Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of East Midlands Academy Trust's Accounting Officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of East Midlands Academy Trust's funding agreement with the Secretary of State for Education dated 25 May 2012 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 or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by 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.

The work undertaken to draw to our conclusion includes:

- Planning our assurance procedures including identifying key risks;
- Carrying out sample testing on controls;
- Carrying out substantive testing including analytical review; and
- Concluding on procedures carried out.

#### **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.

Mazars LLP

Mazars LLP (Dec 19, 2023 15:21 GMT)

Mazars LLP

Chartered Accountants and Statutory Auditor

6 Dominus Way

Meridian Business Park

Leicester

LE19 1RP

Date: Dec 19, 2023

# EAST MIDLANDS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENTURE ACCOUNT

YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset £000	Total 2022/23 £000	Total 2021/22 £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	38	-	1,342	1,380	1,047
<b>Charitable activities:</b>						
- Funding for the academy trust's educational operations	4	29	30,280	-	30,309	28,242
Other trading activities	5	119	608	-	727	594
Investments	6	34	-	-	34	1
<b>Total</b>		<b>220</b>	<b>30,888</b>	<b>1,342</b>	<b>32,450</b>	<b>29,884</b>
<b>Expenditure on:</b>						
<b>Raising funds:</b>						
- Allocated Support Costs	7	90	308	-	398	379
<b>Charitable activities:</b>						
- Educational operations	7	26	30,402	2,527	32,955	32,059
<b>Total</b>	<b>7</b>	<b>116</b>	<b>30,710</b>	<b>2,527</b>	<b>33,353</b>	<b>32,438</b>
<b>Net (Expenditure) / Income</b>		<b>104</b>	<b>178</b>	<b>(1,185)</b>	<b>(903)</b>	<b>(2,554)</b>
Transfers between funds		-	(327)	327	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit pension schemes	24	-	1,231	-	1,231	10,946
Net movement in funds		104	1,082	(858)	328	8,392
<b>Reconciliation of funds</b>						
Total funds brought forward		276	(965)	84,216	83,527	75,135
Total funds carried forward		380	117	83,358	83,855	83,527

## BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2022/23		2021/22	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible assets	12		78,455		78,594
<b>Long-term assets</b>					
Debtors: amounts falling due after more than one year	13	-		3,257	
<b>Current assets</b>					
Debtors: amounts falling due within one year	13	5,160		2,909	
Cash at bank and in hand	21	5,247		4,952	
		<u>10,407</u>		<u>7,861</u>	
		10,407		11,118	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	14	(3,405)		(3,607)	
<b>Net current assets</b>			7,002		7,511
<b>Total assets less current liabilities</b>			85,457		86,105
Defined benefit pension scheme liability	24		(1,602)		(2,577)
<b>Net assets</b>			83,855		83,528
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>	16				
- Restricted fixed asset funds			83,358		84,216
- Restricted income funds			1,719		1,612
- Pension reserve			(1,602)		(2,577)
<b>Total restricted funds</b>			83,475		83,251
<b>Unrestricted income funds</b>	16		380		276
<b>Total funds</b>			83,855		83,527

The financial statements on pages 23-47 were approved by the Board of Trustees and authorised for issue on 18<sup>th</sup> December 2023 and are signed on their behalf by:

*Kevin Crompton*  
Kevin Crompton (Dec 19, 2023 14:02 GMT)

K Crompton  
Chair of Trustees

**EAST MIDLANDS ACADEMY TRUST**

**STATEMENT OF CASH FLOWS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

	Notes	2023 £000	2022 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	1,338	1,733
<b>Cash flows from investing activities</b>	20	(1,043)	(1,574)
<b>Net cash used in financing activities</b>	19	(0)	(0)
<b>Change in cash and cash equivalents in the reporting period</b>		295	159
<b>Cash and cash equivalents at 1 Sept 2022</b>		4,952	4,793
<b>Cash and cash equivalents at 31 August 2023</b>	21	5,247	4,952

# **EAST MIDLANDS ACADEMY TRUST**

## **NOTES TO FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

#### **1. Accounting policies**

##### **General information**

East Midlands Academy Trust is a charitable company. The address of its principal place of business is given on page 3 and the nature of its operations are set out in the Trustees' Report. A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

##### **Basis of preparation**

The financial statements of the Trust 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 financial statements 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. The Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The financial statements are presented in sterling which is also the functional currency of the Trust.

Monetary amounts in these financial statements are rounded to the nearest whole thousand, except where otherwise indicated.

##### **Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e., whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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 income is recognised when the Trust has entitlement to the funds, the receipt is probable, and the amount can be measured reliably.

##### **Grants**

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

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

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

##### **Sponsorship income**

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

##### **Donations**

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

##### **Other income**

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

# **EAST MIDLANDS ACADEMY TRUST**

## **NOTES TO FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

#### **Donated goods, facilities, and services**

The value of donated services and gifts in kind provided to the Trust are recognised at their open market value in the period in which they are receivable, where the benefit to the Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Trust's policies.

Goods and services procured from connected parties are included at the price paid, and such transactions are undertaken 'at cost' in line with the provisions of the Academies Financial Handbook.

#### **Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### **Charitable activities**

These are costs incurred on the Trust's educational operations to further its charitable aims for the benefit of the beneficiaries, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

#### **Tangible fixed assets and depreciation**

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities.

Depreciation is provided on all tangible fixed assets (including donated fixed assets), so as to write off the cost of assets less their residual values over their useful lives on the following bases:

L/Term Leasehold Property	2% straight line
Office equipment	33% straight line
Fixtures and fittings	20% straight line
Motor vehicles	20% straight line

Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

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.

#### **Liabilities**

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

# **EAST MIDLANDS ACADEMY TRUST**

## **NOTES TO FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31 AUGUST 2023**

#### **Leased assets**

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

#### **Financial instruments**

The Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

#### **Financial assets and liabilities**

Financial assets and financial liabilities are recognised when the Trust becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs) unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an agreement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **Derecognition of financial assets and liabilities**

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled, or expires.

#### **Taxation**

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

#### **Pension benefits**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'), which are multi-employer 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 Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a projected unit credit method. The TPS is a multi-employer scheme but there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the 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 reporting date. The amounts charged to net income are the current service costs and the costs of scheme introductions, benefit changes, settlements, and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability 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

# EAST MIDLANDS ACADEMY TRUST

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

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

#### Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of financial activities as the academy trust does not have control over the charitable application of the funds.

#### Fund accounting

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

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

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

## 2. Critical accounting estimates and areas of judgement

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.

#### Critical accounting estimates and assumptions

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate.

Any changes in these assumptions, which are disclosed in note 24, 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 2023 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. Note 24 includes details of the effects of changes in the key assumptions on this liability. As the present value of the defined benefit obligation at the reporting date is less than the fair value of plan assets at that date, the plan has a notional surplus in our Buckinghamshire Pension Scheme.

#### Critical areas of judgement

The Trustees consider there to be an area of judgement which is critical to the Trust's financial statements. Castle Academy is a PFI school. The PFI contract payments are included in the accounts as an operating lease payment and this accounting treatment has been adopted as the Trust do not retain any right to use the building after the lease expires. For this the reason we do not include it in Fixed Assets.

## 3. Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000	Total 2021/22 £000
Donated fixed assets	-	-	-	-
Capital grants	-	1,342	1,342	1,025
Other donations	38	-	38	22
	38	1,342	1,380	1,047

The income from donations, donated fixed assets and capital grants was £1,380k (2021/22: £1,047k) of which £38k was unrestricted (2021/22: £22k), £0k was restricted general (2021/22: £0k) and £1,342k was restricted fixed assets (2021/22: £1,025k).



**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Funding for the Trust's educational operations**

	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000	Total 2021/22 £000
<b>DfE / ESFA grants</b>				
General annual grant (GAG)	-	25,646	25,646	24,519
Start-up grants	-	40	40	100
Pupil Premium	-	1,396	1,396	1,223
Teachers Pay Grant	-	77	77	106
Schools supplementary grant	-	1,073	1,073	-
Other DfE / ESFA grants	-	896	896	1,297
	-	29,128	29,128	27,245
<b>Other government grants</b>				
Local authority grants	-	1,152	1,152	967
Other incoming resources	29	-	29	30
	29	30,280	30,309	28,242

The income from funding for educational operations was £30,309k (2021/22: £28,242k) of which £29k was unrestricted (2021/22: £30k), £30,280k was restricted general (2021/22: £28,212k) and £nil was restricted fixed assets (2021/22: £nil).

**5. Other trading activities**

	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000	Total 2021/22 £000
Hire of facilities	52	-	52	28
Catering Income	-	-	-	-
Income from other activities	67	608	675	567
	119	608	727	595

The income from other trading activities was £727k (2021/22: £595k) of which £119k was unrestricted (2021/22: £80k), £608k was restricted general (2021/22: £515k) and £nil was restricted fixed assets (2021/22: £nil).

**6. Investment income**

	Unrestricted Funds £000	Restricted Funds £000	Total 2022/23 £000	Total 2021/22 £000
Short term deposits	34	-	34	1

The income from funding for investment income was £34k (2021/22: £1k) of which £34k was unrestricted (2021/22: £1k), £nil was restricted general (2021/22: £nil) and £nil was restricted fixed assets (2021/22: £nil).

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**7. Expenditure**

	Unrestricted funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2022/23	Total 2021/22
	£000	£000	£000	£000	£000
<b>Expenditure on raising funds</b>					
Allocated support costs	90	308	-	398	379
Other trading costs	-	-	-	-	-
	90	308	0	398	419
<b>Academy's educational operations</b>					
Direct costs	-	21,980	-	21,980	22,462
Allocated support costs	26	8,422	2,527	10,975	9,556
Total costs	26	30,402	2,527	32,955	32,018
	116	30,710	2,527	33,353	32,437

	2022/23	2021/22
	£000	£000
<b>Net income/expenditure for the period includes:</b>		
Operating lease rentals	77	56
Depreciation of tangible fixed assets	2,527	2,329
Net interest on defined benefit pension liability	98	200
Fees payable to Mazars LLP and its associates in respect of both audit and non-audit services are as follows:		
- Audit	22	20
- Other services	3	1

**8. Charitable activities**

	Staff Costs	Premises	Other	Total 2022/23	Total 2021/22
	£000	£000	£000	£000	£000
<b>Expenditure on raising funds</b>					
Allocated support costs	90	0	308	398	419
	90	0	308	398	419
<b>Academy's educational operations:</b>					
Direct costs	19,786	-	2,194	21,980	22,462
Allocated support costs	4,105	2,605	4,265	10,975	9,556
	23,891	2,605	6,459	32,955	32,018
	23,981	2,605	6,767	33,353	32,437

The expenditure on educational operations was £33,353k(2021/22: £32,018k) of which £23,981k was staff costs (2021/22: £23,396k), £2,605k was premises related (2021/22: £2,574k) and £6,767k was related to other costs (2021/22: £6,048k). Expenditure on raising funds amounted to £398k (2021/22: £419k), £90k (2021/22: £42k) relates to staff costs and £308k (2021/22: £377k) to other costs.

**EAST MIDLANDS ACADEMY TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

<b>Analysis of support costs</b>	<b>2022/23 £000</b>	<b>2021/22 £000</b>
Support staff costs	4,105	5,376
Depreciation	2,527	-
Technology costs	256	361
Premises costs	2,605	2,574
Legal costs - other	55	57
Other support costs	1,378	1,157
Governance costs	49	31
	<b>10,975</b>	<b>9,556</b>

**9. Staff**

<b>Staff costs</b>	<b>2022/23 £000</b>	<b>2021/22 £000</b>
Staff costs during the year were:		
Wages and salaries	16,766	15,323
Social security costs	1,689	1,482
Operating costs of defined benefit pension schemes	3,961	5,332
	<b>22,416</b>	<b>22,137</b>
Total staff costs	22,416	22,137
Agency staff costs	1,333	1,156
Staff restructuring costs	118	22
Staff development and other staff costs	114	123
	<b>23,981</b>	<b>23,438</b>
Staff restructuring cost comprises:		
Redundancy payments	45	7
Severance Payments	73	16
	<b>118</b>	<b>23</b>

**Severance payments**

The academy trust paid 3 severance payments in the year, disclosed in the following bands:

	<b>2022/23 Number</b>	<b>2021/22 Number</b>
£0-£25,000	3	1
	<b>3</b>	<b>1</b>

**Special Staff Severance Payments:**

Included in staff restructuring costs are special severance payments totalling £40k (2022: £10k). Individually, the payments were: £21,000, £10,000 & £9,000.

**EAST MIDLANDS ACADEMY TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**Staff numbers**

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

	2022/23 Number	2021/22 Number
Teachers	240	247
Administration and support	344	322
Management	30	30
	<hr/>	<hr/>
	614	599
	<hr/>	<hr/>

**Higher paid staff**

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

	2022/23 Number	2021/22 Number
£60,001 - £70,000	7	3
£70,001 - £80,000	8	7
£80,001 - £90,000	3	3
£90,001 - £100,000	4	2
£100,001 - £110,000	0	1
£110,001 - £120,000	1	1
£120,001 - £130,000	1	1
£130,001 - £140,000	1	1
£150,001 - £160,000	1	0
	<hr/>	<hr/>
	26	19
	<hr/>	<hr/>

**9. Staff (Continued)**

**Key management personnel**

The key management personnel of the Trust comprise the Trustees, Heads of Schools and the Senior Management Team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance and contributions) received by key management personnel for their services to the Trust was £1,430k (2021/22: £1,147k).

**10. Trustees' remuneration and expenses**

None of the Trustees have been paid remuneration or have received other benefits from an employment with the Trust. The Heads of School and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Heads of School and staff members under their contracts of employment, and not in respect of their services as Trustees.

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

No Trustee received remunerations £nil in 2022/23 (2021/22: £0).

During the year ended 31 August 2023 expenses totalling £1k (2021/22: £1k) were reimbursed to two trustees (2021/22: two) for travel relating to their role as trustees.

**EAST MIDLANDS ACADEMY TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**11. Trustees' and officers' insurance**

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2023 was included within the costs of the Risk Protection Arrangement.

**12. Tangible fixed assets**

	<b>L/Term Leasehold Property £000</b>	<b>Freehold Property £000</b>	<b>Office Equipment £000</b>	<b>Fixtures and Fittings £000</b>	<b>Motor Vehicles £000</b>	<b>Total £000</b>
<b>Cost</b>						
At 1 September 2022	79,115	3,462	2,943	3,102	38	88,660
Additions	1,307	-	161	908	22	2,398
Disposals				(27)		(27)
At 31 August 2023	80,422	3,462	3,104	3,983	60	91,031
<b>Depreciation</b>						
At 1 September 2022	5,900	459	2,243	1,447	18	10,067
Charge for the year	1,578	69	388	483	9	2,527
Disposals				(18)		(18)
At 31 August 2023	7,478	528	2,631	1,912	27	12,576
<b>Net book value</b>						
At 31 August 2022	73,215	3,003	700	1,655	20	78,593
At 31 August 2023	72,944	2,934	473	2,071	33	78,455

**13. Debtors**

	<b>2023 £000</b>	<b>2022 £000</b>
Trade debtors	16	10
VAT recoverable	705	1,184
Prepayments and accrued income	4,368	4,960
Other Debtors	71	13
	<b>5,160</b>	<b>6,167</b>
<b>Debtors due after more than one year</b>		
Prepayments and accrued income	-	3,257

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**14. Creditors: amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Trade creditors	1,178	1,526
Other taxation and social security	412	384
Abatement of GAG	584	406
Other creditors	423	575
Accruals and deferred income (see note 15)	808	715
	<hr/>	<hr/>
	3,405	3,607
	<hr/>	<hr/>

**15. Deferred income**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Deferred income is included within:		
Creditors due within one year	425	303
	<hr/>	<hr/>
Deferred income as at 1 September	303	473
Released from previous years	(303)	(473)
Amounts deferred in the year	425	303
	<hr/>	<hr/>
<b>Deferred income at 31 August</b>	<b>425</b>	<b>303</b>
	<hr/>	<hr/>

Deferred Income was £425k, (2022/23: £303k) of which £145k (2022: £133k) was Universal Infant Free school meals (UIFSM), £125k (2022: £46k) was in relation to trip income and £156k (2022: £124k) was other deferred income.

**EAST MIDLANDS ACADEMY TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**16. Funds**

	Balance at 31 August 2022	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2023
	£000	£000	£000	£000	£000
<b>Restricted general funds</b>					
General Annual Grant	1,612	25,646	(25,212)	(327)	1,719
Start-up grants	-	40	(40)	-	-
Pupil Premium	-	1,396	(1,396)	-	-
Teachers Pay & Pensions Grant	-	77	(77)	-	-
Supplementary Grant	-	1,073	(1,073)	-	-
Other DfE / ESFA grants	-	896	(896)	-	-
Other government grants	-	1,152	(1,152)	-	-
Other Restricted funds	-	608	(608)	-	-
Pension reserve	(2,577)	-	(256)	1,231	(1,602)
	(965)	30,888	(30,710)	904	117
<b>Restricted fixed asset funds</b>					
Fixed asset funds	55,595	341	(880)	327	55,383
Building valuation	28,621	1,001	(1,647)	-	27,975
	84,216	1,342	(2,527)	327	83,358
<b>Total restricted funds</b>	83,251	32,230	(33,237)	1,231	83,475
<b>Unrestricted funds</b>					
General funds	276	220	(116)	-	380
<b>Total funds</b>	83,527	32,450	(33,353)	1,231	83,855

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

- Unrestricted funds - represents funds available for the Trustees to apply for the general purposes of the Trust.
- General Annual Grant (GAG) - represents funding from the ESFA to be used for the normal running costs of the schools, including education and support costs.
- Other Government Grants - represents various grants from local and national government bodies for the provision of specific services to pupils of the Academy Trust.
- Other Restricted funds - represents various funding received for other specific purposes.
- Start Up Grants - represents funding to be used specifically for costs incurred during the conversion process.
- Pension Reserve - represents the Trust's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Academy Trust on conversion from state control.
- Restricted Fixed Asset funds - comprises fixed assets funded by government grants and other funding bodies.
- Other DfE/ESFA grants - represents other funding from the DfE/ESFA to support specific activities within the Academy Trust.
- Transfer from Revenue to Capital-represents GAG Funds used for capital expenditure.

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.

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**16. Funds (Continued)**

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

<b>Funds</b>	<b>Balance at 1 September 2021</b>	<b>Income</b>	<b>Expenditure</b>	<b>Gains, losses and transfers</b>	<b>Balance at 31 August 2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Restricted general funds</b>					
General Annual Grant	1,410	24,519	(23,902)	(415)	1,612
Start-up grants	-	100	(100)	-	-
Pupil Premium	-	1,223	(1,223)	-	-
Teachers Pay & Pensions Grant	-	106	(106)	-	-
Other DfE / ESFA grants	-	1,296	(1,296)	-	-
Other government grants	-	967	(967)	-	-
Other Restricted funds	-	515	(515)	-	-
Pension reserve	(11,606)	-	(1,917)	10,946	(2,577)
	(10,196)	28,726	(30,026)	10,531	(965)
<b>Restricted fixed asset funds</b>					
Fixed asset funds	55,627	246	(693)	415	55,595
Building valuation	29,478	779	(1,636)	-	28,621
	85,105	1,025	(2,329)	415	84,216
<b>Total restricted funds</b>	<b>74,909</b>	<b>29,751</b>	<b>(32,355)</b>	<b>10,946</b>	<b>83,251</b>
<b>Unrestricted funds</b>					
General funds	226	134	(83)	-	276
<b>Total funds</b>	<b>75,135</b>	<b>29,885</b>	<b>(32,438)</b>	<b>10,946</b>	<b>83,527</b>



**EAST MIDLANDS ACADEMY TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**16. Funds (Continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	<b>Total 2023 £000</b>	<b>Total 2022 £000</b>
Orchard Academy	169	169
Shepherdswell Academy	15	15
Castle Academy	555	555
Hardingstone Academy	66	66
Stimpson Avenue Academy	44	44
Prince William School	221	221
Northampton International Academy	95	95
Central services	934	724
<b>Total before fixed assets fund and pension reserve</b>	<b>2,099</b>	<b>1,889</b>
Restricted fixed asset fund	83,358	84,216
Pension reserve	(1,602)	(2,577)
<b>Total funds</b>	<b>83,855</b>	<b>83,528</b>

**Total cost analysis by academy**

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

	<b>Teaching and educational support staff costs £'000</b>	<b>Other support staff costs £'000</b>	<b>Educational supplies £'000</b>	<b>Other costs excluding depreciation £'000</b>	<b>Depreciation £'000</b>	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
Orchard Academy	1,487	159	40	467	177	2,330	1,922
Shepherdswell Academy	700	92	15	165	62	1,034	997
Castle Academy	1,633	216	49	603	47	2,548	2,266
Hardingstone Academy	903	106	23	287	124	1,443	1,146
Stimpson Avenue Academy	1,407	171	32	277	132	2,019	1,767
Prince William School	5,021	336	93	1,171	601	7,222	5,956
Northampton International Academy	8,398	796	318	2,415	1,327	13,254	11,091
Central services	13	1,679	4	840	51	2,587	6,487
Site & IT	249	601	1	60	4	915	806
	<b>19,811</b>	<b>4,156</b>	<b>575</b>	<b>6,285</b>	<b>2,525</b>	<b>33,352</b>	<b>32,438</b>

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**FOR THE YEAR ENDED 31 AUGUST 2023**

**Analysis of net assets between funds**

	<b>Unrestricted Funds</b>	<b>Restricted General Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total Funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	78,455	78,455
Current assets	380	5,124	4,903	10,407
Creditors falling due within one year	-	(3,405)	-	(3,405)
Defined benefit pension scheme liability	-	(1,602)	-	(1,602)
<b>Total net assets</b>	<b>380</b>	<b>117</b>	<b>83,358</b>	<b>83,855</b>

	<b>Unrestricted Funds</b>	<b>Restricted General Funds</b>	<b>Restricted Fixed Asset Funds</b>	<b>Total Funds</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	78,594	78,594
Current assets	277	5,220	5,621	11,118
Creditors falling due within one year	-	(3,607)	-	(3,607)
Defined benefit pension scheme liability	-	(2,577)	-	(2,577)
<b>Total net assets</b>	<b>277</b>	<b>(964)</b>	<b>84,215</b>	<b>83,528</b>

**17. Commitments under operating leases**

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

	<b>2023 £'000</b>	<b>2022 £'000</b>
Amounts due within one year	80	35
Amounts due between one and five years	60	45
	<b>140</b>	<b>80</b>

One of the Trust's academies, Castle Primary School, is also part of a Private Finance Initiative (PFI) arrangement for the use of its site. Under this agreement the academy is committed to a charge of £362k per annum. The charge is subject to indexation each year.

**Capital commitments at the year end**

At year end Capital commitments amounted to £3.9mil this would be attributed to a new Sports Hall development at Prince William and £39k for the completion of the ASD Unit at Castle.

**EAST MIDLANDS ACADEMY TRUST**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**18.Reconciliation of Net Income/(expenditure) to Net Cash Flow from Operating Activities**

	<b>2022/23</b>	<b>2021/22</b>
	<b>£'000</b>	<b>£'000</b>
Net income for the reporting period (as per the Statement of Financial Activities)	(903)	(2,553)
<b>Adjusted for:</b>		
Capital grants from DfE/ESFA and other capital income	(1,342)	(1,025)
Interest receivable	(13)	(1)
Defined benefit pension scheme cost less contributions payable	158	1,550
Defined benefit pension scheme finance cost	98	367
Depreciation of tangible fixed assets	2,527	2,329
Decrease in debtors	1,015	1,093
Increase/(decrease) in creditors	(202)	(27)
<b>Net cash provided by / (used in) Operating Activities</b>	<b>1,338</b>	<b>1,733</b>

**19.Cash Flows from Financing Activities**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Repayment of borrowing	-	-
Finance cost	-	-
<b>Net Cash used in financing activities</b>	<b>-</b>	<b>-</b>

**20.Cash Flows from investing activities**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Dividends, interest and rents from investments	13	1
Capital Grants from DfE Group	1,001	779
Purchase of tangible fixed assets	(2,398)	(2,353)
Capital funding received from sponsors & others	341	-
<b>Net cash provided by / (used) in investing activities</b>	<b>(1,043)</b>	<b>(1,575)</b>

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

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Cash in hand and at bank	5,247	4,952
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>5,247</b>	<b>4,952</b>

**EAST MIDLANDS ACADEMY TRUST**

**NOTES TO FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**

**22. Analysis of changes in net debt**

	At 1 September 2022	Cash flows	At 31 August 2023
	£000	£000	£000
Cash	4,952	295	5,247
<b>Total</b>	<b>4,952</b>	<b>295</b>	<b>5,247</b>

**23. Members' liability**

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

**24. 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 Buckinghamshire County Council and Northamptonshire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2023. Contributions amounting to £412k (2021/22: £537k) were payable to the schemes at 31 August 2023 and are included within creditors.

**Teachers' Pension Scheme**  
**INTRODUCTION**

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

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

**VALUATION OF THE TEACHERS' PENSION SCHEME**

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million

# EAST MIDLANDS ACADEMY TRUST

## NOTES TO FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2023

• 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 the TPS in the period amounted to £2,412k (2022: £2,325k).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#). Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22% for employers and variable % for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	1,245	1,105
Employees' contributions	351	306
Total contributions	1,596	1,411

#### 24.Principal actuarial assumptions

	2023 %	2022 %
	Northants/Bucks	Northants/Bucks
Rate of increases in salaries	3.5/3.9	3.6/3.9
Rate of increase for pensions in payment/inflation	3.5/2.9	3.1/2.9
Discount rate for scheme liabilities	5.2/5.3	4.25/4.25
Inflation assumption (CPI)	3.5/2.9	3.1/2.9

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

	2023 Years	2022 Years
	Northants/Bucks	Northants/Bucks
Retiring today		
- Males	19.7/20.7	21.7/21
- Females	23.9/24.3	24.1/24.6
Retiring in 20 years		
- Males	21.6/22	22.8/22.3
- Females	25/25.7	25.8/26

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

	<b>2023 Fair Value £'000</b>	<b>2022 Fair Value £'000</b>
Equities	7,115	6,648
Bonds	2,207	1,535
Gilts	337	306
Cash	130	159
Property	1,210	1,163
Other assets	865	563
Total market value of assets	11,864	10,374

	<b>2023 £'000</b>	<b>2022 £'000</b>
<b>Amount recognised in the statement of financial activities</b>		
Current service cost	1,399	2,822
Past service costs	-	-
Net interest cost	98	200
Administration Cost	4	-
Total amount recognised in the SOFA	1,501	3,022

	<b>2023 £'000</b>	<b>2022 £'000</b>
<b>Changes in the present value of defined benefit obligations</b>		
At 1 September	12,846	20,824
Current service cost	1,399	2,822
Interest cost	570	367
Employee contributions	351	306
Actuarial gain/(loss)	(1,737)	(11,741)
Benefits paid	(104)	373
At 31 August	13,325	12,951

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<b>Changes in the fair value of the Trust's share of scheme assets</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
At 1 September	10,374	9,218
Interest income	472	169
Administration Expense	(4)	(2)
Return on plan assets (excluding net interest on the net defined pension liability)	(506)	(795)
Employer contributions	1,245	1,105
Employee contributions	351	306
Benefits paid	(104)	373
At 31 August	11,828	10,374

Included in the actuarial gains/(losses) within the scheme assets table above is £36k of notional surplus not recognised.

**25. Sensitivity Analysis**

<b>Changes in assumptions</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Decrease in Real Discount Rate of 0.1%	280	327
Increase in the Salary Increase Rate of 0.1%	10	10
Increase in the Pensions Increase Rate (CPI) of 0.1%	278	321
Adjustment to life expectancy -1-year increase	489	471

**26. Related party transactions**

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

All transactions involving such organisations are conducted in accordance with the requirements of the academy trust handbook, including notifying ESFA of all transactions made on or after 1st 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.

There were no related party transactions during 2022-23. Related party transactions in 2022: Nil.

**27. Agency arrangements**

The Academy Trust distributes 16-19 Bursary Funds to students as an agent for the ESFA. In the year it received £30k and disbursed £27k. The Academy Trust has used of the allocation received towards its own administration costs and this is recognised as income in the Statement of Financial Activities of £Nil.

**Bursary Agency Income & Expenditure held in deferred income**

	<b>2023</b>	<b>2022</b>
B/fwd. Agency creditor	83	59
Income	30	58
Expenditure	(27)	(34)
C/fwd. Agency creditor	86	83