

Company Registration Number: 08880841 (England & Wales)

TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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TRURO & PENWITH ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

D A J Walrond (resigned 27 April 2023)
M E Winsor 1 (appointed 1 September 2022)
P Callen (Corporate Member) 2
M Tucker 3
V Pearson 4
A Firth 5 (Appointed 1 September 2022)

Trustees

J Blunden, CEO/ Accounting Officer
J Dunn, Vice Chair¹
A George (appointed 1 September 2023)
A Firth, Chair²
J Green
M Tucker (appointed 26 April 2023)
C Waldie (appointed 22 November 2023)
D Austin^{1,2}
S Cryer (resigned 10 January 2023)¹
S Flack¹
A Venter (resigned 16 March 2023)¹
A Bull
A Milliner¹

¹ Audit and Risk Committee

² Remuneration Committee

Company registered number

08880841

Company name

Truro and Penwith Academy Trust

Principal and registered office

Academy House
Truro Business Park
Threemilestone
TR4 9LD

Company secretary

B Couch

Accounting Officer

J Blunden

Senior management team

J Blunden, Chief Executive Officer
J Brinson, Chief Financial Officer
H Andrew, Director of People & Strategy
C Gould, Director of Education
B Couch, Head of Corporate Governance
J Woodhouse, Director of Education

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

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

Bankers Lloyds Bank Plc
 7 Boscawen Street
 Truro
 Cornwall
 TR1 2QT

Solicitors PHP Law
 6 Delamore Park
 Cornwood
 Ivybridge
 Devon
 PL21 9QP

**TRURO & PENWITH ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023**

LIST OF SCHOOLS

Academies Operated	Location	Principal
Pendeen School	Pendeen	C Wilson
St Ives School	St Ives	S Horner
St Dennis Primary Academy	St Dennis	C Brokenshire
St Just Primary School	St Just	N Rogers to 31st December 2022, A Bowman 1st January 2023 to 16th April 2023, D Bolton from 17th April 2023
Kehelland Village School	Kehelland	E Watkins
Mithian School	Mithian	L Garbett
Blackwater Community Primary School	Blackwater	E Evison
Perranporth Community Primary School	Perranporth	A Johnson
Chacewater Community Primary School	Chacewater	D Hick
Threemilestone Primary School	Threemilestone	S Teagle
Roche Community Primary School	Roche	J Walden
St Erth Community Primary School	St Erth	W Coleman
Nancledra Primary School	Nancledra	R Gill to 31st August 2023, H O'Kane from 1st September 2023
Kennall Vale School	Ponsanooth	R Chirgwin to 31st August 2023, T Cocks from 1st September 2023
Alverton Primary School	Penzance	M Higgs to 31st August 2023, S Brown from 1st September 2023
Pensans Primary School	Penzance	A Clay to 31st December 2022, N Ambrose from 1st January 2023
Newlyn School	Newlyn	I Stephens to 16th March 2023, L Connelly from 17th April 2023
Sennen Primary School	Sennen	N Smith
Mousehole CP School	Mousehole	S Trow
Hayle Academy	Hayle	M Lock
Cardinham School	Cardinham	D Jones
Lanivet CP School	Lanivet	J Harvey to 31st August 2023, T Gray from 1st September 2023
Berrycoombe CP School	Bodmin	C Robertson
Bodriggy Academy	Hayle	D Simons
Cape Cornwall School	St Just	J Hall
Gulval School	Gulval	P Baker
Liskeard Hillfort Primary School	Liskeard	T Cook
Tywardreath School	Tywardreath	C Mc Colville
Trewirgie Infants School	Redruth	C Callow
Schools joining trust from 1st January 2023		
Landewednack Primary School	Lizard	L Jones
Helston Community College	Helston	A Lingard
Mullion CP School	Mullion	A Read to 31st August 2023, R Chirgwin from 1st September 2023
Mullion School	Mullion	D Penberthy to 6th March 2023, J Woodhouse from 7th March to 30th June, M Dunleavy from 1st July 2023
School joining Trust from 1st February 2023		
Nanpean CP School	Nanpean	M Nicholls

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**TRUSTEES' REPORT (CONTINUED)
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 ended 31 August 2023. The annual report serves the purpose of both a trustees' report, and a directors' report and strategic report under company law.

The Trust operates 29 primary and 5 secondary academies in Cornwall. Five schools joined the Trust in this financial year. The Trust academies have a combined pupil capacity of 9,940 and had a roll of 8,327 on the school census for Autumn 2022.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The 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 Trust.

The Trustees of Truro & Penwith Academy Trust are also the directors of the charitable company for the purposes of company law. The Charitable Company operates as Truro and Penwith Academy Trust.

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Trust. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Trust shall have the following Trustees as set out in its articles of association:

- At least 7 Trustees appointed by Truro and Penwith College;
- Up to two Local Governing Body Trustees appointed by the Trustees;
- The Chief Executive Officer;
- A minimum of 2 Parent Trustees (unless there are Local Governing Bodies which include at least two Parent members)
- The Trust may also have any co-opted Trustee appointed by the Trustees. (A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees may not co-opt an employee of the Trust as a Co-opted Trustee if thereby the number of Trustees who are employees of the Trust would exceed one third of the total number of Trustees including the Chief Executive Officer).

The term of office for any Trustee shall be four years except that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected.

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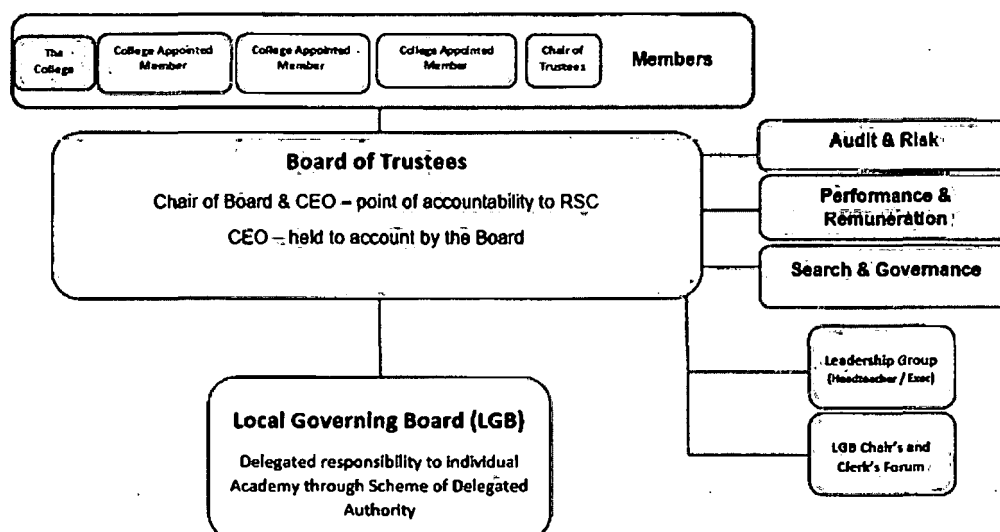
**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets and other documents that they will need to undertake their role as Trustees.

Organisational Structure



The Trust is comprised of and governed by:

The Members who guarantee the liabilities of the Trust and review its strategic direction.

The Board of Trustees who are responsible for, and oversee, the management and administration of the Trust and the schools run by the Trust. The Board normally meets every six weeks. It meets at least six times per year.

The Board establishes an overall framework for the governance of the Trust and determines responsibilities, terms of reference and procedures for the Audit and Risk Committee, Performance and Remuneration Committee and the Search and Governance Committee. It receives reports from these committees for ratification. It monitors the activities of the committees through the minutes of their meetings.

As further detailed on page 20, the Board established an Audit and Risk Committee which meets three times a year. The Audit and Risk Committee undertakes detailed review on behalf of the Trust Board on the adequacy of financial and other controls and risk management arrangements, to direct a programme of internal scrutiny and to consider the results and quality of external audit. The Audit and Risk Committee receives and scrutinises the annual financial statements and the external auditor's management letter.

The Audit and Risk Committee recommends the approval of the annual financial statements and auditors' letter to the Board of Trustees.

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

The Performance and Remuneration Committee meets once a year to establish a pay policy which sets out clearly the basis on which decisions about pay progression for the Headteachers, senior employees and leaders in the Trust will be determined.

The Search and Governance Committee meets as needed on a cycle consistent with the activities and requirements of the Trust to advise the Board on the appointment of trustees to the Board and its committees, to determine the process whereby candidates are nominated, to gather, screen, shortlist and recommend appointments, to advise on governance arrangements and to make recommendations on the composition and balance of the Board.

Local Governing Bodies are in place for each school within the Trust who are responsible for, subject to the provisions of the Scheme of Delegation, the day-to-day management and administration of each respective school.

The Scheme of Delegation provides clarity to Local Governing Bodies on the extent of their rights, responsibilities, authority and powers and provides the framework within which they interact and work with the other governance aspects of the Trust.

The Trustees have devolved responsibility for the day-to-day management of the Trust to the Chief Executive, Senior Leadership Team of the Trust and Local Governing Bodies.

The Chief Executive is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trust has established a Remuneration Committee which meets once a year and comprises the Vice Chair of the Board of Trustees, the Chair of the Audit Committee and a further Trustee. The key responsibility of this committee is:

To establish a pay policy which sets out clearly the basis on which decisions about pay progression for the Headteachers, senior employees and leaders in the Trust will be determined, including:

- Considering and determining the annual performance-related pay progression increases and other terms and conditions of the Headteachers, taking account of budgetary implications
- Considering and determining the annual pay and other terms and conditions of the senior employees and leaders in the Trust, taking account of budgetary implications
- Establishing procedures for determining appeals against pay determinations
- Keeping the pay policy under regular review
- Dealing with any other matters referred to the Committee by the Board of Trustees relating to the remuneration, terms and conditions of the Headteachers, senior employees and leaders
- Considering current guidance on the remuneration of senior staff

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

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

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees benchmark against pay levels in other Academies of a similar size.

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

Trade union facility time

(Period covered 1st April 2022 to 31st March 2023 as required for annual reporting)

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
11	10.43

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	10
1%-50%	1
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£2,535
Provide the total pay bill	£35,985,003
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.01%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	49.12
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Connected Organisations, including Related Party Relationships

Truro and Penwith Academy Trust is sponsored by Truro and Penwith College. The role of the sponsor is to share its educational experience, develop the educational vision for the Trust and support and assist the Trust and its schools.

Related party transactions are detailed in Note 29 to the accounts.

Engagement with employees (including disabled persons)

Truro and Penwith Academy Trust is an Equal Opportunities employer and actively promotes equality across all groups within our workforce. The Trust works in conjunction with the Equality Act 2010 and supports disabled people, including those with long term health conditions, learning disabilities and those that become disabled. If the employee confirms that they have a disability, we make reasonable adjustments to ensure that any selection processes, including the interview, are fair and equitable. We also ensure that training and development opportunities and promotions are fair to all groups within the workforce including disabled persons.

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

- Staff representatives on Local Governing Bodies
- Regular updates to all staff members, via newsletters, e-bulletins and intranet
- Discussion with Trade Unions

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**TRUSTEES' REPORT (CONTINUED)
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Engagement with suppliers, customers and others in a business relationship with the Trust

The Trust engages with their suppliers, customers and stakeholders through many means and methods, including:

- To ensure best value quotations are obtained in line with the Financial Procedures.
- Deals for Schools, G Cloud, Everything ICT, Everything FM, EnFrame, Direct tenders and Crescent Purchasing Consortium are utilised as part of the procurement process to ensure best value.
- Where appropriate local suppliers are given the opportunity to quote or tender to ensure our carbon footprint is reduced and to support local business

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object of the Trust is specifically restricted to the following:

- To advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum appropriate to the needs of its pupils and students

The principal aim of the Trust is:

The Trust aims to secure high standards in every school and improve life chances for all children and young people in schools across the Trust through inspirational teaching and creative learning opportunities.

The Trusts key expectations are that: -

- all members of our TPAT community to communicate effectively, collaborate openly and respect one another
- children and young people are entitled to an excellent education which values diversity, equity and inclusion for all
- we will listen to all members of our Trust community – pupils, staff, governors, parents and extended school communities

Objectives, Strategies and Activities

The Trust pursues fulfilment of its vision and mission by focusing on core strategic objectives measured consistently and annually against a set of core data baselines. These core objectives are grouped and detailed as follows:

People and Partners

- Recruit, develop, deploy and retain talent
- Responsibility, accountability & communication
- Employee engagement, collaboration & wellbeing through professional growth
- System leadership & innovation

Teaching Learning and Assessment

- Transformation through technology
- Develop professional learning & engagement for all
- Broadly consistent approaches to assessment and feedback
- Opportunities for innovation to improve outcomes for all

Curriculum & Opportunity

- Ambitious curriculum to embrace creativity, equity & sustainability
- Ensure stretch, breadth & progress

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

- Mastery of maths, reading, oracy & vocabulary
- Enriched curriculum offer

Attendance, Inclusion & Behaviour

- Develop positive relationships with pupils and their families
- Develop Trust-wide policy and practice
- Improved attendance and reduce persistent absence

Financial Sustainability

- Transition to new technology platforms for financial and budget management
- Alignment of central services in schools for HR, finance and the estate
- Strategic growth: schools, pupil numbers and on-going build of free school(s)

Specific focus throughout on the most vulnerable – SEND, Disadvantaged and Lowest Attaining 20%

These strategic objectives will be achieved through effective leadership across the Trust through the following:

- Trust development plan monitored and reported to the Board of Trustees
- Headteachers Group for geographic hub leaders and Headteachers with school clusters where the leaders in each school come together to share performance data, report on development objectives, discuss issues, plan strategies
- Executive team of school improvement leaders
- Specialist Lead Schools where leaders and teachers across the schools build key relationships and contacts to enhance their support and peer network
- Local Governing Board (LGB) Chairs and Clerks Forum where the chairs and clerks of each LGB meet together once a term to discuss a range of issues

Priorities for 2023-24

- To demonstrate ambitious expectations for a high quality and inclusive education for all, especially our most vulnerable and disadvantaged pupils
- To embed our Advantage programme – technology for teaching and learning – across all schools
- To ensure our schools are places where all pupils attend regularly
- To focus on Reading in primary and secondary phases
- To ensure the financial sustainability of our operation with embedded digital systems for core services, a focus on efficient and effective use of resource and development of our trust sustainability strategy

Public Benefit

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

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

STRATEGIC REPORT

Achievements and Performance

The improvement priorities for schools within the Trust for the period were:

Quality of Education

- 1a. High quality teaching for all supports all pupils with SEND and to be inclusive for all
- 1b. A broad, ambitious curriculum is implemented in all schools
- 1c. Improve progress of disadvantaged pupils
- 1d. Improve progress in Reading across all key stages
- 1e. Inspection of schools to achieve a Good judgement by Ofsted

Behaviour and Attitudes

- 2a. Attendance and persistent absence to improve to be at least in line with national
- 2b. Exclusions and children educated off site to be below national
- 2c. Schools to share practice through the Trust Behaviour Lead

Personal Development

- 3a. PSHE and pupil wellbeing is a priority for all schools
- 3b. Shared practice for pupil wellbeing, personal conduct and safety

Leadership and Management

- 4a. Leaders expect high quality teaching and targeted catch up
- 4b. Effective CPD on the curriculum
- 4c. New systems
- 4d. New joining schools

Operational Effectiveness

- 5a. To apply, and be successful in TCAF implementation
- 5b. New systems introduced
- 5c. To ensure effective financial risk management

School Performance 2022-23

Priorities for school performance during the academic year included the following:

- To demonstrate ambitious expectations for a high quality education for all, across all areas of the Education Inspection Framework
- To focus on Reading in primary and secondary phases

In terms of evaluation against these performance priorities, the following is a brief summary of extracts from the Ofsted inspections throughout the year.

Nine primary schools were inspected and all had positive outcomes for the schools and trust. Trewirgie Infant School moved from Requires Improvement to Good during inspection in March 2023, inspectors noted *'Leaders have transformed the school since the previous inspection. They act with unwavering determination to improve the quality of education for pupils.'* *'Leaders prioritise reading. They promote a love of reading as soon as children join the Nursery.'*

Inspectors noted at Berrycoombe School that *'Berrycoombe is a school where everyone is included. Leaders make sure that everyone feels valued and cared for. They are passionate about helping pupils to become*

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

well-rounded, empathetic citizens.' Inspectors also recognised that 'Leaders have prioritised reading throughout the school. They have strengthened phonics teaching through a more consistent approach.' 'Teachers develop a love of reading by carefully linking 'class reader' books to work in history or geography. They use these sessions to promote key vocabulary and to connect prior knowledge. As a result, pupils deepen their understanding in the wider curriculum.' September 2022

The inclusivity of our schools was frequently celebrated by inspectors. At Gulval School, inspectors noted that *'Pupils flourish at this inclusive and nurturing school. They thrive in an environment where their social and emotional well-being is a priority. Leaders and staff share a common commitment to this. They support pupils to grow into confident, resilient young people, well prepared to face the challenges of modern life.'* *'Leaders prioritise reading.'* *'Pupils have access to a wide range of high-quality books. They love reading and talk enthusiastically about the books they have read.'* November 2022.

Two secondary schools were inspected, with Cape Cornwall School being inspected for the first time since going into special measures prior to joining the trust. The school is now good and inspectors noted *'Cape Cornwall School is a warm, friendly community where everyone feels valued. Leaders are ambitious for what all pupils, including those with special educational needs and/or disabilities (SEND), can achieve. Staff express their determination to deliver the best possible education to pupils. Leaders, together with staff, expect more of pupils. Pupils are rising well to this challenge.'* *'Leaders prioritise reading. Pupils in all year groups read regularly. This helps them to become more confident readers. Leaders quickly identify any pupils who find reading difficult. Staff use the training they have received to support pupils' reading effectively.'* January 2023

Ofsted inspectors at St Ives School noted *'Leaders recognise that some pupils need additional support with their reading. These pupils have extra lessons that allow them to become fluent and confident readers. There are opportunities for all pupils to read for pleasure.'* November 2022

In terms of quantitative performance data, the trust has secured ever improving overall results across primary phase, demonstrating the impact and sustainability of the support to our schools to ensure pupils are accessing a strong curriculum, featuring breadth, local context and cultural capital and focus on our most vulnerable pupils, including those in receipt of pupil premium funding and those with additional needs.

In secondary phase the end of key stage four results, reflect a more challenging perspective. The numbers on roll at Cape Cornwall School and presence of the area resource base specialist provision have impacted on data.

Capacity to support school improvement was significantly enhanced during this academic year with the addition of full time trust leaders for behaviour and attendance. The expectation for these professionals was to strategically lead policy, process and guidance for schools in these key areas impacting on performance especially of our most vulnerable pupils, those from more disadvantaged backgrounds and those with additional needs. The trust was successful in recruiting highly skilled professionals with a strong track record for school improvement and support.

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FOR THE YEAR ENDED 31 AUGUST 2023

Primary Phase Summary

Year 1 Phonics Results (for schools in the trust for the academic year 2022-23)

Year	Y1 Phonics (% Wa)	Pupil Diff.	Pupil Count
2018/19	76% (82%)	-33	(401 of 531 pupils)
2021/22	77% (75%)	+13	(536 of 692 pupils)
2022/23	83% (79%)	+28	(576 of 694 pupils)

Evaluation: Improving phonics results across the trust schools with positive improvement over the past two years.

End of key stage one results (for schools in the trust for the academic year 2022-23)

Year	Reading % EXS+	P.D.	Writing % EXS+	P.D.	Maths % EXS+	P.D.
2018/19	68% (75%)	-36	61% (69%)	-49	68% (76%)	-40
2021/22	65% (67%)	-14	56% (58%)	-12	68% (68%)	+2
2022/23	67% (68%)	-11	57% (60%)	-21	72% (70%)	+9

Key	Significantly Below National	Not Significant	Significantly Above National
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Evaluation: Improving key stage one data over time, broadly in line with national averages.

End of key stage two results (for schools in the trust for the academic year 2022-23)

% Expected Standard (National Averages in brackets)								
Year	Reading	P. D.	Writing	P. D.	Maths	P. D.	RWM	P. D.
2018/19	68% (74%)	-31	77% (79%)	-10	78% (79%)	-5	58% (65%)	-42
2021/22	71% (75%)	-25	69% (70%)	-3	71% (72%)	-7	57% (59%)	-10
2022/23	73% (73%)	+1	74% (71%)	+22	73% (73%)	-2	60% (59%)	+7

Year	Av. Reading Progress	Av. Writing Progress	Av. Maths Progress
2018/19	-0.8	-0.1	-0.2
2021/22	-0.2	0.9	0.2
2022/23	0.8	1.1	0.1

Key	Significantly Below National	Not Significant	Significantly Above National
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Evaluation: Improving key stage two data over time, broadly in line with national averages. Ofsted inspected a number of trust primary schools throughout the year. A summary is provided:

Secondary Phase Summary

End of key stage four performance indicators (for schools in the trust for the academic year 2022-23)

	Cape	Hayle	St Ives	National
Attainment 8	39	39	47	45 (49)
Basics 5+ %	38	30	51	44 (50)
Basics 4+ %	59	52	72	64 (70)
Progress 8*	-0.58	0.03	0.04	0

*Progress to be confirmed on publication

TRUSTEES' REPORT (CONTINUED)
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Evaluation: Cape Cornwall data was impacted by a small cohort and high level of SEND through the area resource base. Hayle Academy had a very low prior attaining cohort concluding their time at the school, impacted by the pandemic at a time when the school was undergoing transformational improvement and positive progress reflects the positive impact of improved learning and teaching in their key stage four. St Ives School is above national at level 5+ and Attainment 8 and Progress 8.

Next steps for 2023-24

Scrutiny of the performance data shows an underlying trend of improvement for the majority of pupils, but the performance of those with disadvantage or with additional needs remains lower than others. This is where the focus for transforming teaching and learning will lie in future. Improving attendance and reducing persistent absence, which in 2022-23 is broadly in line with national average in primary and below in secondary will also be a priority.

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the going concern accounting policy in note 1.2 on page 37 of the accounts.

Promoting the success of the Trust

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long term

The Trust makes all key decisions in line with its strategic development plan. This strategy is primarily designed around the objective to improve educational outcome for pupils, but every decision and operational approach is regularly reviewed for its impact and the need for any changes or modifications to decisions previously taken.

The interests of the company's employees

Our employees are vital to the Trust, and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and respond with outcomes for resolution. We have a Staff Wellbeing Group and Trust lead to promote staff wellbeing. The Trust seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies as well as through meetings we also actively seek to ensure that the working environment meets due high standards of safety and security.

The need to foster the company's business relationships with suppliers, customers, and others

Our relationships with partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in service reviews with key suppliers. These reviews are focussed on a two-way relationship with the Trust based with an aim of helping one another to achieve an optimum service as efficiently as possible and according to the best value for money.

The impact of the company's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school curriculum, the Trust encourages all

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**TRUSTEES' REPORT (CONTINUED)
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staff and students to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling of waste and actions to maximise efficiency in energy consumption.

The desirability of the company maintaining a reputation for high standards of business conduct

Our reputation and public trust in our constituent schools is fundamental to our future success. We use our organisational values and behaviours in our recruitment and training for our employees to ensure that we maintain high standards, and these are used in our appraisal processes. Our procurement and policies and procedures ensure that our values are also part of our selection of partners and suppliers.

The need to act fairly as a company

In terms of the academy Trust, fairness in our dealings is upheld through having a clear and well communicated strategy, and financial discipline backed by strong internal controls. We have transparent reporting at regular intervals through the year, continual access to senior management and a track record of successful growth through new school joiners which have been appropriately integrated into the Trust. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our pupils, staff or any other member of our community and stakeholders.

FINANCIAL REVIEW

The academy's accounting period is the year to 31 August 2023.

The majority of the Trust's income is derived from the Department for Education (DfE) via the Education Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year to 31 August 2023, and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The financial position is challenging as a result of changes in both local and national funding together with increasing costs relating to pay and general cost pressures. The Trusts schools are expected to set budgets within their annual funding and use of reserves is for agreed specific purposes rather than to use reserves to meet operational costs which is not sustainable in the long term. The schools make budget reductions to match funding levels; however, this is challenging as a large proportion of costs are staff related. The Trust have agreed a Reserves policy and receive monitoring reports at each Board meeting. Our current level of reserves £5,640k.

Financial benchmarking is used to compare our schools' financial position with others and to provide challenge for financial management. The key measures considered are taken from Kreston Reeves Benchmarking 2023 were as follows:

Measure	TPAT	All MAT's Average
Total GAG income per pupil	£4,960	£4,997
Staff cost per pupil	£5,258	£5,186
Total costs per pupil	£7,202	£7,067
Pupil to teacher ratio	21.44	19.4
Reserves as a % of total income	11%	9.4%
Cash at bank per pupil	£1,122	1,214

The Trust receives capital grants through the Schools Condition Allocation and Specific Capital Grants from the ESFA for improvement of Capital Assets. The Trust is also in receipt of Local Authority Grants for School Access, Backlog maintenance and agreed Basic Need projects. All such grants are shown in the statement of financial activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund is reduced by annual depreciation charges over the useful life of the assets concerned.

TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

The Trust's results show revenue surpluses for the year, excluding restricted fixed assets and before unrealised defined benefit pension scheme gains and losses and transfers, but including any surpluses transferred on conversion of: Restricted deficit of £454k and Unrestricted surplus £6,095k.

The fund balances carried forward for each school was:

	Total 2023	Total 2022
	£	£
Pendeen School	70,021	144,016
St Ives School	(143,001)	(73,800)
St Dennis Primary Academy	151,368	177,612
Blackwater Community Primary School	87,564	77,290
Mithian School	120,583	116,277
St Just Primary School	26,958	41,126
Kehelland Village School	167,284	134,825
Perranporth Community Primary School	147,370	123,771
Chacewater Community Primary School	102,451	83,381
Threemilestone School	345,642	381,643
Roche Community Primary School	305,695	351,919
St Erth Community Primary	48,635	53,822
Nancledra School	95,257	100,057
Kennall Vale School	113,191	129,337
Alverton Primary School	216,367	247,199
Newlyn School	18,987	89,422
Pensans Primary School	(86,894)	(145,348)
Sennen Community Primary Academy	7,263	35,476
Hayle Academy	561,147	510,834
Mousehole Community Primary School	90,185	89,341
Berrycoombe School	(91,191)	31,104
Cardinham School	152,871	136,203
Lanivet Community Primary School	59,663	98,374
Cape Cornwall Secondary School	(331,839)	33,061
Bodriggy Academy	323,352	327,938
Gulval Primary School	108,916	111,391
Liskeard Hillfort Primary School	(75,501)	100,877
Tywardreath Primary School	245,084	263,213
Trewirgie Infants School	309,081	494,203
Cape Cornwall School Improvement Grant	0	21,560
Central Services	1,000,791	343,402
CODE Maths Hub	15,264	32,919
STEM	27,847	
Perranporth New School – set up grant	17,017	22,480
Landewednack Primary school	68,816	
Helston Community College	996,430	
Mullion Community Primary School	27,691	
Nanpean Community Primary School	141,297	
Mullion School	198,857	
Total	5,640,519	4,684,925

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and to ensure sufficiency of resource

**TRURO & PENWITH ACADEMY TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

to meet monthly outgoings. Reserves are held for reinvestment in individual schools, for specific capital projects, curriculum investment and to mitigate the impact of reductions to funding. Schools maintain their existing level of Reserve from their point of conversion and the Trust allows any in-year surplus to be accrued to their individual reserves.

The Trustees have agreed that reserves should be maintained at or accrued to an individual schools' reserve with a view to achieve a level of at least the value of six weeks of the individual schools outgoing costs.

Pooling is currently in operation at Trust level where all Reserves are reported in total in order to balance the overall position, including two schools in overall deficit which have recovery plans agreed by Trustees in place.

The Trustees consider the financial period end position of 2023 £102,363k (2022 £63,848k) comprising 2023 £98,055 (2022 £62,813k) of restricted fixed asset funds, 2023 £(1,786k) (2022 £(3,509k) of restricted funds and 2023 £6,095k (2022 £4,544k) of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to 2023 £(1,332k) (2022 £(3,650k) and general restricted funds of 2023 (£454k) deficit (2022 £141k).

The level of free revenue reserves held by the Trust are 2023 £5,640k (2022 £4,685k).

The Local Government Pension Scheme (LGPS) fund is currently in deficit. The result of the LGPS triennial review has meant that the trust has ceased paying a lump sum with effect from 1st April 2023 as a result the overall percentage employers contribution increase from 17.1% to 20.7%

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

Investment Policy

The cash balances held by the Trust are invested in interest earning bank accounts.

Principal Risks and Uncertainties

The principal risks affecting the Trust are:

Reputation

- Performance of schools not improving sufficiently or quickly enough impacts on reputation of Trust and/or College
- The impact on the Trust reputation if TPC as sponsor has a grade-reducing Ofsted
- External assessment agency decision (with no right of appeal) impacts on reputation of Trust and/or College
- Changes to demographic profile impact on development of new Free School.

Financial

- Numbers on roll at Trust academies do not rise in line with expectations impacting on the ability to invest in improvements and sustainability
- Failure to meet forecast budget position reduces credibility with DfE and ability to provide additional Trust-wide services to schools
- Failure to comply with Government's Academy Trust Handbook
- Increasing pension costs at actuarial evaluation due to market conditions.
- High unit costs per pupil due to small schools and associated overheads.
- PFI Contractor vulnerability and impact on Trust if the contractor ceases to trade
- Transfer of schools from failing MATs

**TRURO & PENWITH ACADEMY TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

- Falling NOR at Cape Cornwall resulting in risk of deficit budget impacting on the Trust reserve and on education standards

Programme

- Capacity to support increasing number of schools is limited to small core team
- Insufficient schools choose to convert to the Trust or become sponsored threatening the sustainability of the Trust
- Succession planning and cover for key staff
- Recruitment of staff across Trust schools

Legal

- Safeguarding incident that is not handled according to statutory requirements
- Health and Safety incident that is not handled according to statutory requirements
- Recruitment of staff to Trust schools, central team or volunteers including LGB / Trustees with a high safeguarding risk
- Reputational risk due to third party actions using legal instruments against the Trust E.g. Disability Discriminations Act
- The balance of individual Trustee skills and experiences has a detrimental impact on the effectiveness of the Board.
- Contract failure due to third party actions results in financial detriment to Trust and/or impact to buildings and estate
- Breaches of GDPR legislation
- Permanent exclusion of pupils with no suitable alternative education provider available.

Operations

- Impact of global pandemic on operational and financial management of schools due to risks to the workforce
- Impact of a cyber-attack on Trust technology infrastructure involving one or more school or central team
- Impact of pandemic and Ukrainian war on cost of building supplies and fuel
- Breaches of GDPR legislation
- Impact of strike action on school operations

Mitigating actions and risk owners have been identified to address these risks. The risk register is regularly reviewed by the Audit and Risk Committee and the Board of Trustees.

Financial and risk management objectives and policies:

The financial risk register is set out in the Trust's financial procedures. These procedures examine the key risks and proposed actions to mitigate the impact of these risks. The financial risk register is part of the overall Risk Register reviewed by the Audit and Risk Committee and Board of Trustees.

FUNDRAISING

The Trust's schools participate in fundraising activities for specific charities where the income received is paid in full to the charity, for example Sport Relief and Children in Need. The recipient of the donations is made clear to parents in advance and all contributions are voluntary. Where a school has a friends or parent teacher association which actively raises funds on its behalf, the association's fundraising standards are defined in its constitution, and it works closely with the head of school to ensure its approach is consistent with the school's values. Associations with an annual income of more than £5,000 are required to register as a charity with the Charity Commission. The Trust does not work with, or have any oversight of, any

**TRURO & PENWITH ACADEMY TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

commercial participators or professional fundraisers. No complaints have been received in the year regarding fundraising activities.

STREAMLINED ENERGY AND CARBON REPORTING

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	5,793,064	4,196,739
Energy consumption break down (kWh) (optional)		
• gas,	2,680,669	1,847,423
• electricity,	2,867,225	2,205,030
• transport fuel	245,170	144,286
<u>Scope 1 emissions in metric tonnes CO₂e</u>		
Gas consumption	489.38	337.23
Owned transport – mini-buses	33.25	15.60
<u>Total scope 1</u>	522.64	352.83
<u>Scope 2 emissions in metric tonnes CO₂e</u>	593.73	426.41
Purchased electricity		
<u>Scope 3 emissions in metric tonnes CO₂e</u>	25.23	19.60
Business travel in employee-owned vehicles		
<u>Total gross emissions in metric tonnes CO₂e</u>	1141.60	798.83
<u>Intensity ratio</u>	0.1537	0.13
Tonnes CO ₂ e per pupil		

Quantification and Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measures taken to improve energy efficiency

We have installed smart meters across the majority of our sites, with plan to install in the near future on sites not yet covered and increased remote working technology for staff meetings, to reduce the need for travel between sites. All electricity supplied to our non-PFI schools is from 100% renewable sources. We have solar panels installed in a number of our sites together with LED lighting.

**TRURO & PENWITH ACADEMY TRUST
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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

PLANS FOR FUTURE PERIODS

The Trust plans its capital investment through assessment of condition and compliance reviews for each school to determine capital investment plans for its estate.

The Trust is increasingly procuring centrally for Trust wide software, IT and goods and services. The trust has implemented its Digital Transformation agenda which aims to use handheld technology to transform pupil learning.

The Trust has successfully applied to open a new secondary school on the North Coast through the Governments Free School Programme. The project is now progressing and is expected to open in 2026.

The trust continues to discuss with interested schools the possibility of expanding the Trust further.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and its Trustees do not act as the Custodian Trustees of any other charity.

AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 7 December 2023 and signed on the board's behalf by:



A Firth
Chair of Trustees

**TRURO & PENWITH ACADEMY TRUST
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**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023**

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, 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 Truro & Penwith Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The 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
A Firth Chair	6	6
J Dunn V Chair	5	6
J Blunden Accounting Officer	6	6
J Green	5	6
D Austin	3	6
S Cryer	1	2
S Flack	4	5
A Bull	2	6
A Milliner	5	6
M Tucker	1	2
A Venter	2	3

The trust operates a single committee structure with the Board meeting each half term. To recognise the need for separate scrutiny an Audit and Risk Committee was established in line with the governance review and Academies Trust Handbook.

Governance Review

The Trust Board regularly review the impact and effectiveness by way of yearly skills audits, opportunities to self-reflect and regular meetings of the search and governance group. Information from these activities is used to recruit to identified skills and knowledge gaps. The Trust Board carried out a further skills analysis in the Autumn Term 2022. The Trust Board engaged an external review of governance through the South West Regions Group which took place in May 2023.

The Audit and Risk Committee meets three times a year its responsibilities are:

To undertake detailed review on behalf of the Trust Board on the adequacy of financial and other controls and risk management arrangements, to direct a programme of internal scrutiny and to consider the results and quality of external audit.

- to provide independent oversight of and advice to the Trust Board on the adequacy and effectiveness of the organisation's financial control and reporting systems.

**TRURO & PENWITH ACADEMY TRUST
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

- to recommend to the Members the appointment of suitable External Auditors and to advise the Board on both financial and non-financial internal scrutiny arrangements, taking a risk-based approach to commissioning topics of each internal audit report.
- to regularly review the risk register for the Trust.
- to ensure that adequate levels of external and internal audit are maintained and act as a point of escalation for any concerns identified during audit visits.
- to take such decisions as are devolved to it by the Board - except where the Board has formally delegated decision-making authority to the Committee, its role is advisory.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Austin - Chair	2	3
A Venter	1	1
S Flack	3	3
S Cryer	0	1
J Dunn	3	3
A Milliner	1	1

REVIEW OF VALUE FOR MONEY

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

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

- Use of specialist energy procurement, invoice validation and contract management organisation for energy supplies
- Estate and buildings projects funded by School Condition Allocation awarded through competitive tendering processes in line with Financial Procedures
- Capital estates and building schemes managed centrally with competitive quotes in line with Financial Procedures obtained to ensure value for money
- Use of Risk Protection Arrangement for Trust main insurance
- Alignment of certain educational software products to provide trust wide savings
- Tender for Agency Supply Staff for provision of supply staff across all trust schools
- Tender for supply of ipads as part of digital transformation use of CPC framework
- Tender for supply across the Trust for single supplier of Microsoft licenses
- Tender for single trust solution for Broadband and filtering use of EnFrame

Improving Educational Results

The Trust continues to ensure that resources are directed where they are most needed, supporting high quality teaching and leadership in all our schools. This is demonstrated by the strong performance against national measures in areas of priority school improvement support. Increased capacity in the Central Team for school improvement support, human resource management, business management support including finance, premises, facilities and ICT, is having a positive impact in schools.

**TRURO & PENWITH ACADEMY TRUST
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Financial Governance and Oversight

Financial governance and oversight of TPAT is strong. The Chief Financial Officer is a qualified accountant and there are two accountants on the Board of Trustees. Financial assurance is further informed by reports from the internal auditors. The Board of Trustees approve the three-year budget plan. The Board meets every half term where the management accounts and budget monitoring reports are reviewed and discussed. The Trustees receive monthly financial information including management accounts, cash flow, balance sheet and performance indicators. Trustees receive financial and non-financial benchmarking and performance indicators for their consideration. In addition, the Board considers and approves larger expenditure items in accordance with the Trust's Scheme of Delegated Authority and ensures compliance with the Trust's financial procedures. The Trustees set a reserves policy and measures schools against this.

The Audit and Risk Committee receives and scrutinises the annual financial statements and the external auditor's management letter. The Audit and Risk Committee recommends the approval of the annual financial statements and auditors' letter.

The Audit and Risk Committee reviews the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks. The Board of Trustees also receives the Risk Register for formal review.

Better Purchasing

The Trust promotes fair competition through quotations and tenders, in accordance with its Financial Procedures Manual, to ensure that goods and services are procured in the most economic and effective way.

The Trust reviews the main service contracts for each of its schools on an annual basis to ensure that they are still fit for purpose, effective and provide best value. This review has prompted the Trust to explore alternative service providers for some of the services previously purchased from the local authority. The Trust is able to ensure better purchasing through accessing tender arrangements both our catering and cleaning contracts were let for the majority of our schools as part of a larger tender exercise with schools across Cornwall to ensure greater purchasing power and better prices.

The Trust is able to use its greater purchasing power to gain reductions across a number of supplies such as specialist software, books, computer supplies, support contracts and compliance contracts. Due to its size the Trust is now in a better position to negotiate prices with existing and prospective suppliers. The Trust now uses an external Procurement Advisor to assist with its procurement to ensure compliance with Procurement Regulations. The Trust has awarded significant Trust wide contracts following tender processes for Supply Agency Staff, Microsoft licensing, Supply of ipads and associated hardware and software for Digital Transformation project across all schools, Broadband and filtering and Microsoft licensing.

Maximising Income Generation

The Trust explores every opportunity to generate income and seeks sponsorship and funding opportunities for specific projects. Over the years schools have received funding from various sources such as Wolfson Foundation, Sport England, National Lottery, local funding organisations and SITA Trust.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 Truro & Penwith

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Academy Trust for the year 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 Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, which has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. The Board of Trustees regularly review this process.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint TIAA Limited as internal auditor.

The internal auditor's role has been reviewed and now provides both financial and non-financial scrutiny. The review areas are as follows: -

Financial scrutiny – core financial controls

- Payments
- Budgetary control
- Income and debtors
- General ledger
- Cash banking and treasury management

Non-financial scrutiny

- Governance – strategic control
- Health and safety management
- Data security /GDPR
- ICT system security
- Safeguarding
- Risk management

The internal auditor has delivered their schedule of work as planned for the year ending 31st August 2023 and have reported no material issues with core financial controls arising as a result of the work undertaken.

**TRURO & PENWITH ACADEMY TRUST
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on their behalf, by:



A Firth
Chair of Trustees



J Blunden
Accounting Officer

**TRURO & PENWITH ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



J Blunden
Accounting Officer

Date: 7 December 2023

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

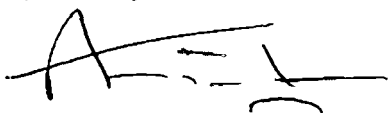
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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



A Firth
(Chair of Trustees)
Date: 7 December 2023

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRURO
& PENWITH ACADEMY TRUST**

OPINION

We have audited the financial statements of Truro & Penwith Academy Trust (the '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 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 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 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.

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRURO
& PENWITH ACADEMY TRUST (CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The 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 (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the 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 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 Trust or to cease operations, or have no realistic alternative but to do so.

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRURO
& PENWITH ACADEMY 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

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

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

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academies Financial Handbook, UK Companies Act, tax legislation, FRS102 and Charity SORP.

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

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TRURO
& PENWITH ACADEMY TRUST (CONTINUED)**

Our procedures to respond to risks identified included the following:

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

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

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

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

USE OF OUR REPORT

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



Alison Oliver FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Chy Nyverow

Newham Road

Truro

Cornwall

TR1 2DP

Date: *15 December 2023*

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TRURO & PENWITH ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 11 September 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Truro & Penwith Academy 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 Truro & Penwith Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Truro & Penwith Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Truro & Penwith Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRURO & PENWITH ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Truro & Penwith Academy Trust's funding agreement with the Secretary of State for Education dated 26 March 2014 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.

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 Trust's income and expenditure.

The work undertaken to draw our conclusion includes:

An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;

Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and

Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

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



Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date: *15 December 2023*

TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		164	(451)	1,501	1,214	-
Transfer of existing academies into the trust		1,131	(2,180)	32,757	31,708	-
Other donations and capital grants		378	-	2,985	3,363	2,599
Other trading activities	5	686	-	-	686	607
Investments	6	52	-	-	52	2
Charitable activities		2,909	48,488	-	51,397	38,810
Total income		5,320	45,857	37,243	88,420	42,018
Expenditure on:						
Raising funds	7	223	-	-	223	195
Charitable activities	8	3,055	49,954	2,525	55,534	44,214
Total expenditure		3,278	49,954	2,525	55,757	44,409
NET INCOME/ (EXPENDITURE)		2,042	(4,097)	34,718	32,663	(2,391)
Transfers between funds	18	(492)	(31)	523	-	-
Net movement in funds before other recognised gains/(losses)		1,550	(4,128)	35,241	32,663	(2,391)
Actuarial gains on defined benefit pension schemes	25	-	5,852	-	5,852	22,394
Net movement in funds		1,550	1,724	35,241	38,515	20,003

TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Reconciliation of funds:					
20					
Total funds brought forward	4,544	(3,510)	62,814	63,848	43,845
Net movement in funds	1,550	1,724	35,241	38,515	20,003
Total funds carried forward	6,094	(1,786)	98,055	102,363	63,848

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

The notes on pages 37 to 78 form part of these financial statements.

TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08880841

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	94,785	61,417
Current assets			
Debtors	15	2,423	2,305
Cash at bank and in hand	22	10,705	6,857
		<u>13,128</u>	<u>9,162</u>
Creditors: amounts falling due within one year	16	(4,216)	(3,075)
Net current assets		<u>8,912</u>	<u>6,087</u>
Total assets less current liabilities		<u>103,697</u>	<u>67,504</u>
Creditors: amounts falling due after more than one year	17	(2)	(6)
Net assets excluding pension liability		<u>103,695</u>	<u>67,498</u>
Defined benefit pension scheme liability	25	(1,332)	(3,650)
Total net assets		<u><u>102,363</u></u>	<u><u>63,848</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	98,055	62,814
Restricted income funds	18	(454)	140
		<u>97,601</u>	<u>62,954</u>
Restricted funds excluding pension reserve	18	97,601	62,954
Pension reserve	18	(1,332)	(3,650)
Total restricted funds	18	<u>96,269</u>	<u>59,304</u>
Unrestricted income funds	18	<u>6,094</u>	<u>4,544</u>
Total funds		<u><u>102,363</u></u>	<u><u>63,848</u></u>

The financial statements on pages 33 to 78 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



J Blunden
 (Accounting Officer)

Date: 7 December 2023

The notes on pages 37 to 78 form part of these financial statements.

TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	36,709	519
Cash flows from investing activities	21	(32,861)	(645)
Change in cash and cash equivalents in the year		3,848	(126)
Cash and cash equivalents at the beginning of the year		6,857	6,983
Cash and cash equivalents at the end of the year	22, 23	10,705	6,857

The notes on pages 37 to 78 form part of these financial statements

**TRURO & PENWITH ACADEMY 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 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.

1.2 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 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a Going Concern, thus they continue to adopt the Going Concern basis of accounting in preparing the financial statements.

1.3 INCOME

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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 Trust has provided the goods or services.

**TRURO & PENWITH ACADEMY 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 (CONTINUED)

- **Transfer on conversion**

Where assets and liabilities are received by the Trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Transfer of existing academies into the Trust**

Where assets and liabilities are received on the transfer of an existing Academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised for the transfer of an existing Academy into the Trust within 'Income from Donations and Capital Grants' to the net assets acquired.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 INTEREST RECEIVABLE

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

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

1. ACCOUNTING POLICIES (continued)

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

Depreciation is provided on the following bases:

Freehold property	- 2% per annum on cost, Freehold land not depreciated
Long-term leasehold property	- 2% per annum on cost, Leasehold land depreciated 2% per annum
Fixtures and fittings	- 6.67% per annum on cost
Furniture and equipment	- 20% per annum on cost
Motor vehicles	- 20% per annum on cost
Computer equipment	- 33% per annum on cost

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 DEBTORS

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

1.8 CASH AT BANK AND IN HAND

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

1.9 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

**TRURO & PENWITH ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.10 OPERATING LEASES

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

1.11 PENSIONS

Retirement benefits to employees of the 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 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 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.

1.12 FUND ACCOUNTING

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

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

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

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
DONATIONS				
Transfer of existing Academies into the Trust	1,131	(2,180)	32,757	31,708
Transfer from Local Authority on conversion	164	(451)	1,501	1,214
Donations	378	-	4	382
Capital Grants	-	-	2,981	2,981
	<u>1,673</u>	<u>(2,631)</u>	<u>37,243</u>	<u>36,285</u>

	Unrestricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Donations	126	110	236
Capital Grants	-	2,363	2,363
	<u>126</u>	<u>2,473</u>	<u>2,599</u>

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

4. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
EDUCATION			
DfE/ESFA GRANTS			
General Annual Grant	-	38,769	38,769
OTHER DfE/ESFA GRANTS			
Trust Capacity Additional Funding & Startup	-	443	443
Pupil Premium	-	2,680	2,680
Teachers pay and pension grants	-	48	48
Universal Infant Free School Meals	-	691	691
Other DfE/ESFA grants	-	1,217	1,217
School Supplementary Grant	-	1,056	1,056
16-19 Funding	-	698	698
	-	45,602	45,602
OTHER GOVERNMENT GRANTS			
High Needs	-	1,407	1,407
Other government grants non capital	1,166	897	2,063
	1,166	2,304	3,470
Other income from the Trust's education	1,743	-	1,743
COVID-19 ADDITIONAL FUNDING (DfE/ESFA)			
Recovery Premium	-	336	336
School-Led Tutoring	-	246	246
	-	582	582
	2,909	48,488	51,397
	2,909	48,488	51,397

TRURO & PENWITH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS (CONTINUED)

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
EDUCATION			
DFE/ESFA GRANTS			
General Annual Grant	-	30,310	30,310
OTHER DFE/ESFA GRANTS			
Pupil Premium	-	2,082	2,082
Teachers pay and pension grants	-	45	45
Universal Infant Free School Meals	-	665	665
Other DfE/ESFA grants	-	653	653
School Supplementary Grant	-	379	379
	-	34,134	34,134
OTHER GOVERNMENT GRANTS			
High Needs	-	1,008	1,008
Other government grants non capital	878	1,007	1,885
	878	2,015	2,893
Other income from the Trust's education	1,321	-	1,321
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)			
Catch-up Premium	-	242	242
School-Led Tutoring	-	220	220
	-	462	462
	2,199	36,611	38,810
	2,199	36,611	38,810

During 2022/23 the Trust received additional recovery premium in relation to Covid-19 of £335,565 (2022: £241,735), as disclosed separately above, £335,565 (2022: £254,853) of which was spent during the year.

TRURO & PENWITH ACADEMY 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
Lettings	71	71	36
Insurance claims	253	253	269
Breakfast and after school club fees	362	362	302
	<u>686</u>	<u>686</u>	<u>607</u>

All 2022 amounts relate to unrestricted funds.

6. INVESTMENT INCOME

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Bank interest	<u>52</u>	<u>52</u>	<u>2</u>

All 2022 amounts relate to unrestricted funds.

7. EXPENDITURE

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000
Expenditure on fundraising trading activities:				
Direct costs	223	-	-	223
Education:				
Direct costs	34,953	1,868	4,358	41,179
Allocated support costs	6,341	4,190	3,824	14,355
	<u>41,517</u>	<u>6,058</u>	<u>8,182</u>	<u>55,757</u>

TRURO & PENWITH ACADEMY TRUST
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FOR THE YEAR ENDED 31 AUGUST 2023

7. EXPENDITURE (CONTINUED)

	Staff Costs 2022 £000	Premises 2022 £000	Other 2022 £000	Total 2022 £000
Expenditure on fundraising trading activities:				
Direct costs	195	-	-	195
Education:				
Direct costs	28,023	1,361	4,008	33,392
Allocated support costs	4,740	2,509	3,573	10,822
	<u>32,958</u>	<u>3,870</u>	<u>7,581</u>	<u>44,409</u>

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000
Education	<u>41,179</u>	<u>14,355</u>	<u>55,534</u>

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000
Education	<u>33,392</u>	<u>10,822</u>	<u>44,214</u>

TRURO & PENWITH ACADEMY 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
Pension finance costs	104	37
Staff costs	6,374	4,740
Depreciation	657	284
Other costs	87	51
Recruitment and support	129	90
Maintenance of premises and equipment	1,222	791
Cleaning	831	705
Rent and rates	164	238
Energy costs	896	508
Insurance	420	394
Security and transport	310	225
Catering	1,556	1,207
Technology costs	698	712
Office overheads	257	193
Legal and professional	335	320
PFI charges	81	79
Governance	234	248
TOTAL 2023	14,355	10,822

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	159	184
Depreciation of tangible fixed assets	2,497	1,899
Fees paid to auditors for:		
- audit	31	25
- other services	2	6

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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	30,349	22,158
Social security costs	2,822	2,028
Pension costs	7,234	7,800
	<u>40,405</u>	<u>31,986</u>
Agency staff costs	1,101	828
Staff restructuring costs	11	144
	<u>41,517</u>	<u>32,958</u>

Staff restructuring costs comprise:

	2023 £000	2022 £000
Redundancy payments	11	144
	<u>11</u>	<u>144</u>

b. SPECIAL STAFF SEVERANCE PAYMENTS

Included in staff restructuring costs are non-statutory/non contractual severance payments totalling £Nil (2022: £21,000).

c. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	405	316
Administration and support	817	637
Management	77	53
	<u>1,299</u>	<u>1,006</u>

**TRURO & PENWITH ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF (CONTINUED)

d. 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	15	19
In the band £70,001 - £80,000	7	5
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
	<u>1</u>	<u>-</u>

e. KEY MANAGEMENT PERSONNEL

The key management personnel of the Trust comprise the Trustees (who do not receive remuneration for their role as 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 Trust was £705,323 (2022: £441,243).

TRURO & PENWITH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. CENTRAL SERVICES

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

- finance including central payments system and budget and management accounts preparation;
- insurance;
- payroll and HR services;
- legal services;
- audit and accountancy;
- support from the Trust Chief Executive Officer;
- school improvement: assessment & support;
- estates: health and safety; and
- procurement advice

The Trust charges for these services on the following basis: 5% of GAG, 5% of SSG, 5% of MSAG, and 5% of Nursery funding (2021: 4.5% of GAG).

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
Pendeen School	25	21
St Ives School	187	153
St Dennis Primary Academy	51	40
Blackwater Community Primary School	30	23
Mithian School	27	22
St Just Primary School	44	37
Kehelland Village School	25	20
Perranporth Community Primary School	47	41
Chacewater Community Primary School	45	37
Threemilestone School	92	80
Roche Community Primary School	53	43
St Erth Community Primary School	28	24
Nancledra School	29	24
Kennall Vale School	32	27
Alverton Primary School	86	61
Newlyn School	34	30
Pensans Primary School	58	51
Sennen Community Primary School	23	20
Hayle Academy	160	135
Mousehole Community Primary School	30	24
Berrycoombe School	59	47
Cardinham School	24	18
Lanivet Community Primary School	40	35
Bodriggy Academy	74	61
Cape Cornwall School	92	84
Gulval Primary School	47	34
Liskeard Hillfort Primary School	88	74

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

11. CENTRAL SERVICES (CONTINUED)

Tywardreath Primary School	66	57
Trewirgie Infants School	64	48
Mullion Primary School	25	-
Mullion Secondary School	115	-
Landewednack Community Primary School	18	-
Helston Community College	262	-
Nanpean Primary School	23	-
TOTAL	2,103	1,371

12. TRUSTEES' REMUNERATION AND EXPENSES

The CEO only receives remuneration in respect of services they provide undertaking the role of CEO under their contract of employment, and not in respect of their services as a Trustee. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: Dr J Blunden (CEO): Remuneration £130,000 - £135,000 (2022: £115,000 - £120,000), Employer's pension contributions £30,000 - £35,000 (2022: £25,000 - £30,000).

During the year ended 31 August 2023, expenses totalling £2,240 were reimbursed or paid directly to 2 Trustees (2022 - £1,743 to 1 Trustee). These expenses covered mileage, expenses and subsistence.

13. TRUSTEES' AND OFFICERS' INSURANCE

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

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14. TANGIBLE FIXED ASSETS

	Freehold property £000	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
COST						
At 1 September 2022	19,795	40,196	8,280	1,353	84	69,708
Additions	30,431	193	4,544	647	79	35,894
Disposals	-	-	(1)	(68)	-	(69)
At 31 August 2023	50,226	40,389	12,823	1,932	163	105,533
DEPRECIATION						
At 1 September 2022	1,429	4,274	1,585	934	70	8,292
Charge for the year	566	802	859	280	18	2,525
On disposals	-	-	(1)	(68)	-	(69)
At 31 August 2023	1,995	5,076	2,443	1,146	88	10,748
NET BOOK VALUE						
At 31 August 2023	48,231	35,313	10,380	786	75	94,785
At 31 August 2022	18,366	35,922	6,696	419	14	61,417

Included in freehold property is land of £11,201,379 (2022: £5,943,000) that is not depreciated.

**TRURO & PENWITH ACADEMY TRUST
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15. DEBTORS

	2023 £000	2022 £000
DUE WITHIN ONE YEAR		
Trade debtors	59	267
Prepayments and accrued income	1,689	1,555
Tax recoverable	675	483
	2,423	2,305

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £000	2022 £000
Salix loans	7	5
Trade creditors	1,538	867
Other taxation and social security	719	471
Other creditors	858	561
Accruals and deferred income	1,094	1,171
	4,216	3,075

	2023 £000	2022 £000
Deferred income at 1 September 2022	458	473
Resources deferred during the year	578	458
Amounts released from previous periods	(458)	(473)
Deferred income at 31 August 2023	578	458

At the Balance Sheet date the Academy was holding funds received in advance for Universal Infant Free School Meals, Rates Relief, funds received in advance for trips occurring in 2023/24 and nursery funding received in advance relating to the Autumn term.

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**NOTES TO THE FINANCIAL STATEMENTS
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17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£000	£000
Salix loans	2	6

Included within Salix loans are 4 individual Salix loans totalling £9,000 repayable in six-monthly instalments, all loans are interest free.

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

18. 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
UNRESTRICTED FUNDS						
General Funds	4,544	5,320	(3,278)	(492)	-	6,094
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	95	38,769	(39,395)	(31)	-	(562)
16-19 Funding	-	698	(698)	-	-	-
Pupil Premium	-	2,680	(2,680)	-	-	-
Teachers pay and pension grants	-	48	(48)	-	-	-
Universal Infant Free School Meals	-	691	(691)	-	-	-
Catch Up Premium	-	336	(336)	-	-	-
Other DfE/ESFA grants	45	2,962	(2,899)	-	-	108
Other Government grants	-	2,304	(2,304)	-	-	-
Pension reserve	(3,650)	(2,631)	(903)	-	5,852	(1,332)
	(3,510)	45,857	(49,954)	(31)	5,852	(1,786)

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

18. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers In/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	49,909	34,262	(1,977)	(82,194)	-	-
Fixed assets funded from GAG/DfE/ESF A funds	7,747	-	(371)	(7,376)	-	-
DfE/ESFA capital grants unspent	1,196	1,666	-	(2,862)	-	-
ESFA Specific Capital Grants	935	28	(37)	(926)	-	-
DFC unspent	128	681	-	(809)	-	-
LA unspent capital grants	23	545	-	(568)	-	-
Sport England Capital grants	3	-	-	(3)	-	-
Other capital grants and donations	2,864	61	(139)	(2,786)	-	-
Big Lottery funded assets	9	-	(1)	(8)	-	-
Net book value of fixed assets	-	-	-	94,785	-	94,785
Unspent SCA	-	-	-	2,660	-	2,660
Unspent DFC	-	-	-	571	-	571
Unspent LA Capital	-	-	-	12	-	12
Unspent Other Capital	-	-	-	20	-	20
Salix loan	-	-	-	7	-	7
	62,814	37,243	(2,525)	523	-	98,055
TOTAL RESTRICTED FUNDS	59,304	83,100	(52,479)	492	5,852	96,269
TOTAL FUNDS	63,848	88,420	(55,757)	-	5,852	102,363

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

18. STATEMENT OF FUNDS (CONTINUED)

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

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

Start up grant - Funding from the ESFA to contribute to the cost of converting from a school to an academy.

Pupil Premium - Income from the ESFA to tackle disadvantage.

Teaches pay and pension grants - Funding from the ESFA to cover teachers pay and pension increases.

Universal Infant Free School Meals - Funding received from the ESFA to support eligible pupils.

Catch Up Premium - Funding received from the ESFA towards additional costs incurred due to Covid-19 catch up needs of students.

Other DfE/ESFA grants - Includes grants receivable from the Education and Skills Funding Agency and the Department of Education towards the principal activity of the Trust, being the provision of education.

Other government grants - Funding received by the Local Authority to fund further support for students with additional needs as well as other Local Authority grants.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

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

DfE/ESFA Capital grants - This fund represents the net book value of assets funded from Devolved Formula Capital, Condition Improvement Funds and other DfE/ESFA capital funds and any unspent funding from these grants at the Balance Sheet date.

Big Lottery Grants - This fund represents the net book value of assets funded from Big Lottery grants.

Local Authority Capital grants - This fund represents the net book value of assets funded from Local Authority grants.

Sport England capital grants - This fund represents the net book value of assets funded from Sport England grants.

Other capital grants - This fund represents the net book value of assets funded from other capital grants.

Net book value of fixed assets - This fund represents the total net book value of tangible fixed assets at the year end.

Unspent SCA - This fund represents the total unspent School Condition Allocation funding at the year end

Unspent DFC - This fund represents the total unspent Devolved Formula Capital funding at the year end.

At the year end, the decision was made to alter the restricted fixed asset fund to better reflect the balance of fixed assets and unspent capital funding.

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

OTHER INFORMATION

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

TRURO & PENWITH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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18. 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
UNRESTRICTED FUNDS						
General Funds	4,082	2,934	(2,286)	(186)	-	4,544
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	154	30,310	(30,303)	(66)	-	95
Pupil Premium	17	2,082	(2,099)	-	-	-
Teachers pay and pension grants	-	45	(45)	-	-	-
Universal Infant Free School Meals	-	665	(665)	-	-	-
Catch Up Premium	18	242	(260)	-	-	-
Other DfE/ESFA grants	110	1,252	(1,317)	-	-	45
Other Government grants	105	2,015	(2,120)	-	-	-
Pension reserve	(22,629)	-	(3,415)	-	22,394	(3,650)
	<u>(22,225)</u>	<u>36,611</u>	<u>(40,224)</u>	<u>(66)</u>	<u>22,394</u>	<u>(3,510)</u>

TRURO & PENWITH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. 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
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	51,452	-	(1,543)	-	-	49,909
Fixed assets funded from GAG/DfE/ESF A funds	6,640	-	(240)	1,347	-	7,747
DfE/ESFA capital grants unspent	1,188	1,032	-	(1,024)	-	1,196
ESFA Specific Capital Grants	964	-	(29)	-	-	935
DFC unspent	190	194	-	(256)	-	128
LA unspent capital grants	45	939	-	(961)	-	23
Sport England Capital grants	3	-	-	-	-	3
Other capital grants and donations	1,497	308	(87)	1,146	-	2,864
Big Lottery funded assets	9	-	-	-	-	9
	<u>61,988</u>	<u>2,473</u>	<u>(1,899)</u>	<u>252</u>	<u>-</u>	<u>62,814</u>
TOTAL RESTRICTED FUNDS	<u>39,763</u>	<u>39,084</u>	<u>(42,123)</u>	<u>186</u>	<u>22,394</u>	<u>59,304</u>
TOTAL FUNDS	<u><u>43,845</u></u>	<u><u>42,018</u></u>	<u><u>(44,409)</u></u>	<u><u>-</u></u>	<u><u>22,394</u></u>	<u><u>63,848</u></u>

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

18. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by Academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Alverton Primary School	216	247
Berrycoombe School	(91)	31
Blackwater Community Primary School	88	77
Bodriggy Academy	323	328
Cape Cornwall School	(332)	33
Cardinham School	153	136
Chacewater Community Primary School	102	83
Gulval Primary School	109	111
Hayle Academy	561	511
Kehelland Village School	167	135
Kennall Vale School	113	129
Lanivet Community Primary School	60	98
Liskeard Hillfort Primary School	(76)	101
Mithian School	121	116
Mousehole Community Primary School	90	89
Nancledra School	95	100
Newlyn School	19	90
Pendeen School	70	144
Pensans Primary School	(87)	(145)
Perranporth Community Primary School	147	124
Roche Community Primary School	306	352
Sennen Community Primary School	7	36
St Dennis Primary Academy	151	178
St Erth Community Primary School	49	54
St Ives School	(143)	(74)
St Just Primary School	27	41
Threemilestone School	346	382
Tywardreath Primary School	245	263
Trewirgie Primary School	309	494
Cape Cornwall School Improvement Grant	-	22
CODE Maths Hub	15	33
Central Services	1,002	343
Perranporth new school	17	22
Landewednack Community Primary School	69	-
Helston Community College	996	-
Mullion Primary School	28	-
Mullion Secondary School	199	-
Nanpean Community Primary School	141	-

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

18. STATEMENT OF FUNDS (CONTINUED)

	2023 £000	2022 £000
STEM	28	-
Total before fixed asset funds and pension reserve	5,640	4,684
Restricted fixed asset fund	98,055	62,814
Pension reserve	(1,332)	(3,650)
TOTAL	102,363	63,848

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

	Deficit £000
Pensans Primary School	(87)
St Ives School	(143)
Liskeard Hillfort Primary School	(76)
Cape Cornwall School	(332)
Berrycoombe School	(91)

Pensans Primary School is carrying a reduced net deficit of £87k (2022: £145k) this is mainly due to a significant reduction in pupil numbers in recent years. There is an Interim Board in place which is closely managing the budgetary position. The school will be opening an LA funded ARB in the new year.

St Ives School is carrying a deficit of £143k (2022: £74k) as a result of additional staffing. St Ives school has a specific working party in place established to review the budget position and put in place measures for the schools longer term financial sustainability.

Liskeard Hillfort Primary School is carrying a deficit of £76k (2022: £101k surplus). Berrycoombe School is carrying a deficit of £91k (2022: £31k surplus). Both schools have experienced high numbers of staff sickness and increasing numbers of children with additional needs not fully funded through EHCP's. The schools are changing the way in which they manage sickness cover, to reduce costs. They are also increasing challenge to the LA to have more appropriate levels of funding put in place for children with additional needs.

Cape Cornwall is carrying a deficit of £332k (2022: £33k surplus) as a result of being very small secondary school. Numbers have improved but the pupil number predictions are not improving due to local demographics. The housing shortage is having an impact on families being able to live in the area. The school has taken considerable action to improve its presence within the area through increased marketing, ipad deployment to all pupils and received a good ofsted grading. The Trust has also engaged directly with the DFE and ESFA to try and establish a special case for specific funding for this school to ensure its future viability.

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

Action plans will be updated and implemented at the five schools in order to return them to a surplus position. This includes regular monitoring and scrutiny of future forecasts and budgets and monitoring expenditure throughout the year.

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

18. 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 and pension £000	Total 2023 £000
Alverton Primary School	1,386	297	185	324	2,192
Berrycoombe School	985	264	135	242	1,626
Blackwater Community Primary School	406	134	93	149	782
Bodriggy Academy	1,007	288	86	335	1,716
Cape Cornwall School	1,419	366	187	537	2,509
Cardinham School	246	101	57	127	531
Chacewater Community Primary School	624	177	76	236	1,113
Gulval Primary School	706	169	65	208	1,148
Hayle Academy	2,202	559	246	583	3,590
Kehelland Village School	275	115	52	107	549
Kennall Vale School	433	106	56	165	760
Lanivet Community Primary School	544	157	107	172	980
Liskeard Hillfort Primary School	1,377	315	275	341	2,308
Mithian School	358	137	59	124	678
Mousehole Community Primary School	412	112	36	127	687
Nancledra School	392	132	54	116	694
Newlyn School	536	178	46	160	920
Pendeen School	361	149	70	119	699
Pensans Primary School	719	208	137	289	1,353
Perranporth Community Primary School	590	217	57	173	1,037
Roche Community Primary School	815	234	130	199	1,378
Sennen Community Primary School	302	100	50	124	576
St Dennis Primary Academy	753	147	116	255	1,271
St Erth Community Primary School	402	132	35	107	676
St Ives School	2,417	749	390	659	4,215
St Just Primary School	666	148	69	182	1,065

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18. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation and pension £000	Total 2023 £000
Threemilestone School	1,415	282	171	460	2,328
Tywardreath Primary School	950	272	109	241	1,572
Trewirgie Infants School	991	355	108	243	1,697
Central Services	180	1,454	33	895	2,562
CODE Maths Hub	-	-	-	555	555
Perranporth new school	-	-	-	5	5
Landewednack Community Primary School	263	64	39	65	431
Helston Community College	3,765	964	416	399	5,544
Mullion Primary School	361	74	85	97	617
Mullion Secondary School	1,574	389	287	350	2,600
Nanpean Community Primary School	324	85	58	84	551
STEM	-	-	-	42	42
	<u>30,156</u>	<u>9,630</u>	<u>4,175</u>	<u>9,596</u>	<u>53,557</u>

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FOR THE YEAR ENDED 31 AUGUST 2023

18. STATEMENT OF FUNDS (CONTINUED)

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation and pension £000	Total 2022 £000
Alverton Primary School	1,402	155	104	227	1,888
Berrycoombe School	1,009	135	92	224	1,460
Blackwater Community Primary School	451	44	101	145	741
Bodriggy Academy	1,089	178	73	267	1,607
Cape Cornwall School	1,340	337	154	366	2,197
Cardinham School	306	28	26	103	463
Chacewater Community Primary School	695	74	50	209	1,028
Gulval Primary School	674	127	60	162	1,023
Hayle Academy	2,329	359	185	449	3,322
Kehelland Village School	322	41	60	90	513
Kennall Vale School	465	27	62	145	699
Lanivet Community Primary School	670	54	67	151	942
Liskeard Hillfort Primary School	1,437	215	164	272	2,088
Mithian School	418	47	26	121	612
Mousehole Community Primary School	449	55	42	120	666
Nancledra School	433	37	56	87	613
Newlyn School	556	90	44	131	821
Pendeen School	367	60	39	106	572
Pensans Primary School	1,151	160	42	274	1,627
Perranporth Community Primary School	659	112	63	139	973
Roche Community Primary School	821	126	83	120	1,150
Sennen Community Primary School	355	26	39	102	522
St Dennis Primary Academy	793	90	73	209	1,165
St Erth Community Primary School	471	45	29	99	644
St Ives School	2,655	342	229	550	3,776
St Just Primary School	704	84	33	136	957
Threemilestone School	1,346	177	146	374	2,043
Tywardreath Primary School	930	166	82	190	1,368
Trewirgie Primary School	1,027	245	37	187	1,496

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

18. STATEMENT OF FUNDS (CONTINUED)

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation and pension £000	Total 2022 £000
Central Services	176	1,157	46	740	2,119
	<u>25,500</u>	<u>4,793</u>	<u>2,307</u>	<u>6,495</u>	<u>39,095</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. 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	-	-	94,785	94,785
Current assets	9,375	475	3,279	13,129
Creditors due within one year	(3,281)	(928)	(7)	(4,216)
Creditors due in more than one year	-	-	(2)	(2)
Provisions for liabilities and charges	-	(1,332)	-	(1,332)
TOTAL	6,094	(1,785)	98,055	102,364

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	-	-	61,417	61,417
Current assets	7,231	534	1,397	9,162
Creditors due within one year	(2,681)	(394)	-	(3,075)
Creditors due in more than one year	(6)	-	-	(6)
Provisions for liabilities and charges	-	(3,650)	-	(3,650)
TOTAL	4,544	(3,510)	62,814	63,848

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NOTES TO THE FINANCIAL STATEMENTS
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20. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £000	2022 £000
Net income/(expenditure) for the year (as per Statement of Financial Activities)	32,663	(2,391)
ADJUSTMENTS FOR:		
Depreciation	2,526	1,899
Capital grants from DfE and other capital income	(2,981)	(2,473)
Interest receivable	(52)	(2)
Defined benefit pension scheme cost less contributions payable	3,292	3,017
Defined benefit pension scheme finance cost	242	398
Decrease/(increase) in debtors	(118)	39
Increase in creditors	1,137	32
NET CASH PROVIDED BY OPERATING ACTIVITIES	36,709	519

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £000	2022 £000
Bank interest	52	2
Purchase of tangible fixed assets	(35,894)	(2,805)
Capital grants from DfE Group	2,981	2,048
Capital funding received from sponsors and others	-	110
NET CASH USED IN INVESTING ACTIVITIES	(32,861)	(645)

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £000	2022 £000
Cash in hand and at bank	10,705	6,857
TOTAL CASH AND CASH EQUIVALENTS	10,705	6,857

TRURO & PENWITH ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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23. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2023 £000
Cash at bank and in hand	6,857	3,848	-	10,705
Debt due within 1 year	(5)	(2)	-	(7)
Debt due after 1 year	(6)	-	4	(2)
	<u>6,846</u>	<u>3,846</u>	<u>4</u>	<u>10,696</u>

24. CAPITAL COMMITMENTS

	2023 £000	2022 £000
Contracted but not provided for in these financial statements	<u>3,527</u>	<u>997</u>

**TRURO & PENWITH ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

25. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2019.

Contributions amounting to £620,398 were payable to the schemes at 31 August 2023 (2022 - £544,740) and are included within creditors.

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 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 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

The employer's pension costs paid to TPS in the year amounted to £4,367,933 (2022 - £2,642,013).

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>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £2,828,000 (2022 - £2,065,000), of which employer's contributions totalled £2,206,000 (2022 - £1,615,000) and employees' contributions totalled £ 622,000 (2022 - £450,000). The agreed contribution rates for future years are 20.7 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note 31 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

	2023	2022
	%	%
Rate of increase in salaries	3.00	3.05
Discount rate of scheme liabilities	5.20	4.25
Inflation assumption (CPI)	3.00	3.05

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

	2023	2022
	Years	Years
Retiring today		
Males	19.4	21.3
Females	24.1	23.9
Retiring in 20 years		
Males	21.0	22.5
Females	25.1	25.6

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

	2023	2022
	£000	£000
Mortality assumption - 1 year increase	1,452	1,103
Discount rate -0.1%	844	691
Salary rate +0.1%	61	55
CPI rate +0.1%	800	642
	<u>800</u>	<u>642</u>

SHARE OF SCHEME ASSETS

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

	At 31 August 2023	At 31 August 2022
	£000	£000
Equities	19,237	13,404
Corporate bonds	12,592	8,138
Property	2,448	1,915
Cash and other liquid assets	700	479
TOTAL MARKET VALUE OF ASSETS	<u>34,977</u>	<u>23,936</u>

The actual return on scheme assets was £1,084,000 (2022 - £957,000).

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

	2023	2022
	£000	£000
Current service cost	(2,867)	(4,607)
Interest income	1,297	395
Interest cost	(1,539)	(793)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	<u>(3,109)</u>	<u>(5,005)</u>

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NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (CONTINUED)

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

	2023 £000	2022 £000
AT 1 SEPTEMBER	27,585	45,686
Current service cost	2,867	4,632
Interest cost	1,539	793
Employee contributions	622	450
Actuarial losses/(gains)	(6,799)	(23,753)
Benefits paid	(359)	(223)
Transfers in of existing academies joining the Trust	10,854	-
AT 31 AUGUST	36,309	27,585

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

	2023 £000	2022 £000
AT 1 SEPTEMBER	23,935	23,057
Interest income	1,297	395
Actuarial gains	(947)	(1,359)
Employer contributions	2,206	1,615
Employee contributions	622	450
Benefits paid	(359)	(223)
Transfers in of existing academies joining the Trust	8,223	-
AT 31 AUGUST	34,977	23,935

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NOTES TO THE FINANCIAL STATEMENTS
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26. OPERATING LEASE COMMITMENTS

At 31 August 2023 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £000	2022 £000
Not later than 1 year	721	678
Later than 1 year and not later than 5 years	2,312	2,247
Later than 5 years	2,177	2,696
	<u>5,210</u>	<u>5,621</u>

Included above are future minimum lease payments under non-cancellable operating leases relating to the Trust's obligation under Private Finance Initiative (PFI) agreements. The Trust has given due regard to the guidance in the Academies Accounts Direction 2022/23 and FRS 102 and has determined that the schools which have PFI contracts are not required to account for any assets held under service concession arrangements.

Amounts due within 1 year: £493,000
Amounts due between 1 and 5 years: £1,971,000
Amounts due after more than 5 years: £2,036,000

27. MEMBERS' LIABILITY

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

28. GENERAL INFORMATION

Truro & Penwith Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Academy House, Truro Business Park, Threemilestone, Truro, TR4 9LD.

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**NOTES TO THE FINANCIAL STATEMENTS
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29. RELATED PARTY TRANSACTIONS

Owing to the nature of the 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 Trustee 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the year:

Truro and Penwith College - a Corporate Member. Transactions with no profit element totalling £38,789 (2022: £33,549) relating to recharges of costs largely relating to CODE Maths Hub to the Trust and £533,301 (2022: £520,300) relating to income received from the College for CODE Maths Hub took place in the year. £Nil was owed to the College by the Trust at the year end (2022: £Nil) and £408 was owed to the Trust (2022: £Nil). All charges to the Trust from Truro and Penwith College were provided at no more than cost and are supported by a statement of assurance.

The Truro and Penwith College (TPC) has direct grant agreement with the Department for Education (DFE) for the provision of CODE (Cornwall and Devon) Maths Hub. The College (TPC) entered into a Memorandum of Understanding with Truro and Penwith Academy Trust (TPAT) in 2021 to deliver and manage the CODE Maths Hub, including the audit and compliance of the grant fund, on its (TPC) behalf in accordance with the Grant terms and conditions as set out by the DFE.

The agreement between the two organisations (TPC and TPAT) started with effect from the 1st September 2021 and relates to future years until such a time as this agreement is ended.

The College (TPC) and Trust (TPAT) annually agree the Maths Hub finance and arrangements for delivery in accordance and in conjunction with the National Centre for Excellence in the Teaching of Mathematics (NCETM). Each year the College will transfer to TPAT the grant payments it receives in accordance with the DFE Grant schedule for CODE Maths Hub.

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NOTES TO THE FINANCIAL STATEMENTS
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30. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST

Helston Community College

	Value reported by transferring trust £000	Transfer in recognised £000
TANGIBLE FIXED ASSETS		
Freehold property	22,358	22,358
Furniture and equipment	1,972	1,972
Computer equipment	52	52
Motor vehicles	40	40
CURRENT ASSETS		
Net current assets	746	746
PENSIONS		
Pensions - pension scheme liabilities	(1,348)	(1,348)
NET ASSETS	<u>23,820</u>	<u>23,820</u>

Landewednack Community Primary School

	Value reported by transferring trust £000	Transfer in recognised £000
TANGIBLE FIXED ASSETS		
Freehold property	489	489
Furniture and equipment	36	36
Computer equipment	5	5
CURRENT ASSETS		
Net current assets	104	104
PENSIONS		
Pensions - pension scheme liabilities	(90)	(90)
NET ASSETS	<u>544</u>	<u>544</u>

**TRURO & PENWITH ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

30. TRANSFER OF EXISTING ACADEMIES INTO THE TRUST (CONTINUED)

Mullion Community Primary School

	Value reported by transferring trust £000	Transfer in recognised £000
TANGIBLE FIXED ASSETS		
Freehold property	1,279	1,279
Furniture and equipment	123	123
Computer equipment	7	7
CURRENT ASSETS		
Net current assets	67	67
PENSIONS		
Pensions - pension scheme liabilities	(164)	(164)
NET ASSETS	<u>1,312</u>	<u>1,312</u>

Mullion Secondary School

	Value reported by transferring trust £000	Transfer in recognised £000
TANGIBLE FIXED ASSETS		
Freehold property	4,696	4,696
Furniture and equipment	959	959
Computer equipment	41	41
Motor vehicles	17	17
CURRENT ASSETS		
Net current assets	215	215
PENSIONS		
Pensions - pension scheme liabilities	(579)	(579)
NET ASSETS	<u>5,349</u>	<u>5,349</u>

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NOTES TO THE FINANCIAL STATEMENTS
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31. CONVERSION TO AN ACADEMY TRUST

On 1 February 2023 Nanpean Community Primary School converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Truro & Penwith Academy Trust from Cornwall County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
TANGIBLE FIXED ASSETS				
Freehold land and buildings	-	-	1,501	1,501
CURRENT ASSETS				
Cash at bank	164	-	-	164
PENSION LIABILITIES	-	(451)	-	(451)
NET ASSETS/(LIABILITIES)	<u>164</u>	<u>(451)</u>	<u>1,501</u>	<u>1,214</u>