
EQUALS TRUST
(A company limited by guarantee)

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

WEDNESDAY



ACWUAV8N

A8

14/02/2024

#51

COMPANIES HOUSE

EQUALS TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 19
Governance statement	20 - 24
Statement on regularity, propriety and compliance	25
Statement of trustees' responsibilities	26
Independent auditors' report on the financial statements	27 - 30
Independent reporting accountant's report on regularity	31 - 32
Statement of financial activities incorporating income and expenditure account	33
Balance sheet	34
Statement of cash flows	35
Notes to the financial statements	36 - 66

EQUALS TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	S Kingman D Blackman A Demetriou A Beaumont A Devlin
Trustees	P Foale, Chair B Walker P Palmer, CEO and Accounting Officer L Williams, Vice Chair C Keast J Panagamuwa J Hughes B Kent V Hayles P Unsworth R Bines (appointed 4 April 2023)
Company registered number	10279606
Company name	Equals Trust
Principal and registered office	c/o Keyworth Primary and Nursery School Nottingham Road Keyworth Nottingham NG12 5FB
Company secretary	C Cox
Chief executive officer	P Palmer
Senior management team	P Palmer, CEO C Willmsky, CFO P Cresswell, Executive Head Teacher J Cook, Executive Head Teacher L Noble, Head Teacher J Wells, Head Teacher (left 31/08/2023) R Gilbey, Head Teacher (left 14/04/2023) L Jamson, Head Teacher J Dunderdale, Head Teacher L Barbuti, Head Teacher G Kenny, Head Teacher L Toom, Head Teacher K Smith, Head Teacher (joined 01/08/2023) J Evelyn, Head Teacher (joined 15/04/2023)

EQUALS TRUST
(A company limited by guarantee)

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

Independent auditors	Mazars LLP Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Lloyds Banking Group 12-16 Lower Parliament Street Nottingham NG1 3DA
Solicitors	Stone King LLP 1 Aire Stree Leeds LS1 4PR

EQUALS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

Equals Trust ('the Trust') operates twelve primary schools across the boroughs of Rushcliffe and Gedling within Nottinghamshire. It has pupil capacity of 3,480 and had a roll of 3,378 in the Autumn 2023 school census.

Structure, governance and management

a. Constitution

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

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

The Trustees of Equals Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Equals Trust .

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

b. Members' liability

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

c. Trustees' indemnities

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement ('RPA'), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Members, Trustees Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The scheme provides unlimited cover.

d. Method of recruitment and appointment or election of Trustees

The company's Memorandum and Articles are the primary governing documents of the Trust. Members of the Trust are nominated by the Secretary of State for Education.

The Articles of Association allow the members to appoint, by ordinary resolution, up to 10 Trustees. Trustees are appointed by members using a skills-based assessment in order that the Board achieves a balanced skill set that will aid the development of the Trust.

EQUALS TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

The Compliance Manager manages the induction and training for new Trustees and ensures that all Trustees have access to all relevant information in order to adequately fulfil their role.

The Compliance Manager provides reports to LGBs following every Trust Board meeting. Matters referred from LGBs to the Trust Board are presented to Trustees by the Compliance Manager, providing a secure communication channel between layers of governance.

Termly briefings for Headteachers and Chairs of LGBs informs them of their responsibilities for the term.

f. Organisational structure

The management structure consists of four levels: the Members, Trustees and the appointed committees, the senior management of the Trust and Local Governing Bodies. The aim of this structure is to devolve responsibility to those best able to make the appropriate decisions.

The Trustees support the senior management team and the community in the running of each member school, and do not run the Trust on a day-to-day basis. Along with this governance role the trustees are there to set the strategic direction and fulfil their statutory obligations by setting policies and procedures and to be ambassadors for the Trust and its member schools and what they are trying to achieve.

The senior management team, referred to as the Leadership Group, is chaired by the Chief Executive Officer (CEO) and is responsible for the day-to-day operations of Equals Trust. In line with the latest edition of the Academies Financial Handbook, the CEO has delegated financial responsibilities to the Chief Finance Officer (CFO), governance responsibilities to the Compliance Manager and teaching and learning responsibilities to the Leadership Group, which consists of Executive Head Teachers and Head Teachers from each member academy.

Responsibilities and authorities are delegated to the local governing bodies via the Trust's scheme of delegation. The governors of each member academy are primarily responsible for monitoring the performance of their academy, focusing on academy standards and leadership.

EQUALS TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Board of Directors has overall responsibility for pay and remuneration of key management personnel and has developed a Trust wide process to enable local governing bodies to effectively communicate their recommendations and proposals for Head Teachers whilst maintaining a suitable level of rigour and oversight over associated performance targets and reviews. A Pay and Remuneration Committee has been established with delegated responsibilities in relation to Trust wide setting of pay and remuneration of key management personnel.

The Board of Directors appoints all non-teaching members of the leadership group and remuneration is set on appointment. The Board seeks relevant human resource advice where necessary to ensure that remuneration is appropriate and in line with the principles of best value and the latest edition of the Academies Financial Handbook.

The Head Teachers or Executive Head Teacher appoint senior leaders in each member academy, in conjunction with local governing body approval. Remuneration is reviewed annually as part of the Trust's established timetables for performance review and reported to the local governing bodies as necessary.

Head Teachers or Executive Head Teachers have their pay determined under the School Teachers' Pay and Conditions document and related to the Individual Salary Range attached to their school, personal performance, and the requirements of TUPE.

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£000
Total cost of facility time	-
Total pay bill	15,279
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
---	-----

EQUALS TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

i. Related parties and other connected charities and organisations

Each member academy works collaboratively with the local authority, other academy trusts, maintained schools, community organisations and parents to deliver better outcomes of all pupils.

Equals Trust owns 100% of the share capital of Equals Trading Company Ltd. This company was dormant for the year ending 31 August 2023.

j. Engagement with employees (including disabled persons)

The Academy Trust's policy is to consult and discuss with employees, through unions, staff councils and at meetings and conferences, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Academy Trust's performance.

During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Academy Trust continues and that the appropriate training is arranged. It is the Academy Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

The academy trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy trust's equal opportunities policy, the academy trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy trust's offices.

k. Engagement with suppliers, customers and others in a business relationship with the academy trust

Please see Promoting Success section.

EQUALS TRUST
(A company limited by guarantee)

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

Objectives and activities

a. Objects and aims

Equals Trust is a primary phase multi-academy trust based on the principle of equality, founded with the aim of allowing member schools to maintain their ethos and unique identities within a tight local network, with strong mutual accountability, shared support services and a strong collaborative approach to staff development and school improvement

We work collaboratively together with a clear purpose and direction, where:

- teaching and learning are at the centre of all we do;
- *children enjoy, and are engaged in, a curriculum that challenges and excites them;*
- we develop responsible citizens who value diversity;
- we ensure a culture of high expectations amongst all our children;
- children value themselves and each other, developing the self-confidence and resilience to face future challenges; and
- contributions made by all stakeholders are valued.

We work effectively in school partnerships to enhance our provision by:

- extending the learning opportunities and activities for pupils;
- enriching the curriculum through partnership working and shared resources;
- enabling the greater sharing of excellent teaching and learning;
- enhancing the professional development of teaching and support staff;
- building mutual support and accountability for Head Teachers and Governors; and
- securing cost and resource efficiencies through joint commissioning.

What makes Equals Trust distinctive?

- *Equals is equal, created by Head Teachers.*
- The right balance on the continuum between autonomy and control.
- Support and development without control; for example, a Reserves policy and an Asset Management Plan that recognises individual school need.
- EQT is proactive and not reactive, by developing positive relationships, good practice and good communication; for example, month end finance meetings, well-being strategy, open and honest school improvement, IT scheme.
- Schools are still called Primaries and remain distinctive to their communities.
- All schools have chosen to join Equals Trust.
- As a Leadership Group, Head Teachers shape the strategic development of Equals Trust, they are part of the governance.
- The emphasis is on collaborative working; there is a 1% budget for teaching and learning.

Quotes from Head Teachers

- 'What it isn't is what makes it attractive.'
- 'Schools can get on with being schools and Head Teachers can get on with being Head Teachers, but with a great level of support.'
- 'We live and work by the same values and so we have ownership of the trust we believe in what we do.'

During the year ending 31 August 2023 the principal activity of the charitable company was the operation of 12 primary phase academies across the Rushcliffe and Gedling of Nottinghamshire. In operating these academies, the charitable company entered into a series of funding agreements with the Secretary of State for Education. The agreements specify, amongst other things, the basis for admitting students to the academies, the

EQUALS TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

catchment areas from which the students are drawn and that the curriculum should develop the substance of the national curriculum.

b. Objectives, strategies and activities

Equals Trust has achieved the aim of its second phase of growth, which included a steady expansion to 12 schools or 3,300 pupils, whilst maintaining the Trust ethos, vision and values. Equals Trust has grown in a planned and manageable way to maximise economies of scales, efficiencies in working practices, local collaboration, and access to funding that enhances the high standards of education of pupils currently within the Trust.

Our Trust model has been proven successful and represents a significant opportunity for like-minded schools to share in the benefit of our genuinely collaborative approach. This model gives us a genuine USP within the local area.

Equals Trust has a strategy for further growth which includes building capacity in the Executive Team. The Trust is already regarded as strong and effective but growth would build a stronger platform to deliver innovative and successful developments in education to the benefit of children in our schools. To ensure the future security of the Trust we should ensure that management structures are sufficient to support any growth, especially in educational standards, finances and that governance procedures continue to allow clarity at Board level to allow Directors to fulfil their responsibilities.

With 12 schools we are in a strong position and have a good capacity in the central team to expand further. The next stage of growth is a very important one and we need to make the most of all opportunities open to us. Equals Trust believes it has a responsibility to share the good practice it is developing beyond the existing Trust schools and to further increase the provision and opportunities for the children in our care. The Trust is open to all opportunities presented to it and will consider the benefits they offer.

To accommodate further expansion, the Trust has implemented new strategies for finance, estates and technologies which enables Equals Trust to grow effectively. To support further expansion, Equals Trust has applied for Trust Capacity Funding (TCaF). The organisation of the management and leadership structures, including the Leadership Group and governance, also ensure the ongoing integrity of the Trust.

c. Public benefit

The objects of Equals Trust are to advance for the public benefit in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carry on, managing and developing schools offering a broad and balanced curriculum or education. Equals Trust will promote for the benefit of such inhabitants or the areas in which the academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need for such facilities by reason of their youth, age, infirmity of disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants. The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefits, "Charities and Public Benefit".

EQUALS TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

d. Employees and disabled persons

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all main areas of the Trust estate where possible. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making resources available and through training and continuing professional development. The Trust has inherited a large estate from the Local Authority with significant legacy issues in some areas, as such accessibility will form a crucial part of the Trust's own strategic estate management plan.

Strategic report

Achievements and performance

The Trust provided education for 3,380 primary school aged children in Nottinghamshire and the quality of education provided by Trust schools was sustained over the year. This was reflected in inspection judgements from Ofsted:

Cropwell Bishop Primary School – Inspected November 2022 – Good in all areas

Flintham Primary School – Inspected December 2022 – Good in all areas

Tollerton Primary School – Inspected February 2023 – Good in all areas apart for EYFS, which was rated outstanding

Collaboration and stakeholder engagement is at the centre of the Trust, supporting sustained development over time, while maintaining the unique identity of each school.

Attainment and Progress

The information below is for academic year 2022/23 and the results are those from the end of this academic year. It must be noted at the stage of publication of this document the results are provisional and unvalidated ones (both national and EQT schools) as they are all that is available. As per DfE and OFSTED guidance these figures must be viewed knowing the COVID impact has not been the same in all schools. Nonetheless we are pleased with the outcomes attained by our schools in 2022/23. For a number of schools (and specific measures on average trust-wide) the attainment and progress values were markedly higher than they were in 2019 even though nationally there had been a decline when comparing data from the two periods.

The performance of all schools in each individual assessment was reviewed by the EQT Trust Board (in July 2023) and used to prioritise support and focus the spending of the trust-wide 1% School Improvement pot.

EQUALS TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

2023	EYFS GLD	Yr1 Phonics	Yr2 Phonics	KS1 R EXS+	KS1 W EXS+	KS1 M EXS+	KS1 R HS	KS1 W HS	KS1 M HS
National	67%	76%	89%	67%	58%	69%	18%	8%	15%
Abbey Road	68%	93%	93%	83%	65%	82%	25%	10%	27%
Brookside	82%	93%	96%	77%	72%	83%	28%	21%	25%
Burton J	74%	89%	98%	80%	75%	80%	18%	11%	14%
Cropwell B	71%	86%	96%	77%	73%	81%	31%	19%	31%
Crossdale	100%	97%	100%	75%	64%	71%	32%	21%	36%
Flintham	73%	73%	100%	80%	70%	80%	30%	10%	20%
Heymann	70%	84%	98%	74%	72%	85%	14%	9%	19%
Keyworth	58%	92%	100%	53%	58%	73%	27%	8%	27%
Richard B	64%	87%	95%	60%	52%	63%	20%	7%	22%
Tollerton	76%	87%	90%	80%	67%	80%	57%	20%	43%
Willow Farm	73%	87%	97%	77%	67%	80%	30%	10%	27%

2023	KS2 RWM EXS+	KS2 R EXS+	KS2 W EXS +	KS2 M EXS+	KS2 GPS EXS +	KS2 R HS	KS2 W HS	KS2 M HS	KS2 GPS HS	R Prog- ress	W Prog- ress	M Prog- ress
National	59%	73%	71%	73%	72%	28%	13%	23%	29%	0	0	0
Abbey Road	75%	88%	75%	86%	88%	56%	25%	44%	56%	3.3	-0.3	2.3
Brookside	90%	100%	90%	100%	100%	60%	27%	63%	73%	4.2	1.8	4.6
Burton J	75%	83%	77%	94%	79%	33%	25%	33%	42%	1.5	1.4	1.7
Cropwell	63%	77%	77%	73%	70%	20%	30%	23%	23%	-1.2	1.5	-2.5
Crossdale	70%	79%	79%	88%	91%	39%	9%	46%	49%	2.3	0.8	4.1
Flintham	58%	67%	67%	83%	50%	25%	17%	25%	17%	-1.8	-1.6	-0.7
Heymann	84%	91%	88%	88%	88%	46%	32%	43%	54%	2.8	3.1	2.8
Keyworth	53%	63%	73%	70%	70%	27%	10%	33%	23%	-2	-0.8	-4.1
Richard B	51%	69%	72%	66%	74%	18%	15%	15%	28%	-2.3	-0.9	-2.3
RM Junior	65%	73%	82%	82%	71%	23%	24%	27%	26%	-1.4	0.8	-0.1
Tollerton	80%	87%	83%	83%	80%	30%	30%	30%	43%	-2	0.4	-2
Willow Farm	56%	81%	69%	69%	66%	34%	19%	19%	31%	1.7	-2.7	-0.3

EQUALS TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

School Improvement

The Trust's School Improvement Lead continued to deliver a curriculum development programme of CPD for the Headteachers and curriculum leaders of all Trust schools. Key areas of the programme included:

- Training from the Head of the Kyra Research School with a focus on the Education Endowment Fund's research and strategies that support cognitive approaches to teaching.
- Trust-wide CPD for subject leaders has enabling a subject specific approach to curriculum development and design across Trust schools
- Individual work with subject leaders at each school as part of the annual School Improvement Visits programme

A number of trust-wide Subject Teaching and Learning practitioners were appointed and the impact of their work has meant this strand of our SI strategy will extend further in 2023/24. Additionally the recruitment of two part-time Teaching and Learning Leads will increase capacity to support schools.

Governance

Local Governing Bodies have reported their monitoring to the Trust Board using a consistent format across ten broad areas. A calendar of monitoring and reporting enables the Trust Board to gain an overview of trends and exceptions in standards across schools.

LGBs have consistent clerking and half of all their meetings are attended by the Compliance Manager, who provides a secure communication and reporting channel to the Trust Board. The membership of the Trust Board has remained consistent this year, with all Trustees appointed for their skills and expertise.

HR Department

HR has continued to work hard to support Head Teachers and staff with a wide range of initiatives, case work, advice, support and guidance that the ever-changing education and legal landscape brings.

The Trust made two key leadership appointments this year with new Head Teachers at Robert Miles Junior School and Tollerton Primary School after a rigorous recruitment and selection process. Both Head Teachers have made a positive impact in their own schools as well as contributing to the Trust leadership group.

Wellbeing remains high on our agenda and the Trust Wellbeing Strategy is on track. We continue to provide resources, guidance and practical support to our staff to aid their wellbeing. We have provided mindfulness sessions, access to occupational health, counselling sessions and wide range of other support through our employee assistance programme. The wellbeing Trust group continues to meet regularly and push forward the wellbeing agenda.

The Trust employed eight early career teachers in September 2022 and worked with them through our Trust ECT development programme of CPD and support, the first year of which focussed on their wellbeing. As they move forward to year 2 of our programme, we continue to provide bespoke support and CPD opportunities tailored to them and their career stage. The ECT programme continues in to the second year and third year to ensure a great foundation for our early career and recently qualified teachers.

The HR Department continues to help Trust schools to work within our policies and procedures to ensure we do things right first time. The HR service supports our schools to achieve what they want to achieve whilst staying within the law, policy and operating with best practice in mind. HR combines strategic visioning and the

EQUALS TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

operational, day to day queries and support with casework. Our work has been aided by the introduction of our new HR Management Information System which gives us access to information which will greatly support our work and enable us to provide benchmarking data and KPI information to the Board HR Department.

a. Key performance indicators

During the 2022/23 year three of our schools received an Ofsted inspection and number of our schools are expecting an Ofsted inspection in the 2023/24 year.

OFSTED visited Cropwell Bishop Primary School in November 2022, Flintham Primary School in December 2022 and Tollerton Primary School in February 2023 – we are really proud of what they said about our schools, and especially our children! The comments below in italics have been taken directly from the reports:

- *Pupils are happy and enjoy attending this school. Parents, carers, pupils and staff say that the school is warm and welcoming. Staff ensure that the needs of pupils always come first. The pupils reflect the school's values of 'pride, perseverance, kindness and respect'. The caring culture of the school helps pupils to feel safe. (Cropwell Bishop Primary School)*
- *Pupils are proud to attend Flintham Primary School. They agree that it is a great place to learn. They like their teachers and say they make their lessons interesting. They appreciate the large, pleasant outdoor space they have to play in. (Flintham Primary School)*
- *This is an ambitious school. Leaders have high expectations for all to succeed, especially the most disadvantaged and those pupils with special educational needs and/or disabilities (SEND). Senior leaders have a clear vision for the school. Driving all the school does are its values: 'take care, respect, kindness, perseverance, and aspiration'. When explaining the importance of these values, one pupil said, 'They make sure our teachers and friends always help us to keep going, to make sure we try, to make us even better.' (Tollerton Primary School).*

b. Going concern

After making appropriate enquires, the Board of Trustees has 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.

Trustees continue to assess the levels of funding available and the predictions of pupil numbers in future years against the expected rise in costs. The 3-year budget forecast shows an increase in income and costs over this time but a balanced budget overall. Trust revenue reserves decreased in 2022/23 and are not expected to decrease further, with a stable and balanced budget the Trust will need to identify potential savings to add to reserves following the decrease.

Trustees are expecting two schools to join the Trust in 2023/24. Following in-depth financial due diligence Trustees expect both schools to join the Trust with healthy budgets and revenue reserves.

c. Promoting the success of the company

Under section 172(1)(a) to (f) of the Companies Act 2006, the Trustees have acted in the way which they consider, in good faith, promotes the success of the Academy Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and

EQUALS TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

Our educational business relationships and community

With a highly committed and dedicated workforce, the Academy Trust takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Academy Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Academy Trust's overall activities and educational performance.

As an educational focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Trustees' report above provide full details of the impact of our activities and our achievements for the year.

With respect to suppliers, the Academy Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

The Academy Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO2 emissions throughout its buildings, facilities and operations.

Our stakeholders

In addition to our pupils, parents, suppliers and wider local community, the Trustees also recognise the importance of their relationship with the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), as principal funders, regulators and stakeholders. The Trustees are committed to the effective engagement with the DfE and the ESFA (and their representatives) and recognise that its success depends on the Trustees and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Academy Trust's funding agreement and the Academies Financial Handbook.

Our people

The Academy Trust's key asset is its people. It employs over 500 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Academy Trust encourages the involvement of all employees in decision making processes that impact on them directly and further details on our engagement with our people is detailed in the "Engagement with Employees (including Disabled Persons)" section of the Trustees' report above.

Our members

The Trustees are committed and openly engaged with our Members through regular and effective dialogue with them, including an Annual General Meeting. The Members are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

Maintaining a reputation for high standards

The Academy Trust has been in existence for seven years, and is committed to continual improvement, which it

EQUALS TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The Academy Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers.

The information in the "Achievements and Performance" section of the Trustees' report above provide full details of our achievements during the year and the standards of educational performance we have achieved for all our stakeholders.

Financial review

Review of activities

The majority of the Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the period ended 31 August 2023 and the associated expenditure are shown as restricted funding in the statement of financial activities.

During the year, the Trust received total funding of £20,746k compared to total resources expended of £20,607k to give a surplus for the year of £139k. The movement on the Trusts general reserves in the year, which excludes depreciation and FRS102 pension adjustments, was a deficit of £61k. This deficit was after a transfer from unrestricted general funds to capital funds of £215k.

The Trust has £44,403k of accumulated reserves carried forward, of which £1,043k were general reserves (comprising restricted income funds of £190k and unrestricted income funds of £853k).

The local government pension scheme, of which the Trust's non teaching staff are entitled to membership, remains in deficit of £748k.

Key financial policies in place for the year cover procurement of goods and services, tendering, gifts and hospitality, expenses and fraud procedures all of which are detailed in the Equals Trust Financial Policies and Procedures. The implementation of Trust wide policies and procedures are review internally by Trust staff and externally by the appointed auditors.

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

a. Reserves policy

The finance strategy has focussed the schools on their responsibilities to each other and the Trust. Monthly management account meetings support the setting and running of balanced operational budgets that are aimed at developing a surplus. These add to the accumulated Trust reserves and are considered to support all schools. This includes schools who have intermediate pressures on their budgets. Recovery and Sustainability Plans as part of the School Overview reporting, ensures that health and safety and standards in schools are supported, but any deficits are recovered and plans made that ensure a schools financial viability. All school schools Estates and IT are being planned for centrally to take further pressure off the school finances.

The Trust has passed the threshold to move to SCA capital funding after previously having to submit

EQUALS TRUST
(A company limited by guarantee)

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

applications for CIF bids. The Trust manages its capital programme with the support of property consultants AMR. Following previous success with CIF bids the capital funding received is sufficient to manage and maintain our buildings and schools are no longer required to contribute revenue funding towards projects.

The Trust's 'free' reserves are its funds after excluding restricted funds. 'Reserves' are therefore the resources the Trust has or can make available to spend for any or all of its purposes once it has met its commitments and covered all levels of planned expenditure. More specifically 'free reserves' represent income to the Trust that is to be spent at the discretion of the Trustees in furtherance of the Trust's objectives but which is not yet spent, committed or designated.

The Trustees review the level of Trust reserves as well as those held by each member academy on an annual basis. Additionally, reserves are reviewed against the Investment and Reserves Policy on at least an annual basis. The Trustees have determined that the appropriate level of free reserves should provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

The level of funds at the period end, excluding the restricted fixed asset fund; endowment funds and the pension reserve, amounted to £1,043k. The Trustees consider an appropriate level of restricted general reserves to be between 5% and 10% of annual revenue funding.

The Trust is currently holding reserves in excess of 5% to support school budget shortfalls due to rising costs. Reserves will be available to cover any deficits while a savings plan is prepared to ensure reserves continue to be healthy in future years.

b. Investment policy

The Trust aims to manage its cash balances to provide for the day-to-day working capital requirements for its operations. The main purpose of the Trust's investment policy is to ensure there is no risk of loss in the capital value of any funds invested.

c. Principal risks and uncertainties

The Trust has carried out an extensive risk assessment based on the Education, Skills and Funding Agency model and a detailed risk register is continually reviewed and updated.

We have identified that we need to remain focussed on our reputation within the local community to ensure the sustainability of all member schools within the Trust and future growth of the Trust. In line with our vision and values, we strive to ensure that education remains at the forefront of all decision making.

Future funding levels are unknown beyond 2024/25 and there is uncertainty regarding overall school funding across the country in the longer term. Additionally, the increased costs due to pay awards and inflation are not covered by the known funding increases over the next two years, a number of our schools are funded at the Minimum Per Pupil level within the National Funding Formula and this will not be increasing by as much as the formula core factors in September 2024, placing further pressure on some of our school budgets. The Trust considers that its current reserves policy will support our schools in the short term and enable longer term financial plans to be implemented. Our schools have done well to set a balanced budget over the medium term and we will continue to closely monitor our income and expenditure to identify any possible savings.

Failure to comply with statutory health and safety legislation remains a significant risk following conversion and as such the Trust's strategic plan includes the development of a comprehensive estates management strategy to address the inherited legacy issues around land, buildings and infrastructure. The Trust retains external advisors to ensure appropriate steps are being taken to mitigate the risk of non compliance and specialist advice is sought when necessary.

EQUALS TRUST
(A company limited by guarantee)

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

The Leadership Group is sufficiently experienced and is supported by the Board of Directors, who were appointed on a skills based assessment and hold a wealth of professional knowledge. The planned growth of the Trust may highlight areas where more specific expertise is required and the Trust is committed to proactively addressing this risk. Additionally the scheme of delegation is reviewed annually to ensure it remains 'fit for purpose' with the delegation of responsibilities and authorities allowing schools to retain an appropriate level of autonomy within a robust quality assurance framework.

Fundraising

The Academy Trust raises funds for specific projects that will enhance the learning experience and environment for existing and future students, where funds cannot be accessed via existing channels such as government education funding. Fundraising is primarily undertaken by staff or parents, no professional fundraisers or commercial participators work with the Trust currently. Fundraising is undertaken in line with the Fundraising Regulator's Code of Fundraising Practice and is monitored by the central finance function of the Trust. The Academy Trust is mindful of the requirement to protect the public, particularly vulnerable people, from unreasonably intrusive or persistent fundraising approaches or undue pressure to donate. No complaints have been received in respect of fundraising activities, the general complaints policy of the Trust would be applicable if so.

EQUALS TRUST
(A company limited by guarantee)

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

Streamlined energy and carbon reporting

The academy trust's greenhouse gas emissions and energy consumption are as follows:

	2023	2022
Energy consumption used to calculate emissions (kWh)	1,930,624	2,152,964
Energy consumption breakdown (kWh):		
Gas	1,132,146	1,367,209
Electricity	798,478	785,755
Wood pellets (tonnes)	61	93
Scope 1 emissions (in tonnes of CO2 equivalent):		
Gas consumption	204	246
Wood pellets	3	5
Total scope 1	<u>207</u>	<u>251</u>
Scope 2 emissions (in tonnes of CO2 equivalent):		
Purchased electricity	<u>165</u>	<u>152</u>
Scope 3 emissions (in tonnes of CO2 equivalent):		
Business travel in employee-owned or rental vehicles	<u>2</u>	<u>7</u>
Total gross emissions (in tonnes of CO2 equivalent):	<u>374</u>	<u>410</u>
Intensity ratio:		
Tonnes of CO2 equivalent per pupil	<u>0.11</u>	<u>0.12</u>

The academy trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency

With the increase in energy prices we have seen a significant reduction in use of heating across our schools. During the 2022/23 financial year we completed our final CIF projects for the replacement and upgrading of a school roof and a heating distribution system. Our first SCA projects in summer 2022 included modernisation of heating systems, school cladding and windows which will all improve energy efficiency. 2022/23 also saw the one-off Schools Additional Capital Grant a majority of our schools completed smaller scale projects to further improve their energy efficiency such upgrading to LED lighting or install modern water heaters. Our programme of capital works will continue to include energy efficiency improvements across our schools.

EQUALS TRUST
(A company limited by guarantee)

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

Plans for future periods

Equals Trust is based on the principal of equality with the aim of allowing member schools to maintain their ethos and unique identities within a tight local network, with strong mutual accountability, share support services and a strong collaborative approach to staff development and school improvement.

Equals Trust has 12 member schools and has achieved its original strategic milestone for growth. To enable further expansion the current review must ensure that the four current structures of governance, finance, education and estates enable this process to be supported.

With the further emphasis on growth, the Trust has developed its original expansion criteria to address the changes to national guidelines and strategy and the need for the Trust to develop financial resilience and provide capacity to further improve educational outcomes.

Equals Trust believes it has a responsibility to share the good practice it is developing beyond the existing Trust schools and to further increase the provision and opportunities for the children in our care. The Trust is open to all opportunities presented to it and will consider the benefits they offer, including sponsoring schools and opening Free Schools to support local pupil placement.

The Academy Trust strives to continually improve levels of attainment for all pupils, equipping them with the qualifications, skills and character to follow their chosen pathway, whether it is into further and higher education or employment, as well as promoting the continued professional development of its staff.

The Trustees have worked with the Equals Trust Leadership Group, comprising representatives from all member schools and executive team, to establish strategic aims for Equals Trust and its members. The Trust will focus on developing a sustainable financial strategy while implementing a manageable strategy for growth and embedding clear lines of communication and sufficiently delegated authorities.

Member schools will continue to embed the vision and values on which the Trust is established whilst celebrating achievements, encouraging personal development and delivering high standards of welfare for students and staff. A clear workforce strategy, which promotes common employment practices, aided by clear leadership and governance structures and associated quality assurance will ensure that the Trust maintains high standards in teaching and learning across all member schools.

A number of other schools have indicated an interest in joining Equals Trust during the past year and we expect to grow further over the coming years. Equals Trust continues to attract enquiries from other schools locally who are exploring potential Academy conversion.

Funds held as custodian on behalf of others

The Trust holds cash balances on behalf of Rushcliffe School Behaviour and Attendance Partnership. The organisation exists to improve the educational provision in Rushcliffe communities and so is aligned to the objectives of the Trust.

Any balances unspent at the year end are shown as monies owed to the respective organisations.

EQUALS TRUST
(A company limited by guarantee)

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

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

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

Peter Foale
Peter Foale (Dec 12, 2023 15:53 GMT)

P Foale
Chair of Trustees

Date: Dec 12, 2023

EQUALS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Equals 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
P Foale, Chair	4	6
B Walker	5	6
P Palmer, CEO and Accounting Officer	6	6
L Williams, Vice Chair	5	6
C Keast	2	6
J Panagamuwa	6	6
J Hughes	3	6
B Kent, Chair of Finance & Audit Committee	5	6
V Hayles	4	6
P Unsworth	5	6
R Bines (appointed 04/04/2023)	2	2

The Board of Trustees has overall responsibility for the administration of the Trust finances. The primary responsibilities of the Board of Trustees are prescribed in the funding agreement between the Trust and the DfE and in the Trust's Scheme of Delegation, and include but are not limited to the following;

- a) Ensuring that grant income from the DfE is used only for intended purposes;
- b) Ensuring that funds from sponsors are received in accordance with the funding agreement and are used only for intended purposes;
- c) Approval of the annual budget;
- d) Appointment of the Chief Executive Officer and Accounting Officer.

The Trust has reviewed the finance and governance arrangements against the external audit report as well as 'The 9 Characteristics of a Successful Multi Academy Trusts', which seeks to establish a working definition that categorises the development of each characteristic against found possible stages of maturity; beginning, developing, embedding and leading.

The Board of Trustees reviewed the Trust's governance structure during the year to evaluate its impact and effectiveness. The Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust. Conflicts

EQUALS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

of interest Academy trusts must describe the processes they have in place to manage conflicts of interest, including for example (but not limited to) maintaining an up-to-date and complete register of interests, and how the information on this register is used in the day-to-day management and governance of the academy trust. Where relevant, they must also explain how the academy trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates.

The Finance and Audit Committee is a sub-committee of the Board of Trustees. The main responsibilities of the Finance and Audit committee include, but are not limited to the following;

- a) Initial review and authorisation of the annual budgets;
- b) Regular monitoring of actual income and expenditure against budgets;
- c) Ensuring annual accounts are produced in accordance with the requirements of the Companies Act, the Charities SORP and the latest edition of the Annual Accounts Direction from the DfE;
- d) Authorising orders, purchases, payments and contracts as designated in the scheme of delegation.
- e) Authorising changes to Trust personnel and
- f) Reviewing the reports of the internal assurance services and external audit on the effectiveness of the financial procedures and controls.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
B Kent, (Chair of Finance & Audit Committee)	4	4
I Walker	3	4
P Palmer, (CEO & Accounting Officer)	4	4
P Foale	3	4
J Panagamuwa	4	4
C Keast	1	4

The Pay and Remuneration Committee is a sub-committee of the Board of Trustees. The main responsibilities of the Pay and Remuneration Committee include, but are not limited to the following;

- a) Prepare, review and submit for recommendation an appraisal policy;
- b) Prepare, review and submit for recommendation a pay policy;
- c) Select an external adviser to advise the committee undertaking the performance management of senior staff;
- d) Support the CEO with the annual report to the Board of Trustees on appraisal arrangements and outcomes;
- e) To moderate pay decisions across the Trust's academies;
- f) To determine the outcome of the executive team's appraisal as proposed by the CEO;
- g) To determine and manage the appraisal process of the CEO;
- h) To deal with any other matter relating to pay, appraisal and employment as may be referred to by the Trust Board.

The Pay and Remuneration Committee ensure the monitoring of appraisal standards for the CEO, Head Teachers and Executive Team. Consistency of approach is determined by a rigorous analysis of the targets set and the process followed, ensuring that high standards are set, while individuals are not disadvantaged by factors outside of their control.

The committee have determined that there is no excessive pay for the staff members analysed and the Trust is proud of its Gender Pay Gap report.

EQUALS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Foale, (Chair of Pay & Remuneration Committee)	2	2
P Palmer, (CEO & Accounting Officer)	2	2
B Kent	1	2
I Walker	2	2
J Panagamuwa	2	2

The Standards Committee is a sub-committee of the Board of Trustees. The Standard Committee monitor the progress, attainment and absence data across all schools in the Trust. The monitoring of school improvement and development of staff through clearly planned CPD and bespoke programmes developed by the School Improvement Lead are analysed and assessed against the data drawn from standardised tests, teacher assessment and senior leadership and governor monitoring.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
V Hayles	4	4
C Keast	3	4
P Palmer, (CEO & Accounting Officer)	4	4
P Unsworth	4	4
W Williams (Chair of Standards Committee)	4	4

Review of value for money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that Equals 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 ensuring estates safety management is achieved in return for the taxpayer resources received.

The accounting officer considers how Equals Trust 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 Equals Trust has delivered improved value for money during the year by:

- Improving educational outcomes by targeted investment in curriculum areas
- Implementing a lean philosophy that is designed to avoid waste across all levels of the Trust.
- Implementing a 5-year strategic procurement plan, which will ensure all services and contracts are appraised and negotiated.
- Delivering economies of scale through shared and centralised procurement.
- Working in partnership with the Local Authority, professionals and local schools to share staffing expertise and create a sustainable model for continuing professional development.
- Reviewing staffing levels and structures across the Trust to ensure efficient deployment to support an improved curriculum and enrichment activities.
- Receiving regular monitoring reports from the external and internal audit process.
- Obtaining funding for capital projects across the Trust to improve the estates and deliver long-term energy cost savings.
- In particular, accounting officers should consider demonstrating how they have effectively used relevant funding to ensure the trust's estate is safe, well-maintained, and complies with regulations.

EQUALS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

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 the Academy Trust's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal control has been in place in Equals Trust for the period from 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 Equals 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 Equals Trust's significant risks that 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. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has decided to employ TIAA Ltd as internal auditor.

This option has been chosen because TIAA Ltd are a specialised provider of internal audit services, ensuring the scrutiny function is fully independent, objective and provided by suitably qualified and experienced staff.

The board of Trustees has appointed TIAA Ltd as internal auditors for the 2022/23 year. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Safeguarding
- GDPR
- IT Disaster Recovery
- Procurement
- Follow-up of last year's recommendations

EQUALS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

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

The audits delivered the schedule of work planned and identified improvements to existing procedures and controls and updates to policies. No significant areas of concern have been noted and recommendations will be implemented.

Review of effectiveness

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

- the work of the internal auditor;
- the financial management and governance self-assessment process;
- the review of existing procedures by the Chief Finance Officer
- the work of the external auditors;
- 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 and risk 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 and signed on their behalf by:

Peter Foale
Peter Foale (Dec 12, 2023 15:53 GMT)

P Foale
Chair of Trustees

Date: Dec 12, 2023

Philip Palmer
Philip Palmer (Dec 12, 2023 15:50 GMT)

P Palmer
CEO and Accounting Officer

EQUALS TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Philip Palmer
Philip Palmer [Dec 12, 2023 15:50 GMT]

P Palmer
CEO and Accounting Officer

Date: Dec 12, 2023

EQUALS TRUST
(A company limited by guarantee)

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

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

Company law requires the Trustees to prepare financial statements for each financial 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

Peter Foale
Peter Foale (Dec 12, 2023 15:53 GMT)

P Foale
Chair of Trustees

Date: Dec 12, 2023

EQUALS TRUST
(A company limited by guarantee)

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

Opinion

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

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

EQUALS TRUST
(A company limited by guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities set out on page 25, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy trust's ability to

EQUALS TRUST
(A company limited by guarantee)

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

continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. our

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

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

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

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion subject to your revenue recognition significant fraud risk) and significant one-off or unusual transactions.

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

- Making enquiries of the trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;

EQUALS TRUST
(A company limited by guarantee)

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


- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

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

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

Use of our report

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


David Hoose (Dec 13, 2023 07:44 GMT)

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

Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Date: Dec 13, 2023

EQUALS TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 12 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Equals 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 Equals Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Equals 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 Equals Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Equals Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Equals Trust's funding agreement with the Secretary of State for Education dated 14 July 2016 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 academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:


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

EQUALS TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO EQUALS 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.


Mazars LLP (Dec 13, 2023 07:46 GMT)
Reporting Accountant
Mazars LLP

Date: Dec 13, 2023

EQUALS TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income and endowments from:						
	3					
Donations and capital grants		135	-	1,430	1,565	1,238
Transfer from local authority on conversion		-	-	-	-	(1,488)
Other trading activities	5	467	-	-	467	432
Charitable activities: Funding for the academy trust's educational operations	4	653	18,061	-	18,714	17,554
Total income		1,255	18,061	1,430	20,746	17,736
Expenditure on:						
Raising funds	6	166	-	-	166	161
Charitable activities: Academy trust educational operations	7	729	18,539	1,173	20,441	20,131
Total expenditure		895	18,539	1,173	20,607	20,292
Net income/(expenditure)		360	(478)	257	139	(2,556)
Transfers between funds	16	(215)	-	215	-	-
Net movement in funds before other recognised gains		145	(478)	472	139	(2,556)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	24	-	1,075	-	1,075	11,377
Net movement in funds		145	597	472	1,214	8,821
Reconciliation of funds:						
Total funds brought forward		708	(1,155)	43,636	43,189	34,368
Total funds carried forward		853	(558)	44,108	44,403	43,189

EQUALS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10279606

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	43,596	43,081
		<u>43,596</u>	<u>43,081</u>
Current assets			
Debtors	14	628	727
Cash at bank and in hand		3,277	3,325
		<u>3,905</u>	<u>4,052</u>
Creditors: amounts falling due within one year	15	(2,350)	(2,392)
Net current assets		1,555	1,660
Total assets less current liabilities		<u>45,151</u>	<u>44,741</u>
Net assets excluding pension liability		45,151	44,741
Defined benefit pension scheme liability	24	(748)	(1,552)
Total net assets		<u><u>44,403</u></u>	<u><u>43,189</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	16	44,108	43,636
Restricted income funds	16	190	397
Pension reserve	16	(748)	(1,552)
Total restricted funds		<u>43,550</u>	42,481
Unrestricted income funds	16	853	708
Total funds		<u><u>44,403</u></u>	<u><u>43,189</u></u>

The financial statements on pages 33 to 66 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Peter Foale
Peter Foale (Dec 12, 2023 15:53 GMT)

P Foale
Chair of Trustees
Date: Dec 12, 2023

EQUALS 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	18	165	1,095
Cash flows from investing activities	20	(211)	(491)
Cash flows from financing activities	19	(3)	(3)
Change in cash and cash equivalents in the year		(49)	601
Cash and cash equivalents at the beginning of the year		3,326	2,724
Cash and cash equivalents at the end of the year	21, 22	<u>3,277</u>	<u>3,325</u>

The notes on pages 36 to 66 form part of these financial statements

EQUALS 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), judgments and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the 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 academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

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

- **Grants**

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

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

EQUALS 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)

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the academy 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 academy 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.

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

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

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

EQUALS TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Taxation

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

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

1.6 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 basis:

Leasehold property	-	2% 50 years
Furniture and fixtures	-	10% 10 years
Computer equipment	-	33% 3 years
Motor vehicles	-	25% 4 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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 Investments

The Trust's shareholding in the wholly owned subsidiary, Equals Trading Company Ltd, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

EQUALS TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 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 academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.13 Operating leases

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

EQUALS TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 Pensions

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

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

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

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

1.15 Fund accounting

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

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

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

EQUALS TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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 judgment:

Accounting for Brookside Bungalow lease:

Capital works have taken place on a former caretaker's bungalow at Brookside Primary School in order to provide additional learning and teaching capacity. Despite an agreement by Nottingham County Council to lease the bungalow to the Trust, the long term lease is yet to be signed by the Local Authority and the Trust. The Trust has accounted for the land and buildings on its Balance Sheet at the year end as the Trust has stated it has the risk and rewards of the building and therefore has accounted for the asset and subsequent capital works. The Trust confirmed the long term lease is in the process of being finalised.

EQUALS TRUST
(A company limited by guarantee)

**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	Total funds 2022 £000
Donations	135	-	-	135	92
Capital Grants	-	-	1,335	1,335	1,146
Donated assets	-	-	95	95	-
Transferred on conversion	-	-	-	-	(1,489)
Total 2023	135	-	1,430	1,565	(251)
<i>Total 2022</i>	<i>84</i>	<i>67</i>	<i>(402)</i>	<i>(251)</i>	

EQUALS TRUST
(A company limited by guarantee)

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

4. Funding for the academy trust's charitable activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	14,582	14,582	13,952
Other DfE/ESFA grants				
Pupil Premium	-	599	599	556
Universal Infant Free School Meals	-	475	475	513
Sports Premium	-	222	222	221
Teachers Pay and Pension	-	26	26	21
Supplementary grant	-	403	403	168
Others DfE/ESFA grants	-	390	390	184
	-	16,697	16,697	15,615
Other Government grants				
Local authority grants	-	1,092	1,092	1,007
Special educational projects	-	84	84	87
	-	1,176	1,176	1,094
Other income from educational operations	-	188	188	167
Other Income	653	-	653	678
	653	188	841	845
Total 2023	653	18,061	18,714	17,554
Total 2022	677	16,877	17,554	

EQUALS TRUST
(A company limited by guarantee)

**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	<i>Total funds 2022 £000</i>
Hire of facilities	121	121	100
Income from other charitable activities	314	314	305
Income from ancillary trading activities	32	32	27
	<u>467</u>	<u>467</u>	<u>432</u>
<i>Total 2022</i>	<u>432</u>	<u>432</u>	

6. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	<i>Total 2022 £000</i>
Expenditure on raising funds:					
Allocated support costs	157	-	9	166	161
Academy's educational operations:					
Direct costs	12,582	-	1,059	13,641	12,827
Allocated support costs	2,539	1,154	3,107	6,800	7,304
	<u>15,278</u>	<u>1,154</u>	<u>4,175</u>	<u>20,607</u>	<u>20,292</u>
<i>Total 2022</i>	<u>15,431</u>	<u>1,006</u>	<u>3,855</u>	<u>20,292</u>	

EQUALS TRUST
(A company limited by guarantee)

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

7. Charitable Activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Direct and Support costs	13,641	6,800	20,441	20,131
<i>Total 2022</i>	<i>12,827</i>	<i>7,304</i>	<i>20,131</i>	

Analysis of support costs

	Educational operations 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Staff costs	2,539	2,539	3,510
Technology costs	101	101	92
Premises costs	1,154	1,154	1,006
Governance costs	129	129	95
Depreciation	1,126	1,126	997
Other Support Costs	1,751	1,751	1,604
	6,800	6,800	7,304
<i>Total 2022</i>	<i>7,304</i>	<i>7,304</i>	

EQUALS TRUST
(A company limited by guarantee)

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

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£000	£000
Operating lease rentals	39	47
Depreciation of tangible fixed assets	1,173	997
Fees paid to auditors for:		
- audit	32	27
- other services	3	3
	<u>3</u>	<u>3</u>

EQUALS TRUST
(A company limited by guarantee)

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

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	11,182	10,519
Social security costs	1,071	1,001
Pension costs	2,781	3,727
	<u>15,034</u>	<u>15,247</u>
Agency staff costs	207	178
Staff restructuring costs	37	5
	<u>15,278</u>	<u>15,430</u>

Staff restructuring costs comprise:

	2023 £000	2022 £000
Severance payments - statutory	25	-
Severance payments - non-statutory	12	5
	<u>37</u>	<u>5</u>

b. Severance payments

The academy trust paid 1 severance payments in the year (2022 - 1), disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	<u>1</u>	<u>1</u>

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £12,277 (2022: £5,000).

EQUALS TRUST
(A company limited by guarantee)

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

9. Staff (continued)

d. Staff numbers

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

	2023 No.	2022 No.
Teachers	186	182
Administration and support	296	295
Management	11	12
	<u>493</u>	<u>489</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	150	145
Administration and support	167	166
Management	11	12
	<u>328</u>	<u>323</u>

e. 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	3	3
In the band £70,001 - £80,000	6	6
In the band £80,001 - £90,000	-	2
In the band £90,001 - £100,000	2	-
	<u>2</u>	<u>-</u>

f. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,185k (2022 - £1,125k).

EQUALS TRUST
(A company limited by guarantee)

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

10. Central services

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

- Financial Services and Payroll
- Human Resources
- Legal Services
- Governance and clerking services
- School Improvement Services
- ICT Replacement Programme

The academy trust charges for these services on the following basis:

Flat percentage of General Annual Grant (GAG) income at 6.2% (5.75% in 2021/22).

The 6.2% charge to schools is split into three separate budgets:

- 4% for Central Services,
- 1% for School Improvement projects, led by the Leadership Group (Headteachers of all academies in the Trust),
- 1.2% for the ICT Replacement Programme (Expanded in 2022/23 to include classroom devices for pupils).

The ICT Replacement Programme was expanded in September 2022 to include pupil devices. To fund this increased provision we have had to increase the schools' contributions from 0.75% to 1.2%. The ICT Replacement Programme no covers servers, network equipment, electronic whiteboards, staff devices and pupil devices.

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
Heymann	169	148
Burton Joyce	81	72
Cropwell	49	44
Tollerton	52	45
Robert Miles	68	60
Keyworth	45	37
Crossdale	52	47
Willow Farm	56	51
Flintham	28	25
Richard Bonington	111	101
Brookside	80	69
Abbey Road	113	103
Total	904	802

EQUALS TRUST
(A company limited by guarantee)

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

11. Trustees' remuneration and expenses

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

		2023	2022
		£000	£000
P Palmer, CEO and Accounting Officer	Remuneration	90 - 95	85 - 90
	Pension contributions paid	20 - 25	20 - 25

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

12. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides unlimited cover on any one claim and the cost for the year ended 31 August 2023 was £72,261 (2022 - £64,001). The cost of this insurance is included in the total insurance cost.

EQUALS TRUST
(A company limited by guarantee)

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

13. Tangible fixed assets

	Long-term leasehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
Cost or valuation				
At 1 September 2022	47,626	164	414	48,204
Additions	1,405	52	184	1,641
At 31 August 2023	49,031	216	598	49,845
Depreciation				
At 1 September 2022	4,767	58	298	5,123
Charge for the year	981	20	126	1,127
At 31 August 2023	5,748	78	424	6,250
Net book value				
At 31 August 2023	43,283	138	174	43,595
At 31 August 2022	42,859	106	116	43,081

14. Debtors

	2023 £000	2022 £000
Due within one year		
Trade debtors	35	91
Other debtors	18	18
Prepayments and accrued income	379	400
VAT recoverable	196	218
	628	727

EQUALS TRUST
(A company limited by guarantee)

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

15. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Other loans	1	4
Trade creditors	397	663
Other taxation and social security	295	264
Other creditors	378	343
Accruals and deferred income	1,279	1,118
	<u>2,350</u>	<u>2,392</u>
	2023	2022
	£000	£000
Deferred income at 1 September 2022	419	419
Resources deferred during the year	(419)	(419)
Amounts released from previous periods	480	419
	<u>480</u>	<u>419</u>

Deferred income relates to £285k (2022 - £266k) of UIFSM, £180k (2022 - £153k) of other LA grants and £15k (2022 - £nil) National Tutoring Programme clawback.

EQUALS TRUST
(A company limited by guarantee)

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

16. 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						
Unrestricted funds	708	1,255	(895)	(215)	-	853
Restricted general funds						
General Annual Grant (GAG)	397	14,581	(14,788)	-	-	190
Other income	-	1,365	(1,365)	-	-	-
Pupil Premium	-	599	(599)	-	-	-
Universal Infant Free School Meals	-	475	(475)	-	-	-
Sports Premium	-	222	(222)	-	-	-
Teachers pay and pension	-	26	(26)	-	-	-
Supplementary grant	-	403	(403)	-	-	-
Other DfE/ESFA grants	-	390	(390)	-	-	-
Pension reserve	(1,552)	-	(271)	-	1,075	(748)
	<u>(1,155)</u>	<u>18,061</u>	<u>(18,539)</u>	<u>-</u>	<u>1,075</u>	<u>(558)</u>
Restricted fixed asset funds						
Transfer on conversion	35,671	-	(985)	-	-	34,686
DfE/ESFA capital grants	7,653	1,430	(182)	-	-	8,901
Capital expenditure from GAG	312	-	(6)	215	-	521

EQUALS TRUST
(A company limited by guarantee)

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

16. 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
	43,636	1,430	(1,173)	215	-	44,108
Total Restricted funds	42,481	19,491	(19,712)	215	1,075	43,550
Total funds	43,189	20,746	(20,607)	-	1,075	44,403

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

The pension reserve of £748k (overdrawn) represents the Academy Trust's share of the deficit in the Nottinghamshire pension funds.

The unrestricted fund of £388k represents the surplus generated by the Academy Trust on activities for generating funds. The transfer from unrestricted reserves to the fixed asset reserve in the year of £215k was to part fund capital expenditure (including the ICT Replacement Programme).

Restricted Fixed Asset Funds relate predominantly to the assets acquired on conversion to an academy trust, being properties.

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

EQUALS TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2022 £000</i>
Unrestricted funds						
General Funds - all funds	548	1,194	(916)	(118)	-	708
Restricted general funds						
General Annual Grant (GAG)	327	13,952	(13,882)	-	-	397
Other DfE/ESFA grants	-	352	(352)	-	-	-
Other income	-	1,330	(1,330)	-	-	-
Pupil Premium	-	556	(556)	-	-	-
Universal Infant Free School Meals	-	513	(513)	-	-	-
Sports Premium	-	220	(220)	-	-	-
Teachers pay and pension	-	21	(21)	-	-	-
Covid catch up premium	108	-	(108)	-	-	-
Pension reserve	(11,532)	-	(1,397)	-	11,377	(1,552)
	<u>(11,097)</u>	<u>16,944</u>	<u>(18,379)</u>	<u>-</u>	<u>11,377</u>	<u>(1,155)</u>
Restricted fixed asset funds						
Transfer on conversion	37,151	(1,480)	(820)	-	-	34,851
DfE/ESFA capital grants	7,572	1,078	(173)	-	-	8,477

EQUALS TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

	<i>Balance at 1 September 2021 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Gains/ (Losses) £000</i>	<i>Balance at 31 August 2022 £000</i>
Capital expenditure from GAG	194	-	(4)	118	-	308
	<u>44,917</u>	<u>(402)</u>	<u>(997)</u>	<u>118</u>	<u>-</u>	<u>43,636</u>
Total Restricted funds	<u>33,820</u>	<u>16,542</u>	<u>(19,376)</u>	<u>118</u>	<u>11,377</u>	<u>42,481</u>
Total funds	<u><u>34,368</u></u>	<u><u>17,736</u></u>	<u><u>(20,292)</u></u>	<u><u>-</u></u>	<u><u>11,377</u></u>	<u><u>43,189</u></u>

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Burton Joyce	148	148
Cropwell Bishop	(280)	(174)
Crossdale	54	2
Heymann	322	382
Keyworth	62	6
Robert Miles	187	160
Tollerton	106	102
Flintham	(84)	(29)
Willow Farm	11	7
Richard Bonington	36	4
Brookside	195	137
Abbey Road	453	437
Central services	(167)	(77)
	<u>1,043</u>	<u>1,105</u>
Total before fixed asset funds and pension reserve	1,043	1,105
Restricted fixed asset fund	44,108	43,636
Pension reserve	(748)	(1,552)
Total	<u><u>44,403</u></u>	<u><u>43,189</u></u>

EQUALS TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

Schools in deficit

The Trust had two schools in deficit as at 31 August 2023 and there was a deficit on the provision of central services.

Cropwell Bishop Primary School had a significant drop in pupil numbers several years ago and this has now fully reversed following the building of a new housing development within the school's catchment area. The school has set a balanced budget for 2023/24, pupil numbers are continuing to increase and any opportunities for further savings will be carefully assessed. The school is currently expected to return to a healthy in-year surplus in future years.

Flintham Primary School has had a steady drop in pupil numbers over several years. A nearby nursery has recently closed, and the school has seen a significant increase in pupils attending its nursery. We are also advertising the school more widely due to its proximity to transport links, over time this should lead to more pupils on roll at the school. The school's forecast for future years includes a conservative estimate of increased pupil numbers and we are expecting a return to an in-year surplus from 2024/25 onwards.

Central Services is forecast to return to an in-year surplus from 2023/24 onwards. The Trust is expanding over the next two years and the Central Services budget has incurred some additional growth and due diligence costs in 2022/23. A TCaF bid for 2023/24 has recently been approved and growth plans remain on track.

EQUALS TRUST
(A company limited by guarantee)

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

16. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Burton Joyce	1,028	136	87	295	1,546	1,447
Cropwell Bishop	702	102	79	183	1,066	951
Crossdale	637	87	67	184	975	921
Heymann	2,428	564	131	483	3,606	3,453
Keyworth	692	127	40	146	1,005	925
Robert Miles	883	170	85	179	1,317	1,260
Tollerton	679	114	75	149	1,017	904
Flintham	393	59	32	110	594	554
Willow Farm	754	127	75	157	1,113	1,065
Richard Bonington	1,691	234	94	268	2,287	2,189
Brookside	1,048	138	95	211	1,492	1,316
Abbey Road	1,504	213	144	378	2,239	2,098
Central services	143	626	55	353	1,177	2,212
Academy trust	12,582	2,697	1,059	3,096	19,434	19,295

EQUALS TRUST
(A company limited by guarantee)

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

17. Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	43,596	43,596
Current assets	853	2,540	512	3,905
Creditors due within one year	-	(2,350)	-	(2,350)
Provisions for liabilities and charges	-	(748)	-	(748)
Total	853	(558)	44,108	44,403

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

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	43,081	43,081
Current assets	708	2,789	555	4,052
Creditors due within one year	-	(2,392)	-	(2,392)
Provisions for liabilities and charges	-	(1,552)	-	(1,552)
Total	708	(1,155)	43,636	43,189

EQUALS TRUST
(A company limited by guarantee)

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

18. 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)	139	(2,556)
Adjustments for:		
Depreciation charges	1,126	997
Capital grants from DfE and other capital income	(1,335)	(1,145)
Defined benefit pension scheme cost less contributions payable	223	1,207
Defined benefit pension scheme finance cost	48	190
Decrease in debtors	99	639
(Decrease)/increase in creditors	(40)	283
Donated assets	(95)	1,480
Net cash provided by operating activities	165	1,095

19. Cash flows from financing activities

	2023 £000	2022 £000
Repayments of borrowing	(3)	(3)
Net cash used in financing activities	(3)	(3)

20. Cash flows from investing activities

	2023 £000	2022 £000
Purchase of tangible fixed assets	(1,546)	(1,637)
Capital grants from DfE Group	1,335	1,146
Net cash used in investing activities	(211)	(491)

EQUALS TRUST
(A company limited by guarantee)

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

21. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand and at bank	3,277	3,325
Total cash and cash equivalents	3,277	3,325

22. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	3,325	(48)	3,277
Debt due within 1 year	(4)	3	(1)
	3,321	(45)	3,276

23. Capital commitments

	2023	2022
	£000	£000
Contracted for but not provided in these financial statements	98	238

24. Pension commitments

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

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

Contributions amounting to £178,037 were payable to the schemes at 31 August 2023 (2022 - £124,570) and are included within creditors.

EQUALS TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,669,803 (2022 - £1,550,339).

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

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

EQUALS TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,081,000 (2022 - £963,000), of which employer's contributions totalled £842,000 (2022 - £751,000) and employees' contributions totalled £239,000 (2022 - £212,000). The agreed contribution rates for future years are 20.8% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.85	3.90
Rate of increase for pensions in payment/inflation	2.85	2.90
Discount rate for scheme liabilities	5.30	4.25

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

	2023 Years	2022 Years
<i>Retiring today</i>		
Males	20.4	21.7
Females	23.2	24.4
<i>Retiring in 20 years</i>		
Males	21.7	23
Females	24.6	25.8

EQUALS TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	256	310
Discount rate -0.1%	(263)	(318)
Mortality assumption - 1 year increase	(309)	(308)
Mortality assumption - 1 year decrease	302	300
CPI rate +0.1%	(248)	(287)
CPI rate -0.1%	240	279
Salary increase +0.1%	(22)	(36)
Salary increase -0.1%	22	35

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	6,981	5,809
Gilts	220	233
Corporate bonds	625	685
Property	1,312	1,436
Cash and other liquid assets	689	566
Inflation linked	549	517
Infrastructure	883	664
Total market value of assets	11,259	9,910

The actual return on scheme assets was £792,800 (2022 - £786,000).

The amounts recognised in the Statement of financial activities are as follows:

	2023 £000	2022 £000
Current service cost	(1,063)	(1,954)
Interest income	442	162
Interest cost	(490)	(352)
Administrative expenses	(5)	(4)
Total amount recognised in the Statement of financial activities	(1,116)	(2,148)

EQUALS TRUST
(A company limited by guarantee)

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

24. Pension commitments (continued)

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

	2023 £000	2022 £000
At 1 September	11,462	20,656
Current service cost	1,063	1,954
Interest cost	490	352
Employee contributions	240	212
Actuarial gains	(1,165)	(11,600)
Benefits paid	(83)	(112)
At 31 August	12,007	11,462

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

	2023 £000	2022 £000
At 1 September	9,910	9,124
Interest income	442	162
Actuarial losses	(90)	(223)
Employer contributions	845	751
Employee contributions	240	212
Benefits paid	(83)	(112)
Administration expenses	(5)	(4)
At 31 August	11,259	9,910

25. Members' liability

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

EQUALS TRUST
(A company limited by guarantee)

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

26. Related party transactions

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

The academy trust employed Mrs C Palmer, close family member of Mr P Palmer (Trustee, CEO and Accounting Officer of Equals Trust). She received remuneration commensurate with that of other employees holding the same position in the academy trust and Mr P Palmer did not partake in the decision-making process regarding their remuneration or performance management.

Mrs K Foale is a close family member of Mr P Foale (Chair and Trustee and of Equals Trust) and is an elected member of Nottinghamshire County Council. Equals Trust receive grant fundings from Nottinghamshire County Council as disclosed in note 4. In addition, Nottinghamshire County Council provide payroll, cleaning, and other support services to Equals Trust on normal commercial terms.

27. Post balance sheet events

The Academy trust has signed a Commercial Transfer Agreement for Netherfield Primary School who joined the trust on 1st December 2023. The school are expecting a balanced budget for the coming financial year with income and expenditure balancing at £2.8m. The school will be joining with healthy reserves of approximately £160,000.