

Company Registration Number: 08249250 (England & Wales)

**DISCOVER LEARNING TRUST**  
(A Company Limited by Guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2023**



**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Members**

Carole Bell  
Julie Cuthbertson  
Philip McAloon

**Trustees**

L Williams, Chair  
L Nixon, Vice Chair (resigned 9 August 2023)  
L Brown (resigned 31 October 2023)  
L Harbottle  
P Hegarty, CEO and Accounting Officer (appointed 6 December 2022)  
C Marjoram (resigned 15 October 2023)  
J Quinn

**Company registered number**

08249250

**Company name**

Discover Learning Trust

**Principal and registered office**

Oxclose Community Academy  
Dilston Close  
Washington  
Tyne and Wear  
NE38 0LN

**Company secretary**

L Whitfield

**Senior Leadership Team**

P Hegarty, Headteacher (OCA), Chief Executive Officer & Accounting Officer  
A Parkes, Head of School (OCA)  
A Bolam, Headteacher (OPA)  
A Butler, Deputy Headteacher (OPA)  
N Hardy, Director of Curriculum (OCA)  
J Lumley, Director of Pastoral & Student Welfare (OCA)  
K Atkinson, Director of Business and Finance (resigned 31 December 2022)  
E Swansbury, Trust Business Manager and Chief Financial Officer (appointed 1 March 2023)  
J Leighton, Finance Manager and Interim CFO (1 January 2023 to 28 February 2023)

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Independent auditors**

Clive Owen LLP  
Chartered Accountants  
Statutory Auditors  
Kepier House  
Belmont Business Park  
Durham  
DH1 1TW

**Bankers**

Lloyds Bank plc  
54-55 Fawcett Street  
Sunderland  
SR1 1SE

**Solicitors**

Womble Bond Dickinson (UK) LLP  
Helix  
The Spark  
Draymans Way  
Newcastle Upon Tyne  
NE4 5DE

**DISCOVER LEARNING TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The academy trust operates a Multi-Academy Trust (MAT) for pupils aged 4 to 16 years, consisting of one secondary school, Oxclose Community Academy (OCA) and one primary school, Oxclose Primary Academy (OPA), serving a catchment area in Washington, Tyne and Wear.

The academies have a combined pupil capacity of 1260 and had a roll of 1321 in the school census on 18th May 2023. OCA has a pupil capacity of 1050 and was oversubscribed with a roll of 1126 in the school census on 18th May 2023. OPA has a pupil capacity of 210 and had a roll of 195 in the school census on 18th May 2023.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Discover Learning Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Discover Learning Trust, Oxclose Community Academy and Oxclose Primary Academy.

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

### **Members' liability**

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

### **Trustees' indemnities**

The academy trust has purchased insurance to protect Trustees from claims arising against negligent acts, errors or omissions occurring whilst on academy trust business. Further details are provided in note 12.

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

The members appoint a minimum of three Trustees including the Chief Executive Officer (CEO). The term of office for any Trustee shall be four years, save that this time limit shall not apply to the Principal or any post held ex-officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

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

The training and induction provided for new Trustees depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Trustees are given a tour of the academies and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Organisational structure**

During the year the academy trust continued to operate a unified management structure. The structure consists of four levels: The Trustees, the Executive Leadership Team, the Senior Leadership Team, Extended Leadership and the Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Trustees have full delegated powers for all financial and personnel decisions and accountabilities for both academies. All other responsibilities have been delegated to the local governing bodies which include Trustees who act as advisory Governors to the Trust Board.

The Executive Leadership Team consists of the Chief Executive Officer, the Trust Business Manager alongside the Headteachers of the individual academies. The Headteachers control the academies at a leadership level, implementing the policies and reporting them back through a Trust agreed and approved organisational structure.

The Senior Leadership Team of Oxclose Community Academy includes the CEO, Head of School, two Directors and the Trust Business Manager. The Senior Leadership Team of Oxclose Primary Academy includes the CEO, the Headteacher, a Deputy Head and the Trust Business Manager. Both Senior leadership Teams operate under the delegated responsibilities assigned by the Board of Trustees.

The Extended Leadership and Middle Leaders of the academy trust includes the Assistant Heads (OCA), Heads of Department (OCA), Heads of Year (OCA) and Curriculum Leads (OPA). Extended and Middle Leaders are assigned responsibility for the day-to-day operations of their areas of expertise alongside sharing best practice. This includes but is not limited to, the organisation of teaching staff within their faculties, curriculum planning and delivery alongside ensuring their areas are appropriately resourced to deliver pupil outcomes and value for money.

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

With exception to the CEO, all Trustees are non-executive directors and receive no remuneration for their work as Trustees.

The Trust follows the arrangements for pay and remuneration as set out in the School Teachers' Pay and Conditions Document (STPCD) and the National Joint Council for Local Government Services Agreement Pay and Conditions of Service (formally known as the 'Green Book'). These documents form the basis of our Trust pay policy and is further supported by our performance review and appraisal policy. The Pay Policy is subject to consultation with representatives from the Joint Consultative Committee (JCC) of Trade Unions for both Teaching and Support staff.

The salary of the CEO and CFO are benchmarked to comparable Multi-Academy Trusts and are reviewed in the context of appraisal objectives by a sub-committee of Board of Trustees. The executive pay is considered and reflects the requirements of the Academy Trust Handbook, ensuring that a robust evidence-based process is followed and provides a reasonable and defensible reflection of the role and responsibilities.

Headteachers are paid in accordance with the School Teachers' Pay and Conditions Document alongside other key management personnel.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

**Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	4
Full-time equivalent employee number	4

**Percentage of time spent on facility time**

Percentage of time	Number of employees
0%	3
1%-50%	1
51%-99%	-
100%	-

<b>Percentage of pay bill spent on facility time</b>	<b>£000</b>
Total cost of facility time	1
Total pay bill	8,079
Percentage of total pay bill spent on facility time	- %

**Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours	65.0 %
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An amount of £3.7k has been paid to Sunderland City Council who administer a Trade Unions Facility Time service level agreement, which enables Discover Learning Trust to meet our statutory responsibilities.

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

The Trust has strong informal and collaborative links with other local schools, universities and teaching schools, to gain the best outcomes for our students. Transactions will therefore sometimes take place with these organisations, in which a Trustee may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's normal procurement process.

Trustees fully understand the importance of declaring business and pecuniary interests and a register of such interests is continually reviewed. This is available to view on the Trust's website. Should a Trustee declare an interest, procedures are in place to address this and the interested party removed from the decision-making process.

Further details are stated in note 26 to the Financial Statements

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**OBJECTIVES AND ACTIVITIES**

**Objects and aims**

The principal object and activity of the charitable company is the operation of Discover Learning Trust to provide education for young people of all abilities, based on an inclusive, balanced and broad curriculum between the ages of 4 and 16. The Local Governing Bodies and staff of the academies are committed to providing an outstanding education, which will support children's particular needs and encourage the development of their academic, social and intellectual understanding.

In accordance with the articles of association, the charitable company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the academy trust, the catchment area from which the students are drawn, and that the curriculums should comply with the substance of the national curriculum.

We strive to make our motto "**Discover the potential in ALL**" a reality in order that the young people of our academies are given the best possible opportunity to succeed in life and become the best version of them. We pride ourselves in nurturing confident, responsible, kind young people who are well equipped to take on the challenges of further education and employment and to achieve a fulfilling life.

The Trust aims:

- Constantly strive to attain the highest of standards of educational achievement and progress for all students
- Ensure that every student enjoys the same high-quality education in terms of resourcing, teaching and care
- Make the Trust an attractive place to work for new staff and existing employees
- Maintain the effectiveness of the Trust by keeping the organisational structure and business model under continual review
- Provide value for money for the funds expended
- Comply with all appropriate statutory and curriculum requirements.
- Conduct our business in accordance with the highest of standards of integrity, probity and openness

**Objectives, strategies and activities**

**Trust objectives and strategies for 2023-2024**

The Trust's main objectives:

- Continued improvement in all aspects of the MAT's work resulting in increased economy, efficiency and effectiveness (Strategy 3)
- Continually raise pupil progress across all academies by improving outcomes through effective, differentiated and challenging teaching and learning. With support from external review and developing highest quality staff pedagogy. (Strategy 1)
- Recruitment and retention of high-quality staff by making Discover Learning Trust an attractive place to work through supporting staff well-being, professional development and managing staff work load (Strategy 2)
- To remain outwardly looking at opportunities to strengthen the MAT by collaboration and expansion. Whilst reviewing the Trust structure and building for succession and a secure future. (Strategy 4)
- Induction/establishment of a new Business manager and CFO. (Strategy 2 & 3)
- Regular review of Trust business with Trustees, Members and external accountants (Strategy 3)



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**OBJECTIVES AND ACTIVITIES (continued)**

The Trust has identified 4 main strategies to achieve its objectives:

**Strategy 1**

*Maintain a broad balanced curriculum that raises pupil progress across both academies by improving outcomes through more effective teaching and learning:*

**Activities:**

- Implement plans to focus on improving outcomes for disadvantaged cohorts.
- Ensure Early Years Foundation stage curriculum is bespoke ambitious and develops early reading and phonics
- Effective teaching of reading and phonics within a broad and balanced curriculum
- High quality CPD within the Trust with a focus on developing staff pedagogy.
- Accurate formative and summative assessment which allows students to understand what they are doing, why and how they can improve.

**Strategy 2**

*Recruitment and retention of high quality staff.*

**Activities:**

- Leadership in both schools to source good quality CPD both for themselves and staff and pupils
- Well-being of staff to be a major focus of leadership support through regular monitoring and CPD. With key staff leading Staff Well being
- Staff directed time to be calculated to ensure below 1265
- Staff workload to be monitored and action taken to ensure new initiatives are time calculated for workload.
- A staff well-being Charter to be created to highlight all work undertaken to support staff.

**Strategy 3**

*To continue to improve efficient and effective financial and business practices in order to enhance the capacity of the Trust to achieve core priorities and improve the quality of staff and pupil outcomes*

**Activities:**

- Embed further the reorganisation of the Finance and Business teams across the Trust
- Continue to develop the professional knowledge, responsibilities and expertise of the current staff through targeted high quality professional development underpinned by rigorous performance management
- Continue to implement the capital investment priorities as identified in the Capital Investment Plan in order to enhance further the services and facilities available to all staff at all levels across the Trust

**Strategy 4**

*Strengthen the MAT through collaboration or expansion or merger*

**Activities:**

- Trustee to review potential for growth or merger of MAT
- Trustee to agree plan for next steps for MAT with guidance from DFE
- Leadership of MAT is reviewed
- Governance is reviewed in both schools to be more effective
- MAT has plan that will secure both school futures

**Public benefit**

The academy trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the academy trust should undertake.

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**TRUSTEES' REPORT (CONTINUED)**  
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**STRATEGIC REPORT**

**Achievements and performance**

**Oxclose Primary Academy - Headline Measures 2023**

3 Students out of the 29 were disapplied and carry no scores but are included in the head line measures.

**Progress in 2023**

SUBJECT	KS2 PROGRESS 2023	KS2 PROGRESS 2022
Reading	-2.3	- 0.97
Writing	-2.4	- 1.89
Maths	-1.2	- 0.87

**Scaled scores Reading and Maths 2023**

SUBJECT	KS2 AVERAGE SCALED SCORE 2023	KS2 AVERAGE SCALED SCORE NATIONAL 2023	KS2 AVERAGE SCALED SCORE 2022	KS2 AVERAGE SCALED SCORE NATIONAL 2022
Reading	102.1	105	104.0	104.8
Maths	102.3	104	103.2	103.8

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**TRUSTEES' REPORT (CONTINUED)**  
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**STRATEGIC REPORT (continued)**

**Achievements and performance (continued)**

Expected standard in 2023

SUBJECT	KS2 TEST 2023 (ALL)	KS2 TEST RESULTS NATIONAL 2023	KS2 TEST 2022 (ALL)	KS2 TEST RESULTS NATIONAL 2022
Reading	66% (19/29)	73%	73% (22/30)	75%
Writing TA	66% (19/29)	71%	67% (20/30)	69%
Maths	66% (19/29)	73%	70% (21/30)	71%
EGPS	66% (19/29)	72%	67% (20/30)	72%
R, W, M Combined	62% (18/29)	59%	57% (17/30)	59%

Achieved the higher standard 2023

Higher Standard SUBJECT	KS2 TEST 2023 (ALL)	KS2 TEST RESULTS NATIONAL 2023	KS2 TEST 2022 (ALL)	KS2 TEST RESULTS NATIONAL 2022
Reading	14% (4/29)		13% (4/30)	28%
Writing TA	3% (1/29)		3% (1/30)	13%
Maths	10% (3/29)		20% (6/30)	22%
EGPS	28% (8/29)		17% (5/30)	28%
R, W, M Combined	3% (1/29)	8%	0 (0/30)	7%

Oxclose Community Academy 2023 – Headline Measures

Year		Progress 8	Attainment 8	5+ Eng & Maths	Ebacc point score	Students entered Ebacc
<b>2023</b>	<b>National</b>	0.01	46.47	45%	4.05	38.20%
	<b>Oxclose</b>	0.02	45.91	40%	3.7	29%
<b>2022</b>	<b>National</b>	-0.03	48.77	50%	4.27	39%
	<b>Oxclose</b>	-0.5	45.74	36%	3.7	20%

**Other aspects of achievement and performance worthy of note include:**

- Pupil admissions: continue to be good and offer a secure basis for future planning in both schools. With a reducing birth rate in feeder primary schools the secondary pan of 220 will need to be reviewed back to the 210 pre-birth rate boom pan.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**STRATEGIC REPORT (continued)**

**Achievements and performance (continued)**

- The Trust continues to be in a strong financial position which is promoted through robust financial management. This is evidenced through the Trust's successful internal and external audits which demonstrates the effective control measures in place, to ensure the long-term financial sustainability of all schools within the Trust.

**Inspection Outcomes:**

<b>School</b>	<b>Oxclose Community Academy</b>	<b>Oxclose Primary Academy</b>
<b>Date</b>	<b>14/01/2020</b>	<b>05/04/2022</b>
<b>Inspection Grade</b>	<b>GOOD</b>	<b>GOOD</b>

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**STRATEGIC REPORT (continued)**

**Achievements and performance (continued)**

**Key Performance Indicators**

	<b>Oxclose Community Academy</b>		<b>Oxclose Primary Academy</b>		<b>Trust (Overall)</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
No of Pupils	1122	1138	196	191	1318	1329
Percentage of pupils eligible for FSM	32.17%	30.00%	51.02%	43.50%	41.60%	36.75%
Percentage of special educational needs	20.77%	18.40%	29.59%	18.30%	25.18%	18.35%
Total income per pupil	£7,695	£6,823	£7,525	£6,806	£7,610	£6,815
Total GAG income per pupil	£6,090	£5,725	£5,052	£5,162	£5,571	£5,443
Total costs per pupil	£7,376	£6,667	£7,970	£7,005	£7,673	£6,836
Total staff costs per pupil	£5,990	£5,245	£6,110	£4,984	£6,050	£5,115
Staff costs as a % of total costs	81.21%	78.67%	76.67%	71.15%	78.94%	74.91%
Staff costs as a % of total income	77.84%	76.87%	81.20%	73.23%	79.52%	75.05%
No. of Teachers FTE	67.60	67.86	7.5	9.2	37.55	38.53
Average pupil to teacher ratio	16.60	16.77	26.13	20.76	21.37	18.77
Senior Leaders as a % of the workforce	9.45%	8.51%	7.30%	6.87%	8.38%	7.69%
Revenue Reserves as a % of Income	22.42%	19.73%	16.55%	23.55%	21.56%	20.30%

**Going Concern**

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

**Financial Review**

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

The academy trust also received grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown under the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**STRATEGIC REPORT (continued)**

fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

In addition, the Trust has received other income grants from the Local Authority for Cared for Children, High Needs Top-up Funding and Growth based on pupil numbers within the termly pupil census returns alongside generating supplemental funds from school premises lettings and in-year fundraising days. The Trust has also continued to manage a successful Condition Improvement Fund application which part funded a full refurbishment of Oxclose Primary Academy's roof, of which the Trust invested £156,447.

During the year ended 31 August 2023, total expenditure of £10,682,000 exceeded recurrent grant funding from DfE/ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding transfers, actuarial movements and restricted fixed asset funds) was £195,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the academy trust's objectives.

At 31 August 2023 net book value of fixed assets was £8,963,000 and movements in tangible fixed assets are shown in note 13 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the academy trust.

The provisions of Financial Reporting Standard (FRS) 102 have been applied in full in respect of LGPS pension scheme, resulting in a (asset) / deficit of £nil recognised on the Balance Sheet.

The academy trust held fund balances as at 31 August 2023 of £11,023,000 comprising £217,000 of restricted general funds, £9,009,000 of restricted fixed asset funds, a pension (asset) / deficit of £nil and £1,797,000 of unrestricted funds.

**Reserves policy**

The Trust holds restricted and unrestricted funds (the attached financial statements detail these funds). Unrestricted funds are held:

- To provide funds which can be designated to specific areas of development identified in the School Development Plan alongside capital investment in the ICT infrastructure and premises, which supports the objectives and aims of the Trust.
- To cover ongoing costs in relation to the running of the Trust including catering provisions, school trips and uniform costs
- To ensure sufficient contingency for any interruption in funding or sudden unforeseen expenditure, such as urgent and unplanned major repairs and breakdowns.

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the academy trust is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees therefore consider it is prudent to hold reserves in the general fund in the form of restricted general funds (excluding pension reserves) and unrestricted funds of £1,797,000.

This is considered sufficient to cover effectively manage and mitigate the Trust's main financial risks and uncertainties including any delays in grant receipts, sudden unforeseen increases in expenditure, short-term shortfalls in cashflow, investment in programmed capital works and the cost of emergency repairs and/or remedial works.

As at 31 August 2023 the academy trust holds available reserves of £2,014,000, comprising of restricted general funds (excluding pension reserves) of £217,000 and unrestricted funds of £1,797,000. The Trustees continue to consider additional activities related to the academy trust's objectives to which the excess reserves may be applied including:

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

- a) Investment in the maintenance of the high standards of the Trust's premises comprising of all the land and all the buildings
- b) The strategic development of the vision and aims of the Trust

**Investment policy**

Following evaluation of the Trust's principle financial risks and commitments, the Trust has approved an investment policy which allows the investment of surplus funds, through money market accounts. Interest rates are reviewed prior to each investment which maximises investment return whilst minimising risks to the principal sum.

**Principal risks and uncertainties**

The principal risks and uncertainties are centred on changes in the level of funding from DfE/ESFA. In addition, the academy trust is a member of the Local Government Pension Scheme (LGPS), which has on occasion resulted in the recognition of a significant deficit on the academy trust Balance Sheet.

The Trustees have assessed the major risks, to which the academy trust is exposed, in particular those relating specifically to the teaching provision of facilities and other operational areas of the academy trust, and its finances.

Other principle risks include:

- Pupil numbers – Whilst pupil numbers are buoyant the long-term forecasts do suggest a slight drop of 1.5% in pupil numbers for 2024/2025 due to a larger than average year group in one of the Trust's schools, is due to leave at the end of the academic year in 2023/2024. The Trust continues to develop a focused approach to transition activities and partnership working with feeder schools to mitigate risks and to ensure the increased visibility of the Trust within its communities.
- Recruitment and retention – The Trust's staff profile includes a number of long-standing highly experienced personnel however, the recent retention and recruitment crisis is resulting in a number of challenges to the Trust such as increased workforce competition and on-going strike action. A number of mitigations have been implemented to secure the Trust's reputation as a good employer where organisational culture creates a work environment that is motivational, inspirational and driven.
- Rising costs – Notwithstanding the substantial increases in energy costs, the impact of higher inflation has resulted in significant increases in salaries, all of which are not fully funded by the recurrent grant funding provided by the DfE/ESFA. It has also negatively impacted on the level of deprivation within local communities resulting in greater dependency of school funding for every day items such as uniform and trips.
- School Premises – The schools within the Trust are approximately 50 years old and require substantial investment to maintain their current high standards, in-line with the Trust's obligations and duties detailed in the School Premises Regulations 2012. Capital investment plans are in place alongside a planned, preventative maintenance programme.

As detailed above, the Trust has implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, school premises, health and safety, and school visits) and in relation to the control of finance. Where significant financial risk still remains, the Trust has ensured it is adequately covered through insurance. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The Trust has fully implemented the requirements of the Safer Recruitment procedures and all staff have received training in this area, in addition to training on Child Protection.

The Trust is subject to a number of risks and uncertainties in common with other academies. The academy trust has in place procedures to identify and mitigate financial risks.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**Fundraising**

The Trust holds fundraising days throughout the academic year to help subsidise the costs of resources, educational visits and activities whilst also supporting other national charitable events such as the British Legion Poppy Appeal, Comic Relief, and Children in Need. Donations to all events are completely on a voluntary basis and are a legitimate means of improving the Trust's ability to purchase goods, equipment or services which are not available within capital or revenue budgets. The Trust does not actively pursue donations in an unreasonable or intrusive manner.

The Trust does not use external or professional fundraisers but does sometimes approach commercial partners for donations to specific events such as annual fayres. Fundraising is advertised on the Trust's normal communication channels along with what these funds will be spent on, in accordance with the Charities Act. All fundraising undertaken during the year were monitored by the Trustees. Any complaints received would be investigated in accordance with the Trust's complaints and whistleblowing policies.

**Plans for future periods**

**Future plans for 2023-2024:**

The Trust development priorities have been established for the 2023/2024 academic year, sustaining the development of its long-term strategic vision, in order to maintain the highest standard of achievement for all students, ensuring the Trust continues to move forward in a rapidly changing world. The overriding objective remains to raise the standards of attainment and progress, across all levels to secure pupil outcomes through:

- Improving outcomes for all young people with particular focus on providing a high-quality of education through strong, shared values, policies and practices.
- Continuing to develop a broad, ambitious and creative curriculum, enhancing opportunities for all.
- Continue to explore opportunities to develop the Trust, through establishing positive relationships with other local schools and academies.

The Trust is in the early stages of developing stronger links with other academies and schools within the surrounding community, with a focus on growth and expansion should the right opportunity present.

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

The Trust and its Trustees do not act as a Custodian Trustee of any other Charity organisation.

**Auditor**

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 5 December 2023 and signed on its behalf by:

**L Williams**  
Chair





**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT**

**Scope of responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Discover Learning 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 the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Discover Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
L Williams (Chair)	6	6
L Nixon (Vice Chair , Resigned 9 August 2023)	5	6
L Brown (resigned 31 October 2023)	5	6
J Quinn	6	6
C Marjoram (resigned 15 October 2023)	5	6
L Harbottle	4	6
P Hegarty (CEO and Accounting Officer. Appointed 6 December 2022)	6	6

During the year ending 31 August 2023, the composition of the Trust has been stable with only one Trustee resigning and not yet been replaced. Members are independent to the Board of Trustees which enables them to hold Trustees to account for the operation of the Trust.

Trustees adopt a focussed, collaborative and critical role in line with the DfE Governance Competency Framework with a broad range of experience, skills and knowledge. An external review of Governance took place in July 2022 which resulted in minor changes to the Articles of Association, local governance structures and scheme of delegation. The review also highlighted the need to allocate Link Governors to specific areas of responsibility; develop a training programme for all Trustees/Governors; redevelop the website to ensure relevant information and how to find it is clear; and to strengthen the link between School Improvement and Local Governor's roles.

The majority of identified actions have been completed and those relating to the re-development of the school website and training programme, have been identified as priorities for 2023/2024.

**Conflicts of interest**

All Members, Trustees, Local Board members and senior employees with significant influence such as the Trust Business Manager, fully understand that they have a duty to act in the best interests of the Trust when making decisions. In order to manage conflicts of interest, all of the above roles are required to annually declare their business and pecuniary interests. Declaration of interests is also a standing item on meeting agendas to allow any Trustees or Members to declare any actual or potential conflicts of interest, in respect of the matters being covered in the meeting. Any interests declared will result in a withdrawal from discussions and/or voting on the matter concerned and are shared with the relevant internal teams, to ensure transparency and openness about

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Governance (continued)**

any possible conflicts. In accordance with the Academy Trust Handbook, the Trust will seek approval where required for any agreements or contracts with a related party, before it is confirmed with the supplier.

A current register of declared interests is published on the Trust website.

The Finance and General Purposes committee is a sub-committee of the main Board of Trustees. Its purpose is to provide financial, audit risk scrutiny and oversight, supporting the Board of Trustees in maintaining the Trust as a going concern. It also ensures the efficient and effective use of resources alongside the long-term financial sustainability of the Trust. The remit of the committee includes but is not limited to:

- The initial review and the approval of the annual budget;
- Approve financial statements for filing in accordance with the Companies Act and the requirement of the Charities Commission
- Ensuring compliance with the Funding Agreement and all relevant financial regulations including the Academy Trust Handbook
- Oversee capital investment and school premises improvement programmes
- To fulfil the role of the audit committee by reviewing the reports from the Internal Auditor and independent External Auditor, on the adequacy and effectiveness of the financial procedures and other controls including management of risks;
- Ensure good financial management and effective internal controls

During the period the committee considered key strategic issues including:

- Changes to the delegated levels of procurement given to the CEO and Headteachers
- Provision of new Multi Use Games Area (MUGA) pitch at Oxclose Primary Academy
- Pursuance of an options appraisal to improve the heating system within an academy's sports hall
- Staff pay policy
- Improvements to the ICT infrastructure

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
L Nixon (resigned 9 August 2023)	2	3
J Quinn	2	3
C Marjoram (resigned 15 October 2023)	2	3

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**Review of value for money**

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

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the academy trust has delivered improved value for money during the year by:

- Effective and efficient deployment of resources that supports the Trust's aims and objectives
- Improving the Quality of Education through robust self-evaluation and internal monitoring
- Rigorous performance management whilst implementing effective strategies to challenge every member of staff to "Strive for Excellence"
- Scrutinising staff turnover to provide cost savings where appropriate
- Actively seek best value when procuring goods and services, using government procured contracts where appropriate.
- Benchmarking financial performance against other schools/trusts, to ensure the Trust is providing Value for Money when compared.
- Robust planned preventative maintenance and capital investment plans in place to ensure the school premises across the Trust are maintained to the highest of standards.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Discover Learning Trust for the period 1 September 2022 to 31 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 academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2022 to 31 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 academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance and General Purposes 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

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The Risk and control framework (continued)**

- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from MHT Tait Walker, now trading as Azets Audit Services.

This option has been chosen to as the Trust considers this the most appropriate option that would give advice and additional assurance from an external and independent party.

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

- Testing of payroll systems
- Testing of purchase and payment systems
- Testing of fixed asset systems
- Testing of month end procedures and management accounts
- Testing of governance arrangements
- Testing of ICT and website compliance
- Review of Implementation of Recommendations

On an annual basis, the auditor reports to the Board of Trustees, through the Finance and General Purposes Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the auditor prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**Review of effectiveness**

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

- the work of the **auditor**
- the financial management and governance self-assessment process or 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 external auditor
- correspondence from ESFA e.g. Financial notice to improve/notice to improve (FNtI/NtI) and 'minded to' letters.

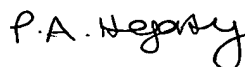
The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address any areas for improvement and ensure continuous improvement of the system, is in place.

Approved by order of the members of the Board of Trustees and signed on their behalf by:

**L Williams**  
Chair of Trustees  
Date: 5 December 2023



**P Hegarty**  
Accounting Officer



**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE**

As Accounting Officer of Discover Learning Trust I have considered my responsibility to notify the academy trust's Board of trustees and the Education & 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 in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the 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.

**P Hegarty**  
Accounting Officer  
Date: 5 December 2023

*P. A. Hegarty*

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

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

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

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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from DfE/ESFA 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 5 December 2023 and signed on its behalf by:

**L Williams**  
Chair



**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
DISCOVER LEARNING TRUST**

**Opinion**

We have audited the financial statements of Discover Learning 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 the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the 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.

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
DISCOVER LEARNING TRUST (CONTINUED)**

**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The 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 statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

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

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

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

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

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

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

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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.



**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
DISCOVER LEARNING TRUST (CONTINUED)**

**Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

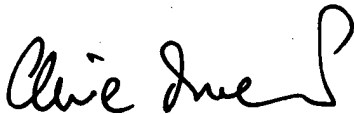
Through these procedures, we did not become aware of actual or suspected non-compliance.

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
DISCOVER LEARNING TRUST (CONTINUED)**

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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 Auditors' Report.



**Gary Ellis BA BFP FCA (Senior Statutory Auditor)**

for and on behalf of

**Clive Owen LLP**

Chartered Accountants

Statutory Auditors

Kepier House

Belmont Business Park

Durham

DH1 1TW

Date: 14 December 2023

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DISCOVER LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 16 September 2022 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 Discover Learning Trust during the year 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 Discover Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Discover Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Discover Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Discover Learning Trust's Accounting Officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Discover Learning Trust's funding agreement with the Secretary of State for Education dated 1 November 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 year 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.

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DISCOVER LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governing body and committee minutes;
- Review of the annual Internal Assurance report;
- Completion of self assessment questionnaire by Accounting officer;
- Review documentation provided to Directors and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchases and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payments for unusual transactions;
- Review of credit card transactions;
- Review of registers interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/ hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of meeting held; and
- Review whether there is a risk register in place.

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO DISCOVER  
LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.



Clive Owen LLP  
Reporting Accountant  
Kepier House  
Belmont Business Park  
Durham  
DH1 1TW

Date: 14 November 2023

**DISCOVER LEARNING TRUST**  
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
<b>Income from:</b>						
Donations and capital grants	3	-	-	87	87	419
Other trading activities	5	218	-	-	218	165
Investments	6	16	12	-	28	1
Charitable activities	4	336	9,463	-	9,799	9,188
<b>Total income</b>		<b>570</b>	<b>9,475</b>	<b>87</b>	<b>10,132</b>	<b>9,773</b>
<b>Expenditure on:</b>						
Charitable activities		507	9,343	832	10,682	10,525
<b>Total expenditure</b>		<b>507</b>	<b>9,343</b>	<b>832</b>	<b>10,682</b>	<b>10,525</b>
<b>Net income/(expenditure)</b>		<b>63</b>	<b>132</b>	<b>(745)</b>	<b>(550)</b>	<b>(752)</b>
Transfers between funds	17	-	(252)	252	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>63</b>	<b>(120)</b>	<b>(493)</b>	<b>(550)</b>	<b>(752)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	25	-	1,328	-	1,328	5,758
Asset ceiling restriction		-	(1,297)	-	(1,297)	-
<b>Net movement in funds</b>		<b>63</b>	<b>(89)</b>	<b>(493)</b>	<b>(519)</b>	<b>5,006</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward		1,734	306	9,502	11,542	6,536
Net movement in funds		63	(89)	(493)	(519)	5,006
<b>Total funds carried forward</b>		<b>1,797</b>	<b>217</b>	<b>9,009</b>	<b>11,023</b>	<b>11,542</b>

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08249250**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	13	8,963	9,195
		<u>8,963</u>	<u>9,195</u>
<b>Current assets</b>			
Debtors	14	331	734
Cash at bank and in hand		2,352	2,148
		<u>2,683</u>	<u>2,882</u>
Creditors: amounts falling due within one year	15	(580)	(599)
<b>Net current assets</b>		<u>2,103</u>	<u>2,283</u>
<b>Total assets less current liabilities</b>		<u>11,066</u>	<u>11,478</u>
Creditors: amounts falling due after more than one year	16	(43)	(65)
<b>Net assets excluding pension asset</b>		<u>11,023</u>	<u>11,413</u>
Defined benefit pension scheme asset	25	-	129
<b>Total net assets</b>		<u><u>11,023</u></u>	<u><u>11,542</u></u>

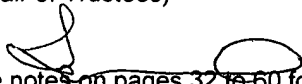
**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 08249250**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
<b>Funds of the academy trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	17	9,009	9,502
Restricted income funds	17	217	177
Restricted funds excluding pension asset / liability	17	9,226	9,679
Pension reserve	17	-	129
<b>Total restricted funds</b>	17	9,226	9,808
<b>Unrestricted income funds</b>	17	1,797	1,734
<b>Total funds</b>		11,023	11,542

The financial statements on pages 28 to 60 were approved by the Trustees, and authorised for issue on 05 December 2023 and are signed on their behalf, by:

**L Williams**  
 (Chair of Trustees)

  
 The notes on pages 32 to 60 form part of these financial statements.



**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

	Note	2023 £000	2022 £000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	19	739	552
<b>Cash flows from investing activities</b>	21	(513)	(342)
<b>Cash flows from financing activities</b>	20	(22)	(22)
<b>Change in cash and cash equivalents in the year</b>		204	188
Cash and cash equivalents at the beginning of the year		2,148	1,960
<b>Cash and cash equivalents at the end of the year</b>	22, 23	<u>2,352</u>	<u>2,148</u>

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Discover Learning Trust meets the definition of a public benefit entity under FRS 102.

**1.2 Fund accounting**

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

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

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

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.3 Income**

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

**– Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the year 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.

**– Donations**

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

**– Other income**

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

**– Donated fixed assets (excluding transfers on conversion or into the academy trust)**

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

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.4 Expenditure**

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

**– Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

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

**1.6 Tangible fixed assets**

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

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

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

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.6 Tangible fixed assets (continued)**

Depreciation is provided on the following bases:

Leasehold land and buildings	- over 20 years and 125 years
Furniture and fixtures	- over 5 years
Computer equipment	- over 3 years
Motor vehicles	- over 4 years

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

**1.7 Operating leases**

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

**1.8 Interest receivable**

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

**1.9 Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**1.10 Debtors**

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

**1.11 Cash at bank and in hand**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**DISCOVER LEARNING TRUST**  
**(A Company Limited by Guarantee)**

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

**1. Accounting policies (continued)**

**1.12 Liabilities and provisions**

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

**1.13 Financial instruments**

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

*Financial assets* - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

*Financial liabilities* - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**1. Accounting policies (continued)**

**1.14 Pensions**

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

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

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

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

**1.15 Concessionary loans**

The academy trust has opted to initially recognise and measure concessionary loans at the amount received or paid, with the carrying amount adjusted in subsequent years to reflect repayments and any accrued interest and adjusted if necessary for any impairment.

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

**2. Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

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 25, 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 2022 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.

Goodwin

The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £8,572 which has been assessed to be immaterial to the financial statements.

Depreciation – Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy. The value of depreciation charge during the year was £832,000.

Critical areas of judgment:

Land – Land is held under a 125 year lease from Sunderland City Council. These assets are included on the Balance Sheet of the academy trust due to the significant risks and rewards of ownership belonging to the academy trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the academy trust could use them without major modification.

The original Local Government Pension scheme valuation shows an asset of £1,297,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of cash contributions (£342,000) exceed the employer future service cost (£341,000) combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £Nil.



**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	-	-	30
Capital grants	87	87	389
	<u>87</u>	<u>87</u>	<u>419</u>
	<u>419</u>	<u>419</u>	
Total 2022			
	<u>419</u>	<u>419</u>	

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**4. Funding for the academy trust's educational operations**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
<b>Academy's educational operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	7,823	7,823	7,501
Other DfE/ESFA grants				
Pupil Premium	-	502	502	477
PE and Sport Premium	-	18	18	18
UIFSM	-	14	14	19
Rates	-	27	27	29
Other DfE Group grants	-	3	3	3
Supplementary Funding	-	367	367	101
	-	8,754	8,754	8,148
<b>Other Government grants</b>				
SEN	-	468	468	374
Local Authority grants	-	108	108	154
	-	576	576	528
<b>Other income from the academy trust's educational operations</b>	336	-	336	270
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Other DfE/ESFA COVID-19 funding	-	133	133	155
	-	133	133	155
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Other COVID-19 funding	-	-	-	87
	-	-	-	87
	336	9,463	9,799	9,188
	336	9,463	9,799	9,188
<b>Total 2022</b>	<b>262</b>	<b>8,926</b>	<b>9,188</b>	

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**5. Income from other trading activities**

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from facilities and services	44	44	42
Non student catering income	11	11	8
Receipts from supply teaching insurance claims	26	26	28
RPA Claims	-	-	8
Other	137	137	79
	<u>218</u>	<u>218</u>	<u>165</u>
<b>Total 2022</b>	<u>165</u>	<u>165</u>	

**6. Investment income**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank interest received	16	-	16	1
Pension income	-	12	12	-
	<u>16</u>	<u>12</u>	<u>28</u>	<u>1</u>
<b>Total 2022</b>	<u>1</u>	<u>-</u>	<u>1</u>	

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**7. Expenditure**

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Academy trust's educational operations:					
Direct costs	7,025	-	611	7,636	7,616
Allocated support costs	1,053	1,233	748	3,034	2,909
<b>Total 2023</b>	<b>8,078</b>	<b>1,233</b>	<b>1,359</b>	<b>10,670</b>	<b>10,525</b>
<b>Total 2022</b>	<b>8,103</b>	<b>1,091</b>	<b>1,331</b>	<b>10,525</b>	

In 2023 of the total expenditure £507,000 (2022 - £273,000) was to unrestricted funds, £9,343,000 (2022 - £9,468,000) was to restricted funds and £832,000 (2022 - £784,000) was to restricted fixed asset funds.

There were no individual transactions exceeding £5,000 for:

- Compensation payments
- Gifts made by the trust
- Fixed asset losses
- Stock losses
- Unrecoverable assets
- Cash losses

There were no ex-gratia payments in the year.

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**8. Analysis of expenditure by activities**

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy trust's educational operations	7,636	3,034	10,670	10,525
Total 2022	7,616	2,909	10,525	

**Analysis of direct costs**

	Total funds 2023 £000	Total funds 2022 £000
Staff costs	7,025	7,114
Educational supplies	294	275
Examination fees	125	78
Staff development	24	24
Technology costs	68	14
Educational consultancy	75	79
Transport	9	-
Other costs	16	32
	<u>7,636</u>	<u>7,616</u>

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Total funds 2023 £000	Total funds 2022 £000
Net interest cost on pension scheme	(12)	80
Staff costs	1,053	989
Depreciation	832	784
Technology costs	48	110
Staff expenses	5	10
Transport	6	36
Maintenance of premises	144	117
Cleaning	16	18
Other premises costs	67	29
Energy	310	191
Rent and rates	26	29
Insurance	34	30
Operating lease rentals	6	5
Catering	349	220
Legal costs - other	10	1
Other costs	112	234
Governance costs	28	26
	<u>3,034</u>	<u>2,909</u>

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

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	6	5
Depreciation of tangible fixed assets	832	784
Fees paid to auditors for:		
- audit	13	14
- other services	1	1
	<u>849</u>	<u>800</u>

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	5,905	5,499
Social security costs	597	566
Pension costs	1,392	1,862
	<hr/> 7,894	<hr/> 7,927
Agency staff costs	184	176
	<hr/> 8,078	<hr/> 8,103
	<hr/> <hr/>	<hr/> <hr/>

Included within operating costs of defined pension schemes is a charge of £172,000 (2022: £736,000) relating to the pension asset / deficit actuarial adjustment.

**b. Staff numbers**

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

	2023 No.	2022 No.
Teachers	80	77
Administration and support	127	117
Management	7	8
	<hr/> 214	<hr/> 202
	<hr/> <hr/>	<hr/> <hr/>

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**10. Staff (continued)**

**c. Higher paid staff**

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	8	2
In the band £70,001 - £80,000	1	2
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

**d. Key management personnel**

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £723,000 (2022 £701,000).

**11. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023 £000	2022 £000
A Cunningham, Chief Executive Officer and Accounting Officer (resigned 31 August 2022)	Remuneration	Nil	30 - 35
	Pension contributions paid	Nil	Nil
P Hegarty, CEO and Accounting Officer (appointed 6 December 2022)	Remuneration	120 - 125	
	Pension contributions paid	25 - 30	

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

**12. Trustees' and Officers' insurance**

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



**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

**13. Tangible fixed assets**

	Leasehold property £000	Motor vehicles £000	Furniture and fixtures £000	Computer equipment £000	Total £000
<b>Cost or valuation</b>					
At 1 September 2022	14,281	26	495	645	15,447
Additions	460	-	33	114	607
Disposals	(7)	-	-	-	(7)
At 31 August 2023	14,734	26	528	759	16,047
<b>Depreciation</b>					
At 1 September 2022	5,436	26	306	484	6,252
Charge for the year	662	-	68	102	832
At 31 August 2023	6,098	26	374	586	7,084
<b>Net book value</b>					
At 31 August 2023	8,636	-	154	173	8,963
At 31 August 2022	8,845	-	189	161	9,195

**14. Debtors**

	2023 £000	2022 £000
<b>Due within one year</b>		
Trade debtors	12	11
VAT recoverable	61	97
Prepayments and accrued income	258	626
	331	734

**DISCOVER LEARNING TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2023**

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

	2023 £000	2022 £000
Trade creditors	95	249
Other taxation and social security	133	169
Other creditors	69	29
Accruals and deferred income	283	152
	<u>580</u>	<u>599</u>
	2023 £000	2022 £000
Deferred income at 1 September 2022	19	28
Resources deferred during the year	98	19
Amounts released from previous periods	(19)	(28)
<b>Deferred Income at 31 August 2023</b>	<u>98</u>	<u>19</u>

As at the Balance Sheet date the academy trust was holding funds for Universal Infant Free School Meals, School Trips income, Tutoring Programme income, and Charity income which straddle the academic year.

**16. Creditors: Amounts falling due after more than one year**

	2023 £000	2022 £000
Other creditors	43	65

Included in other creditors are three loans from Salix which is provided on the following terms:

- Interest free loan of £85,000 repayable through GAG in 6-monthly instalments of £5,321 from March 2018.
- Interest free loan of £39,000 repayable through GAG in 6-monthly instalments of £2,463 from March 2019.
- Interest free loan of £49,000 repayable through GAG in 6-monthly instalments of £3,078 from March 2019.

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**17. Statement of funds**

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Unrestricted funds</b>						
General funds	1,734	570	(507)	-	-	1,797
<b>Restricted general funds</b>						
General Annual Grant (GAG)	177	7,826	(7,534)	(252)	-	217
Pupil Premium	-	502	(502)	-	-	-
Other DfE/ESFA grants	-	426	(426)	-	-	-
Other government grants	-	108	(108)	-	-	-
SEN	-	468	(468)	-	-	-
Catch-up Premium	-	133	(133)	-	-	-
Pension reserve	129	12	(172)	-	31	-
	306	9,475	(9,343)	(252)	31	217
<b>Restricted fixed asset funds</b>						
Legacy assets	6,714	-	(516)	-	-	6,198
Devolved Formula Capital	94	87	(39)	-	-	142
Condition Improvement Fund	1,493	-	(85)	-	-	1,408
Capital expenditure from GAG	1,017	-	(144)	252	-	1,125
Donated - ESFA	121	-	(7)	-	-	114
Donated - LA	63	-	(41)	-	-	22
	9,502	87	(832)	252	-	9,009
<b>Total Restricted funds</b>	9,808	9,562	(10,175)	-	31	9,226

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

<b>Total funds</b>	11,542	10,132	(10,682)	-	31	11,023
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

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

The General Annual Grant (GAG) must be used for the normal running of the academy including salaries and related costs, overheads, repairs and maintenance, and insurance.

Pupil Premium is additional funding to be spent as the school sees fit to support deprived students.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant and teachers' pension grant.

Other Government grants include Early Years funding for three and four year old children, funding for pupils with Special Educational Needs and other income from the local authority.

The pension reserves is the liability due to the deficit on the Local Government Pension Scheme. Further details are shown in note 25.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful economic life of the associated assets.

Unrestricted funds include the income from uniform sales, school trips and catering with the relevant costs allocated accordingly.

A transfer of £252,000 has been made to capital expenditure from GAG to reflect those items included within fixed assets which have been purchased using GAG monies.

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

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

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Unrestricted funds</b>						
General funds	1,579	428	(273)	-	-	1,734
<b>Restricted general funds</b>						
General Annual Grant (GAG)	127	7,501	(7,162)	(289)	-	177
Pupil Premium	-	477	(477)	-	-	-
Other DfE/ESFA grants	-	170	(170)	-	-	-
COVID-19 funding	65	242	(307)	-	-	-
Other government grants	-	154	(154)	-	-	-
SEN	-	374	(374)	-	-	-
Other income	-	8	(8)	-	-	-
Pension reserve	(4,813)	-	(816)	-	5,758	129
	(4,621)	8,926	(9,468)	(289)	5,758	306
<b>Restricted fixed asset funds</b>						
Legacy assets	7,231	-	(517)	-	-	6,714
Devolved Formula Capital	108	29	(43)	-	-	94
Condition Improvement Fund	1,205	360	(72)	-	-	1,493
Capital expenditure from GAG	836	-	(108)	289	-	1,017
Donated - ESFA	127	-	(6)	-	-	121
Donated - LA	71	30	(38)	-	-	63
	9,578	419	(784)	289	-	9,502

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Total Restricted funds</b>	4,957	9,345	(10,252)	-	5,758	9,808
<b>Total funds</b>	6,536	9,773	(10,525)	-	5,758	11,542

**Total funds analysis by academy**

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Oxclose Community Academy	1,910	1,577
Oxclose Primary Academy	104	334
<b>Total before fixed asset funds and pension reserve</b>	2,014	1,911
Restricted fixed asset fund	9,009	9,502
Pension reserve	-	129
<b>Total</b>	11,023	11,542

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**NOTES TO THE FINANCIAL STATEMENTS  
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**17. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Oxclose Community Academy	6,013	870	241	1,225	8,349	8,453
Oxclose Primary Academy	999	197	49	256	1,501	1,288
<b>Academy trust</b>	<b>7,012</b>	<b>1,067</b>	<b>290</b>	<b>1,481</b>	<b>9,850</b>	<b>9,741</b>

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

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

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	8,963	8,963
Current assets	1,823	814	46	2,683
Creditors due within one year	(26)	(554)	-	(580)
Creditors due in more than one year	-	(43)	-	(43)
<b>Total</b>	<b>1,797</b>	<b>217</b>	<b>9,009</b>	<b>11,023</b>

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**18. Analysis of net assets between funds (continued)**

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

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	9,195	9,195
Current assets	1,748	827	307	2,882
Creditors due within one year	(14)	(585)	-	(599)
Creditors due in more than one year	-	(65)	-	(65)
Provisions for liabilities and charges	-	129	-	129
<b>Total</b>	<b>1,734</b>	<b>306</b>	<b>9,502</b>	<b>11,542</b>

**19. Reconciliation of net expenditure to net cash flow from operating activities**

	2023 £000	2022 £000
Net expenditure for the year (as per Statement of Financial Activities)	(550)	(752)
<b>Adjustments for:</b>		
Depreciation	832	784
Capital grants from DfE and other capital income	(87)	(59)
Defined benefit pension scheme cost less contributions payable	172	736
Defined benefit pension scheme finance cost	(12)	80
Increase in debtors	(1,942)	(408)
Increase in creditors	2,326	172
Dividends, interest and rents from investments	-	(1)
<b>Net cash provided by operating activities</b>	<b>739</b>	<b>552</b>

**20. Cash flows from financing activities**

	2023 £000	2022 £000
Salix loan repayments	(22)	(22)
<b>Net cash used in financing activities</b>	<b>(22)</b>	<b>(22)</b>



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**21. Cash flows from investing activities**

	2023 £000	2022 £000
Dividends, interest and rents from investments	-	1
Purchase of tangible assets	(607)	(402)
Proceeds from the sale of tangible fixed assets	7	-
Capital grants from DfE Group	87	59
<b>Net cash used in investing activities</b>	<b>(513)</b>	<b>(342)</b>

**22. Analysis of cash and cash equivalents**

	2023 £000	2022 £000
Cash in hand and at bank	2,352	2,148
<b>Total cash and cash equivalents</b>	<b>2,352</b>	<b>2,148</b>

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

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	2,148	204	2,352
	<b>2,148</b>	<b>204</b>	<b>2,352</b>

**24. Capital commitments**

	2023 £000	2022 £000
Contracted for, but not provided in the financial statements	69	527

**25. Pension commitments**

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**25. Pension commitments (continued)**

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the year amounted to £886,000 (2022 - £829,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The 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.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**25. Pension commitments (continued)**

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £443,000 (2022 - £402,000), of which employer's contributions totalled £325,000 (2022 - £295,000) and employees' contributions totalled £ 118,000 (2022 - £107,000). The agreed contribution rates for future years are 16.4% for employers and 5.5 - 9.9% for employees.

The original Local Government Pension scheme valuation shows an asset of £1,297,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of cash contributions (£342,000) exceed the employer future service cost (£341,000) combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £Nil.

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

**Principal actuarial assumptions**

	2023 %	2022 %
Rate of increase in salaries	4.10	4.20
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.00	4.10
Inflation assumption (CPI)	2.60	2.70
Commutation of pensions to lump sums	75.00	75.00

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
Retiring today		
Males	21.0	21.8
Females	24.1	25.0
Retiring in 20 years		
Males	22.2	23.5
Females	25.5	26.7

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**25. Pension commitments (continued)**

**Sensitivity analysis**

	2023 £000	2022 £000
Discount rate +0.1%	(153)	(210)
Discount rate -0.1%	153	219
Mortality assumption - 1 year increase	(182)	(227)
Mortality assumption - 1 year decrease	182	227
CPI rate +0.1%	131	178
CPI rate -0.1%	(131)	(170)
	<u>          </u>	<u>          </u>

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**25. Pension commitments (continued)**

**Share of scheme assets**

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

	2023 £000	2022 £000
Equities	4,415	4,424
Government bonds	111	132
Corporate bonds	1,620	1,530
Property	883	913
Cash and other liquid assets	146	148
Other	1,397	1,077
<b>Total market value of assets</b>	<u>8,572</u>	<u>8,224</u>

The actual return on scheme assets was £153,000 (2022 - £107,000).

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

	2023 £000	2022 £000
Current service cost	(497)	(1,031)
Interest income	341	138
Interest cost	(329)	(218)
<b>Total amount recognised in the Statement of Financial Activities</b>	<u>(485)</u>	<u>(1,111)</u>

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

	2023 £000	2022 £000
<b>At 1 September</b>	8,095	12,769
Current service cost	497	1,031
Interest cost	329	218
Employee contributions	118	107
Actuarial gains	(1,516)	(6,003)
Benefits paid	(248)	(27)
Asset ceiling restriction	1,297	-
<b>At 31 August</b>	<u>8,572</u>	<u>8,095</u>

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**25. Pension commitments (continued)**

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

	2023 £000	2022 £000
<b>At 1 September</b>	8,224	7,956
Interest income	341	138
Actuarial losses	(188)	(245)
Employer contributions	325	295
Employee contributions	118	107
Benefits paid	(248)	(27)
<b>At 31 August</b>	<u>8,572</u>	<u>8,224</u>

**26. Related party transactions**

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

Expenditure Related Party Transactions

Beacon of Light School - a company in which L Brown is a Trustee.

- The academy trust purchased services from Beacon of Light School totalling £Nil (2022: £8,103). There were no outstanding amounts at 31 August 2023 ( 2022: £Nil).
- The academy trust made the purchase at arms length .
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.

Income Related Party Transactions

The Link School - an organisation in which A Cunningham is co-opted Chair

- The academy trust sold services to The Link School totalling £Nil (2022: £7,438). There was £Nil outstanding at 31 August 2023 (2022: £1,438)
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2021.