

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2023**

**KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**



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## Reference and Administrative Details

Year ended 31 August 2023

**Members**

Ms Kathryn Cooper  
 Ms Suzanna Hobart  
 Mr Cosmo Lush  
 Mr John McIntosh  
 Mr Toby Young

**Trust Directors (Trustees)**

Ms Suzanna Hobart\* (Chair)  
 Mr Cosmo Lush  
 Mr Alexander Conabeare\*  
 Ms Kathryn Cooper

**\*Members of the Finance and Operations Committee**

Ms Jane Emmett  
 Mr Nick Gibb (appointed 13 July 2022, resigned 27 October 2022)  
 Ms Penny Hunt  
 Mr Ian Hunter\*  
 Mr Oliver Knight  
 Ms Laura McGaughey\*  
 Mr William Rollason  
 Ms Beverley Trotman (appointed 15 December 2022)  
 Mr Andrew Brown (appointed 15 December 2022)

**Company Secretary**

Ms Anne Wickham

**Company Name & registration number**

Knowledge Schools Trust (the Trust) - 07493696

**Principal address & registered Office**

Cambridge Grove, Hammersmith, London, W6 0LB

**Principal places of operation**

West London Free School  
 Palingswick House, 241 King Street, London W6 9LP  
 Franklin House, 2 Bridge Avenue, London W6 9JP

West London Free School Primary and Earl's Court Free School Primary  
 Cambridge Grove, London W6 0LB

Kensington Primary Academy  
 205 Warwick Road, London W14 8PU

Edlesborough Primary Academy  
 High Street, Edlesborough  
 Dunstable  
 Bedfordshire LU6 2HS

Doverly Academy  
 Heath Road  
 Leighton Buzzard  
 Bedfordshire  
 LU7 3AG

KST Enterprises Limited  
 5-6 Kings Cloisters  
 London W6 0GY

## Reference and Administrative Details

Year ended 31 August 2023

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**Trust Senior Management Team:**

Chief Executive Officer (Accounting Officer)	Mr Ian Hunter
Chief Finance Officer	Ms Anne Wickham
Operations Director	Mr Stewart Keiller

**WLFS Local Governing Body**

Mr William Rollason \* (Chair)

Ms Nicola Arnold \*

Ms Kathryn Cooper

*\*Members of the Finance and General Purposes*

Ms Marian Doyle (appointed 2 November 2022)

Ms Gilat Levy

Ms Chloe Mawson (appointed 21 September 2022)

Ms Ruby Polatin

Ms Kim Stringer

Ms Lulu Szego

Ms Nadia Touzani

**Joint Headteachers of WLFS**

Mr Ben McLaughlin

Mr Robert Peal

**WLFS Primary, ECFS Primary and KPA Local Governing Body**

Mr Alexander Conabeare\*

Ms Emma Madden

Ms Jane Emmett

Mr Duncan Fergusson (appointed 27 September 2022)

Ms Olivia Gautier

Mr Rikdeep Lit

Ms Dee Purdy\*

Ms Antonia Ridley (appointed 27 September 2022)

Mr Dominic Shales (appointed 27 September 2022)

Ms Lily Staff (appointed 15 September 2022)

Ms Emma Wakefield-Gray (resigned 21 September 2022)

**Edlesborough Primary Academy Local Governing Body**

Mr Andrew Brown\* - Chair (appointed 11 November 2022)  
 Ms Beverley Trotman\* - Chair (resigned 11 November 2022)  
 Mr Roger Cumming (appointed 22 November 2022)  
 Mr Ian Haynes (appointed 22 November 2022)  
 Mr Kevin Higgs (resigned 21 October 2022)  
 Ms Kara March\* (resigned 22 November 2022)

**Doverly Academy Local Governing Body**

Mr Ian Haynes - Chair (appointed 17 October 2022)  
 Mr Andrew Brown (appointed 17 October 2022)  
 Ms Amelia Darley (appointed 17 October 2022)  
 Ms Rebecca Ellaway (appointed 17 October 2022)  
 Ms Caroline Emerton (appointed 17 October 2022)

\*Members of the Finance and General Purposes Committee

**Director of Primary Education**

Laura Lund

**Independent Auditor**

MHA  
 2 London Wall Place  
 London  
 EC2Y 5AU

**Bankers**

Lloyds Bank  
 25 Gresham Street  
 London  
 EC2V 7HN

**Solicitors**

Browne Jacobson  
 6 Bevis Marks  
 London  
 EC3A 7BA

**Trustees' Report****Year ended 31 August 2023**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year from 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.

Knowledge Schools Trust is an independent charitable trust set up to provide children attending its schools with a knowledge rich education, regardless of background or ability. The Trust currently has six schools:

- the West London Free School (WLFS), a secondary school with a sixth form, which opened in 2011. On 31 August 2023, the end of its twelfth year of operation, WLFS had 904 pupils on roll of which 258 pupils were in the Sixth Form;
- the West London Free School Primary (WLFS Primary), which opened in 2013. On 31 August 2023, the end of its ninth year of operation, WLFS Primary had 421 pupils on roll;
- the Earl's Court Free School Primary (ECFS Primary), which opened in September 2014. On 31 August 2023, the end of its eighth year of operation, ECFS Primary had 209 pupils on roll;
- Kensington Primary Academy (KPA), which opened in September 2016. At 31 August 2023, the end of its sixth year of operation, KPA had 233 pupils on roll, of which 25 pupils were in nursery.
- Edlesborough Primary Academy (EPA), which joined Knowledge Schools Trust on 1 November 2020. At 31 August 2023, EPA had 206 pupils on roll, of which 27 pupils were in nursery.
- Doverly Academy (DA), which was transferred from Central Bedfordshire Council to Knowledge Schools Trust on 1 September 2022. At 31 August 2023, DA had 131 pupils on roll. DA has pupils in Reception to Year 4.

**West London Free School**

The school is a publicly funded school and is non-selective. There are 130 Year 7 places available at the school each year. We offer up to 12 places for children with musical aptitude and, in accordance with the School Admissions Code, priority is given to children with education, health and care plans and children who were or are looked after. We want to ensure that the school serves local families and, after we have allocated places to music scholars and statemented children, priority is given to children from a disadvantaged background, followed then by siblings, and feeder pupils from West London Free School Primary and Earl's Court Free School Primary any remaining places are offered by lottery within a two-mile radius of the school. In-year admissions are managed via straight-line distance from the front gate of the school. The admission arrangements of West London Free School fully comply with the 2014 School Admissions Code. The school is open to anyone and is non-selective. The full admissions code and oversubscription criteria are set out in the admissions policy published on the school website.

**West London Free School Primary, Earl's Court Free School Primary and Kensington Primary Academy**

The primary schools' welcome applications from across the local communities and are non-selective. We prioritise 20% of places for disadvantaged children (30% from 1 September 2024) and, in accordance with the School Admissions Code, priority is given to children with education, health and care plans and children who were or are looked after. In the event of oversubscription places are allocated according to straight-line distance from the relevant school gate. The full admissions code and oversubscription criteria are set out in the admissions policy published on the school website.

**Edlesborough Primary Academy and Doverly Academy**

Edlesborough Primary Academy and Doverly Academy welcomes applications from across the local communities and is non-selective. In accordance with the School Admissions Code, priority is given to children with education, health and care plans and children who were or are looked after. In the event of oversubscription places are allocated according to straight-line distance from the relevant school gate. The full admissions code and oversubscription criteria are set out in the admissions policy published on the school's website.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

Knowledge Schools Trust is a non-registered exempt UK Charity and a company limited by guarantee, incorporated on 14 January 2011, with the company registration number 07493696. The primary governing documents of the charity are its Memorandum and Articles of Association dated 18 April 2013, when the Trust adopted new Articles of Association as part of the process of changing from a single academy trust to a multi-academy trust.

The Directors of the Trust act as the Trustees for the charitable activities of the Trust and are also the Trustees of the charitable company, known as Knowledge Schools Trust, for the purposes of company law.

### **Members' Liabilities**

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, will be for the debts and liabilities contracted before they ceased to be a Member.

### **Trustees' Indemnities**

There are no qualifying indemnity provisions in force for the benefit of one or more directors of the company.

### **Method of Recruitment and Appointment or Election of Trustees**

Details of the Trustees who served during the year are included in the Reference and Administrative section of this document, commencing on page 2.

As specified in Trust's Articles of Association, the Members may nominate and appoint up to 12 Trustees. New Trustees may also be appointed by a majority vote of the existing Trustees. Potential Trustees are assessed with regard to the needs of the Trust and the particular skills and experience that they offer. Consequently, the Trustees represent a balance of private sector and public sector experience, including both primary and secondary school expertise.

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

Policies and procedures relating to the induction and training of Trustees are reviewed annually and updated in light of best practice guidance issued by the Trust's regulators. Induction for new Trustees includes visits to the schools in the Trust, meetings with the headteachers and the existing Trustees, as well as meetings and discussions with the Trust's Officers.

## Organisational Structure

Year ended 31 August 2023

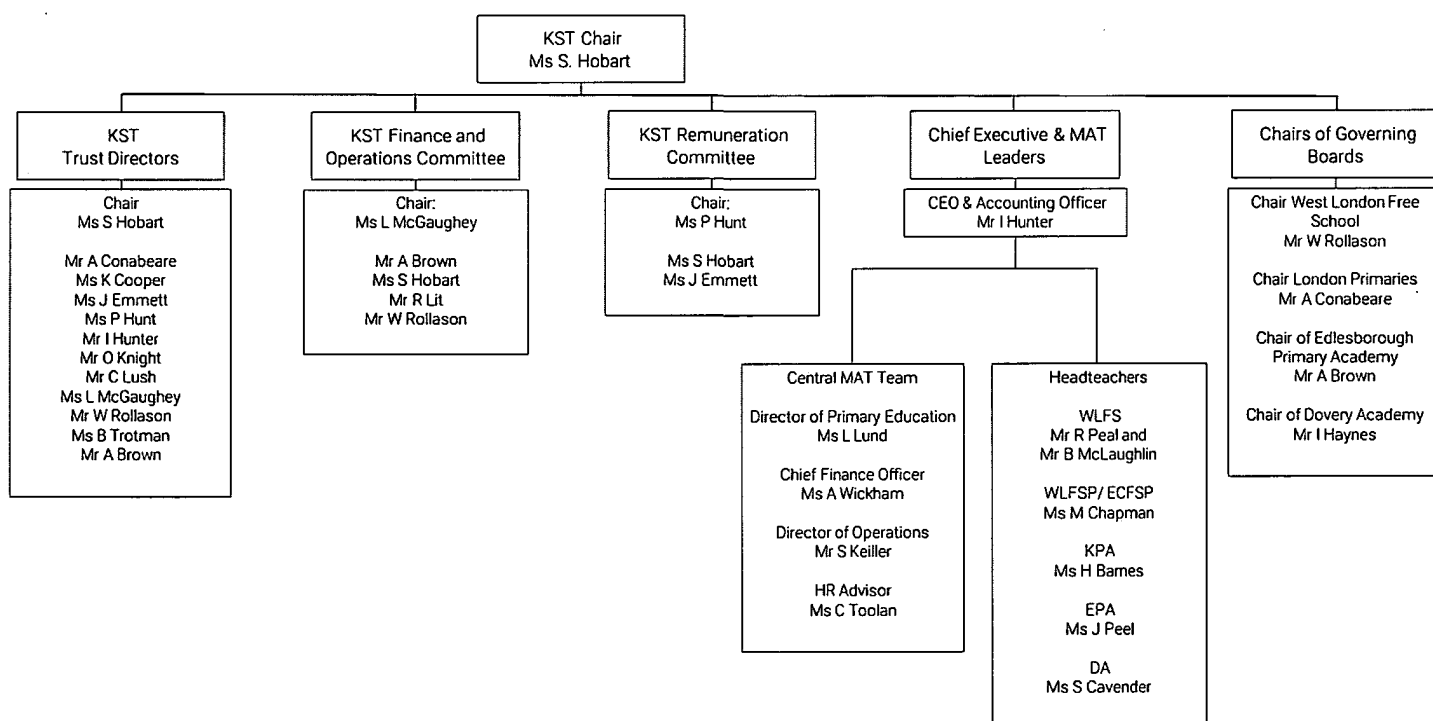
## Organisational Structure

Since becoming a multi-academy trust, the organisation has established a scheme of delegation that delineates the roles and responsibilities of the Board of Trustees, the Local Governing Bodies (LGBs) and the head teachers of the schools within the Trust. The Chief Executive of Knowledge Schools Trust is the Accounting Officer.

The Trust has enshrined its scheme of delegation in a Terms of Reference document that describes how responsibilities are distributed between the Board, the LGBs and the head teachers in the following areas: Governance/Management, Education, Employment/Human Resources, Budgets, Sites/Facilities/ICT, Admissions/Exclusions and Marketing/Communications.

The diagram below shows the organisational structure of Knowledge Schools Trust as at 31 August 2023.

## Knowledge Schools Trust Organisational Structure





**Trustees' Report Continued****Year ended 31 August 2023**

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**Arrangements for setting the remuneration of key management and staff**

The key management personnel of the Trust responsible for directing and controlling the Trust are the Trustees and the Senior Executive Management Team. Trustees are not remunerated for their services as Directors of the Trust, but the Senior Executive Management Team are.

There is a Remuneration Committee consisting of three Trustees that meets at least yearly to agree the remuneration of key management personnel (including the head teachers) in line with market rates and the achievement of performance objectives.

**Trade union facility time**

The Academy Trust does not have any staff who were relevant union officials during the year and no trade union expenses were incurred.

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

Knowledge Schools Foundation Trust (KSFT), a company that raises money for Knowledge Schools Trust, is a registered charity with the registered company number 07292254. Related party transactions involving Trustees are set out in notes 10 and 29 to the financial statements.

On 16 May 2019, the Trust incorporated a wholly owned subsidiary called KST Enterprises, a private company limited by shares. The company number is 12000639. Its registered office is Cambridge Grove, London W6 0LB. The subsidiary trades in primary knowledge curriculum materials, and associated training and consultancy, to other schools and multi academy trusts. The primary knowledge curriculum materials include curriculum maps, subject and unit rationale documents explaining curriculum progression and content, lesson plans, knowledge organisers and assessment materials for history, geography, art and science. They also include synthetic phonics materials sold under the label of Essential Letters and Sounds. Training courses on the implementation of the materials are offered to schools, either on a face-to-face basis or online. Schools are also able to purchase one-to-one consultancy services. KST Enterprises also employs staff who provide wrap-around and holiday care for pupils and manages the letting of our buildings to external hirers.

**Engagement with suppliers, pupils and others in a business relationship with the Trust**

The Trust has a Purchasing policy which is published on its website. This sets out the way the organisation engages with suppliers.

Our intent is to foster productive working relationships which benefit both the Trust and its schools, and our suppliers. Our aim is to be supplied with the goods and services we need at the best value, through suppliers being offered fair and transparent ways to bid and provide goods and services to us. We aim to pay suppliers on a timely basis.

The Trust recognises that attracting and retaining pupils is fundamental to the success and ongoing viability of our schools. The Board therefore monitors issues impacting on the recruitment of pupils, including the reputation of the Trust, Ofsted performance and the academic and extracurricular opportunities we can offer to our pupils.

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

The Trust's aims are to advance education in the United Kingdom for the public benefit by establishing, maintaining, managing and developing schools offering a classical liberal knowledge-based education.

**Objectives, Strategies and Activities**

The Trust's objectives are to offer a knowledge rich education to all pupils regardless of background or ability; to ensure the Trust remains in financial surplus; to maintain budgetary discipline; to attract and retain the best staff possible and to ensure

**Trustees' Report Continued****Year ended 31 August 2023**

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all the schools under its umbrella are over-subscribed. Trustees intend to expand the number of schools within the Trust and regularly discuss how to achieve this. The Trust has also invested in developing primary and secondary curriculum products to help other educational institutions adopt a similar knowledge rich approach.

**Ensuring our objectives are met**

The Trust's schools are subject to regular inspection by Ofsted. In addition, all schools are required to have a pre-opening inspection by Ofsted, as well as receive regular monitoring visits from the Department for Education (DfE). Lesson observations take place, and a head teacher performance review system is in place. Academic progress is monitored, and the head teachers at the schools report regularly on progress to their LGBs, which in turn report to the Board. Other evaluation measures include examination results, assessments of pupil progress, sporting and other successes, attendance rates and application rates. The West London Free School was inspected by Ofsted in May 2017 and July 2022 and was rated "Good", with two areas noted as being "Outstanding". The West London Free School Primary was inspected by Ofsted in May 2015 and was rated "Outstanding" in every area, and the Earl's Court Free School Primary was inspected in June 2017 and was rated "Outstanding" in every area. Kensington Primary Academy was inspected by Ofsted in November 2018 and was rated "Outstanding" in every area. Edlesborough Primary Academy was inspected by Ofsted in October 2023 and was rated "Outstanding" in one area, and "Good" in all others. Doverly Academy has not yet had an Ofsted visit.

**Public Benefit**

In setting the objectives and planning the activities of the Trust, the Trustees have complied with the duty in section 17 of the Charities Act 2011 to have due regard for the Charity Commission's general guidance on public benefit in exercising their powers and duties. The objectives, activities, achievements, and performance above explain the ways in which The Trust fulfils this obligation.

**Equal opportunities policy**

The Trustees recognise that equality should be an integral part of good practice within the workplace and our approach to this is set out in our Equality policy, which applies to staff as well as pupils. The Trust has created a working environment in which the contribution and needs of all people are fully valued.

**Employee involvement**

The Trust encourages staff contribution at all levels. Annual School Development Plans are shared and discussed with staff each year. The Trust also runs annual staff surveys to ascertain the views of staff on various aspects of school life. These surveys are benchmarked against national averages and the results are discussed with Local Governing Bodies. Schools within the Trust host regular staff meetings and briefings. New staff attend induction training, and all staff take part in training days throughout the year which provide a forum for discussion. All staff have at least an annual discussion with each employee on their development goals and training needs. The Trustees, via its Remuneration Committee, also review pay review proposals to ensure they are fair and appropriate.

**Disabled persons**

Buildings with more than one level have lifts installed, and disabled access is available in all our schools. The policy of the Trust is to support the employment of disabled persons both in recruitment and by retention of employees who become disabled whilst in the employment of the Trust.

**STRATEGIC REPORT****Achievements and Key Performance Indicators**

The Trustees are satisfied that its key aims and objectives have been attained with pupils in both Year 11 and Year 13 achieving results in line with our previous excellent record of academic achievement. Despite an agreed investment from reserves in additional Sixth Form teaching and various capital projects, it has ended the year with a financial surplus.

## Trustees' Report Continued

Year ended 31 August 2023

In the summer of 2023, WLFS achieved its best set of A level results since the school opened. 48% of grades were A\* or A (compared with 45% in 2022). 77% of grades were A\* to B (compared with 73% in 2022). 91% of grades were A\* to C (which is the same as 2022). 46% of year 13 pupils will be attending a Russell Group university. Significantly, more WLFS pupils are going to study STEM subjects, such as Medicine (University of Dundee), Biology (University of Bath) and Dentistry (Kings College London). Other leaver destinations include Imperial College London, the London School of Economics, the University of Edinburgh and Erasmus University in Rotterdam. In addition to the cohort attending Russell Group universities, pupils are also studying at a range of prestigious art and music colleges including BIMM University, Kensington and Chelsea College and Morley College.

WLFS's results at GCSE were comparable with the excellent results we have achieved in previous years. The average grade was 6.1, up from 6.4 in 2022. 48% of grades were 9-7, 76% were 9-5 and 86% were 9-4. In terms of Attainment 8, WLFS was 59<sup>th</sup> out of 3088 comprehensive schools in England, which is in the top 2%. For Progress 8, WLFS was 209<sup>th</sup>, which is in the top 7% of comprehensive schools in England.

The pupils' achievements are a testament to their hard work and focus, as well as the efforts of the exceptional teaching and support provided by staff. Progress in Years 7-10 is in line with this level of exam success in year 11. The school's specialism in music helped ensure 30% of pupils had musical tuition in one or more instruments (2021-22: 30%), which compares with less than 10% of secondary school pupils nationally. Attendance at the Secondary, was 91% (2021-22: 93.1%). This compares to the national average attendance at secondary schools in London of 91.7%. West London Free School remains over-subscribed by a ratio of 10:1 (2021-22: 10:1).

In all five Primaries, pupil performance continues to be impressive. The latest pupil outcomes for Early Year and Key Stage 1 are shown in the table below.

Early Foundation Profile	Years Stage	West Free Primary	London School	Earl's Court Free School Primary	Kensington Primary Academy	Edlesborough Primary Academy	Doverly Academy	National 2023	2022-
% achieving a Good Level of Development		78%		77%	70%	91%	80%	67%	

Year 1 Phonics Screening Check	West Free Primary	London School	Earl's Court Free School Primary	Kensington Primary Academy	Edlesborough Primary Academy	Doverly Academy	National 2023	2022-
% reaching the required standard	97%		97%	93%	93%	93%	79%	
Key Stage 1 results – 2022 - 2023	West Free Primary	London School	Earl's Court Free School Primary	Kensington Primary Academy	Edlesborough Primary Academy	Doverly Academy	National 2023	2022-
Reading	EXS	83%	83%	72%	92%	83%	68%	
	GDS	32%	23%	24%	32%	29%	Not available	
Writing	EXS	80%	83%	69%	72%	83%	60%	
	GDS	22%	23%	17%	20%	17%	Not available	
Maths	EXS	83%	87%	76%	84%	83%	70%	
	GDS	30%	23%	17%	24%	33%		

The latest pupil outcomes for Key Stage 2 are shown in the table below.

Key Stage 2 results – 2022 - 2023		West London Free School Primary	Earl's Court Free School Primary	Kensington Primary Academy	Edlesborough Primary Academy	National 2022-2023
Reading	EXS	90%	93%	77%	63%	73%
	GDS	57%	57%	33%	29%	Not available
Writing	EXS	90%	90%	70%	58%	71%
	GDS	48%	47%	30%	21%	Not available
Maths	EXS	93%	87%	80%	50%	73%
	GDS	62%	70%	27%	38%	Not available

*EXS: Working at the 'Expected' standard*

*GDS: Working at a 'Greater Depth' within the 'Expected' standard*

Doverly Academy has pupils up to year 4 so does not have Key Stage 2 statistics.

Average attendance across the London based primary schools was 94.0% (2021-22: 94.2%). This compares to the national average attendance at primary schools in London of 93.7%.

The average attendance at EPA (excluding the period of school closure) was 95% (2021-22: 93%). The average attendance at DA was 95%. This compares to the national average of primary schools in the South East of 94.1%.

28% of pupils at the London based primaries learn to play a musical instrument (2021-22: 27%). 7% of pupils at EPA learn to play a musical instrument (2021-22: 10%). 13% of pupils at DA learn to play a musical instrument.

### Key Financial Performance Indicators

The schools' LGBs, as well as the Board, regularly review the following financial performance indicators:

- Balance of incoming and outgoing resources
- Year-to-date spend against forecast
- Distribution of spend across categories (e.g., salaries, educational supplies, extra-curricular activities)
- Monthly cash balance
- Levels of donations to the schools
- On-going capital investment.

### Going Concern

After making appropriate enquiries, the Board has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. It has funding agreements in place with the Department for Education, which provides security over monthly cash flow. The Department for Education, via the Regional School network are also supportive of the growth of the Trust. KST also receives funds from its trading subsidiary each year which provides additional resources. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**Trustees' Report Continued****Year ended 31 August 2023**

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**Promoting the success of the company**

The Trustees are cognisant of the need to act in a way most likely to promote the success of the Trust. In doing so, they consider the interests of the Trust and its stakeholders in their decision making. These include pupils and their parents, its employees, adjacent communities, and local and national government. Local Governing Bodies include staff governors which enables them to consider the view of employees on decisions which impact them. The Trustees also review the annual procurement plan to ensure that business relationships with our supplies are fair and appropriate. The Trust has a code of conduct which is signed by all Trustees and staff and Trustees are robust in their commitment to this code of conduct. It is aware of the potential for conflicts of interest and puts in place mechanisms to counter these where they might apply. The Trustees value high ethical standards and focus on making decisions which are right for the communities and children they serve.

**FINANCIAL REVIEW**

The Trustees take a cautious approach to the financial management of the Trust and consequently the Trust had an operating surplus after discharging its objects and aims as outlined above. This is in line with Charity Commission guidance, DfE guidance and with the Trustees' desire that funds be spent for the intended purpose. The Trust's principal source of funds is the DfE under the terms of the Trust's funding agreements.

All of the schools achieved an operational surplus, with deficit positions only arising from agreed investment of reserves into capital projects. The Trust also benefited from a gift aid payment from its trading subsidiary, KST Enterprises of £102,625. (2021-22: £472,621).

**Reserves policy**

The Trust's reserve policy is that, in any particular year, the total reserves should not fall below 10% of the total of General Annual Grant income for that year. At 31 August 2023, the level of reserves, excluding restricted fixed assets and prior to the pension adjustment was £1,484,287 (31 August 2022 £1,753,571) which is above this threshold. 10% is considered a suitable threshold as this enables the Trust to cover the costs of any unforeseen events which might arise.

**Unrestricted General Fund Reserves**

At 31 August 2023, the value of the free reserves held as unrestricted general funds was £2,036,082 (2022: £1,915,938). As per the Trust's reserves policy, as this reserve grows, the Trustees will review the level of reserves held to target necessary improvements throughout its property portfolio and its operational and organisational structure to improve teaching facilities, outcomes for pupils and the environment throughout the schools.

The Trust holds no other unrestricted reserves.

**Restricted Reserves**

The Trust aims to set a budget each year that will achieve a cumulative revenue (general restricted funds) surplus after all costs of between 2% and 5%. It is intended that the reserves will be held to allow the Trust in future periods to target necessary improvements throughout its property portfolio and its operational and organisational structure to improve the teaching facilities, outcomes for pupils and environment throughout the schools.

On 31 August 2023, the level of reserves held as restricted general funds was a deficit of £407,795. (31 August 2022: deficit of £535,367) and the level of reserves held as restricted fixed asset funds, was £62,422,918. (31 August 2022: £60,347,343), as shown in the Balance Sheet. After adjusting for the pension, the restricted general funds show a deficit of £551,795 (31 August 2022: deficit of £162,367).

**Trustees' Report Continued****Year ended 31 August 2023**

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**Pension Reserve**

At 31 August 2023, The Trust's share of the underlying Local Government Pension Scheme assets and liabilities was in surplus by £144,000 (31 August 2022: deficit of £373,000). This represents an aggregate position across the four LGPS schemes which the Trust is involved with. The value of these assets and liabilities is not considered material in the context of the Trust's balance sheet.

**Investment Policy**

The Trust manages and holds its bank and petty cash balances and makes investment decisions with regards to use of those funds which are directed towards the provision of educational activities in line with the curricula of the schools and the identified support needs. The surplus cash reserves are prudently invested in interest-bearing bank deposits or similar. The Trust has no other investments.

**Principal Risks and Uncertainties**

The Board continues to keep the schools' activities under review to identify principal risks and regularly reviews the Trust's risk register. The Board continues to monitor the effectiveness of the system of internal controls (including insurance cover as appropriate), to ensure the risks already identified can best be mitigated. The major risks to which The Trust is exposed, as identified by the Trustees, have been reviewed and systems or procedures have been established to manage those risks.

The financial and risk management objective of The Trust is to ensure effective financial management at the schools, such that the schools deliver their objectives within their budgets. To this end, The Trust ensures its schools comply with its Financial Regulations and Scheme of Delegation document, the guidance in the Academies' Financial Handbook, wider government guidance (e.g. on procurement) and charities regulation.

Principal risks and actions to mitigate these risks include:

- Lack of demand for places leading to the schools operating at less than 100% capacity:
  - Mitigation: in London, declining birth rates means that keeping the primary schools full is more challenging than it has been previously. However, our strong local reputation has meant that the London primaries are full or almost full. WLFS is oversubscribed and the Sixth Form continues to be at highly popular and is operating at full capacity. This reflects the investment we have put into Sixth Form teaching and our growing reputation as an academically strong school. In London, the risks of the schools operating at significantly less than capacity is considered low.
  - A targeted marketing plan is in place at EPA and DA as pupil numbers are below our target. This has included a programme of well attended Open Days. The reputation of both schools in the local area is improving and as a result pupil numbers are on the increase. The Trustees continue to keep a close eye on pupil numbers as part of their mitigation of this risk.
- Uncertainty around running costs:
  - Mitigation: The Trustees and the management accountants within the schools maintain a rigorous and effective set of financial procedures to support their overall financial and risk management objectives. In addition, contingencies are in place in some of the schools' budgets that minimise the impact of unforeseen costs during the year, including the recent spike in energy costs. There is also a specific focus on staff numbers and associate employment costs as these are the main drivers of overall budget affordability.
- Health and safety breaches and problems arising from our estate:
  - The Trust are active in the management of the estate in line with the government guidance contained within Good Estate Management for Schools. Servicing of infrastructure and equipment is on a rolling programme, building maintenance is scheduled throughout the school year for all schools, and there is a programme of building capital improvements which are approved at Board level. We are compliant with all legal requirements.

## Trustees' Report Continued

Year ended 31 August 2023

- The Trust use specialist health and safety advisors who conduct an audit every year and provide advice and recommendations. Inspections of our facilities are carried out annually and termly health and safety meetings are conducted with the schools.
- The Trust conducted surveys of all sites to confirm that none of our buildings contained Reinforced Autoclaved Aerated Concrete.
- The management of financial risks such as credit, cash flow and liquidity risk are not considered principal risks due to the nature of the Trust's funding profile. These areas are closely monitored at the schools and at Trust level on a regular basis.

**Fundraising**

Most of the fundraising that is done for the benefit of Knowledge Schools Trust is done via five independent charities. The schools within the Trust have Parent Teacher Associations (PTA). (1 PTA for the secondary and 4 PTAs for the Primaries). They raise money from parents and other sources. In addition, the Knowledge Schools Foundation Trust (KSFT), which is an independent charity, receives donations from parents, a few interested sponsors and high net worth individuals and foundations. KSFT has a contractual arrangement with an individual who raises funds which in some cases needs to be done in the name of the schools. The KSFT manages this process.

The Trustees of KST have been informed that the Parent Teacher Associations and the KSFT comply with the Code of Fundraising practice and ensure that the privacy of possible donors is protected, that no unreasonable fundraising practices are employed, and that undue pressure is not placed on individuals or entities to donate. Annual confirmation of this is sought from both charities each year. No fundraising complaints have been received by any of the charities.

**Streamlined Energy and Carbon Reporting**

UK Greenhouse gas emissions and energy use for the period	1 Sept 22 - 31 August 23
Energy consumption used to calculate emissions (kWh)	1,535,716
<u>Scope 1 emissions in Metric tonnes CO2e</u>	
Gas Consumption (823,237 kWh)	164.65
Owned transport minibuses and van ((22,106 kWh)	6.12
Total	170.77
<u>Scope 2 emissions in metric tonnes CO2e</u>	
Purchased electricity (761854 kWh)	157.76
<u>Scope 3 emissions in metric tonnes CO2e</u>	
Business travel in employee owned vehicles (4,616 kWh)	1.12
Total Gross emissions in metric tonnes CO2e	329.65
<u>Intensity Ratio</u>	
Tonnes CO2e per pupil	0.17

**Quantification and Reporting Methodology**

We have followed the 2020 HM Government Environmental Protocol – Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

**Intensity Measurement**

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

**Measures taken to improve energy efficiency**

In 22/23, we installed LED lighting throughout the estate. Dovery Academy used the capital grant from the DfE to install an energy efficient boiler.

#### Plans for Future Periods

A significant portion of the Cambridge Grove site (home to West London Free School Primary and Earl's Court Free School Primary) is currently under development. Phase 1 of this work will be finished by the end of March 2024, and Phase 2 will be finished in mid-September 2024. This will provide a significant uplift in the quality of the accommodation for the school and will allow, for example, a dedicated computer suite to be available to pupils. The development of the site is being funded by the DfE.

We are pleased also to have approval from the DfE and Bedford Council for Bedford Road Primary, a two-form entry school, to join our Trust on 1 January 2024. Subject to a positive outcome from the consultation process currently underway with staff, and approval from the Secretary of State, the Trust is also planning a merger with Bedford College Academies Trust sometime in 2024. This will add a secondary school and a primary school and will mean that the combined entity, including Bedford Road Primary, will be nine schools. Growth has been a medium-term priority for the Trust and this merger is an important milestone in the development of the Trust.

#### Auditor

In so far as the Trustees are aware:

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

A Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19 December 2023 and signed on the Board's behalf by:

Signature:



Ms Suzanna Hobart  
Trustee



### Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as accounting officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to them in the funding agreements between the Trust and the Secretary of State for Education. The Chief Executive is 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 formally met three times during the year. In addition to the termly meetings, the Trustees maintain oversight of the operations of the Trust through regular communication by email and telephone, and via sharing of information via a file sharing portal designed for this purpose. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Alexander Conabeare*	3	3
Ms Jane Emmett	3	3
Ms Kathryn Cooper	2	3
Ms Penny Hunt	1	3
Mr Ian Hunter*	3	3
Ms Suzanna Hobart (Chair)	3	3
Mr Cosmo Lush	3	3
Ms Laura McGaughey*	3	3
Mr William Rollason	2	3
Ms Beverley Trotman	2	2
Mr Oliver Knight	3	3
Mr Nick Gibb	0	0
Mr Andrew Brown	2	3

\*Members of the Finance and Operations Committee

### Governance Reviews

The Trust reviews its governance on an annual basis and has reviewed its formal delegation of responsibilities between the Trust Board and Local Governing Board of our schools. In 2021, the Board reviewed its composition and identified the requirement to appoint an experienced director with secondary and especially Sixth Form experience. This culminated in the appointment of Mr Oliver Knight as a trustee. The Board will continue to monitor its composition and respond as necessary.

The Finance and Operations Committee (FOC) is a sub-committee of the main Board of Trustees. Its purpose is to ensure that all funds are spent for their proper purpose; that financial regulations are adhered to in all material respects and that budgets are monitored on a monthly and termly basis. The FOC has formally met three times during the year. Attendance during the year at meetings of the FOC was as follows:

**Governance Statement****Year ended 31 August 2023**

	Meetings attended	Out of a possible
<b>Trustee</b>		
Ms Laura McGaughey (Chair)	3	3
Ms Suzanna Hobart	3	3
Mr Ian Hunter	3	3
Mr Rik Lit	1	3
Mr William Rollason	3	3
Mr Andrew Brown	3	3

**Management of conflict of interests**

The Board manages conflicts of interests through:

- the appointment process. Trustees with trading relationships with any KST entities, including our trading subsidiary KST Enterprises Ltd, or other educational institutions are not considered for appointment
- for both KST and KSTE keeping the Register of Business and Pecuniary Interests up to date
- asking Trustees and Governors, and Directors in the case of KST Enterprises, if they have any conflict of interest with the items on the agenda at the start of each meeting.

**Review of Value for Money**

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

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

- gaining approval to install LED lighting throughout the estate, following a review of the payback period. This is reducing the energy costs through out the Trust.
- ensuring that the regular programme of tenders for key contracts is conducted and that the supplier offering the most value for money is selected.
- monitoring in year staff changes and approving any new appointments, including reviewing the salary to be offered.
- ensuring our spend on health and safety is as efficient as possible, including using external expertise cost effectively to ensure our estate is safe, well maintained, and compliant with relevant legislation.

**Economies of Scale**

In 2022-23, the Trust has continued to build on potential economies of scale derived from having six schools within the Trust.

**Prudent Financial Management**

Since 2011, the Trust has used its facilities efficiently and generated extra income from them wherever possible. In September 2020 the Trust in-sourced the letting of its properties to its trading subsidiary, KST Enterprises Limited. This has meant that all lettings income accrues to KSTE, rather than the arrangement previously where a percentage was paid to a lettings management company. This has meant that the lettings income from our estate has increased from £209,709 in 2021-22 to £240,346 in 2022-23.

Where possible, essential services are procured at a Trust level rather than at an individual school level in order to gain best value for money. All budget holders within the schools are required to familiarise themselves with the Trust's internal financial guidance document, the Financial Regulations and Scheme of Delegation, and follow the policies and procedures it sets out.

The Trust does not pay excessive salaries. In 2022-23, only two employees were paid a salary of more than £100,000. (2021-22: one employee).

### **Better procurement**

Both revenue and capital budgets are subjected to close budgetary monitoring and value for money tests, with the schools' expenditure being overseen by the Finance and General Purposes Committees of their Local Governing Bodies and the Finance and Operations Committee of the Trust. The Trust reviews available frameworks and assesses suitability on a case-by-case basis. Where there is no suitable framework, bespoke tenders are produced and/or value for money exercises are undertaken. In 2022-23 the Trust undertook the re-tendering of the photocopier contract.

All senior staff are aware that FF&E and ICT budgets are one-off capital budgets have largely been drawn down with very little remaining. FF&E and ICT refreshment must now largely be financed from General Annual Grant budgets.

In the Secondary, department heads are allocated departmental capitation budgets and spend against these budgets are monitored on a monthly basis via the management accounts.

### **The Secondary**

At the West London Free School, actions intended to improve educational outcomes include setting aspirational GCSE grade targets, keeping class sizes small, making Latin compulsory through to KS3 and setting across academic subjects in KS3, encouraging all children to learn a musical instrument and expecting all children to participate in our ambitious extra-curricular programme. The Trustees' Report describes key outcomes and achievements to illustrate that this approach is having a positive impact.

The West London Free School also has various measures in place to narrow the attainment gap between disadvantaged groups and their peers, including stretch and support classes in Maths and English, and subsidised music lessons for students eligible for the Pupil Premium.

The focus during 2022-23 was to maintain the high standard of GSCE outcomes. In the summer of 2023, WLFS posted its strongest set of A levels results. The Sixth Form was fully subscribed in 2022-23, with over 80% of our Year 11 pupils choosing to continue to Year 12 with WLFS, joined by external high calibre pupils from a variety of local schools. The Sixth Forms impressive record for Oxbridge attainment continued with seven students gaining places at either Oxford or Cambridge.

### **The Primaries**

KST's primary schools, deploy measures to ensure the continuance of outstanding educational outcomes, such as setting high expectations, working with the children in small groups, organising the pupils into ability groups in phonics and teaching an innovative, knowledge-based curriculum, which the Trust has developed. There is evidence that this approach is having a beneficial impact, which is included within the Strategic Report.

The West London Free School Primary was inspected by Ofsted in May 2015 and was ranked "Outstanding" in every area, while the Earl's Court Free School Primary was inspected by Ofsted in June 2017 and was also ranked "Outstanding" in every area. Kensington Primary Academy was inspected in November 2018 and was also rated "Outstanding" in every area. Edlesborough Primary Academy was inspected in October 2022. It was rated outstanding for behaviour and good in all other areas.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage and reduce risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of The Trust 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. A system of internal control has been in place in the Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Governance Statement****Year ended 31 August 2023**

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**Capacity to Handle Risk**

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

The Board is conscious that the plans to add more schools into the Trust in 2024 increases risk. This is included in our risk register which is reviewed by the Board. The Board approves the addition or transfer of schools into the Trust after careful consideration and due diligence and monitors the conversion or transfer process closely. The executive team are experienced in TUPE, change management and the integration of new schools into the Trust and follow a proven approach. This helps to mitigate the risks.

**The Risk and Control Framework**

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports that are reviewed and agreed by the LGBs
- Regular reviews by the LGBs' Finance and General Purposes Committees of reports which assess 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.

Robust key financial controls are crucial to ensure that the schools are complying with ESFA's requirements and expectations in relation to regularity, propriety and the safeguarding of public funds.

The Board considered the need for a specific internal audit function and decided not to appoint an internal auditor. However, since April 2014, RSM has been engaged to undertake an annual review of key financial controls across the Trust.

RSM reviews each school and identifies any weaknesses in the design of the overall control framework, which the Trust addresses. RSM provides a report to the Board overviewing the work they complete, the outcome, and recommendations for improvement which are implemented by the schools, overseen by the Finance Director. The checks that RSM carried out in the year to 31 August 2023, within its programme of work, included:

- Review and testing of payroll system and personnel files
- Review of access levels to accounting systems and controls over data amendments and transactions
- Review and testing of purchasing systems and supporting documentation
- Review and testing of income systems and supporting documentation
- Review of bank reconciliations and procedures
- Review and testing of IT recovery procedures.

**Review of Effectiveness**

As accounting officer, Mr Ian Hunter 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 external auditor
- The work of RSM's annual review of financial controls
- The financial management and governance self-assessment process
- The information supplied by the Trust's finance teams led by the Finance Director
- The work of the Trust's Senior Management Team which has responsibility for the development and maintenance of the internal control framework.

**Governance Statement**

**Year ended 31 August 2023**

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The Finance and Operations Committee has advised the accounting officer of the implications of RSM'S programme of works on the system of internal control. Plans are in place to address any weaknesses identified and to ensure continuous improvement of the system.

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on its behalf by:

**Signature:**

**Signature:**



**Ms Suzanna Hobart**  
Trustee



**Mr Ian Hunter**  
Accounting Officer and CEO

**Statement on Regularity, Propriety and Compliance****Year ended 31 August 2023**

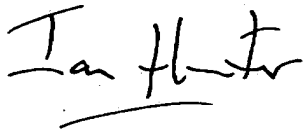
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As accounting officer of Knowledge Schools Trust I have considered my responsibility to notify the Trust's Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms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

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

**Signature:**

A handwritten signature in black ink, appearing to read 'Ian Hunter', with a horizontal line underneath.

**Mr Ian Hunter**  
Accounting Officer and CEO  
19 December 2023

**Statement of Trustees' Responsibilities****Year ended 31 August 2023**

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The Trustees (who act as Governors of Knowledge Schools Trust and 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 Annual 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 in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- 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 to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Board of Trustees on 19 December 2023 and signed on its behalf by:

**Signature:**



**Ms Suzanna Hobart**  
Trustee

## **KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE KNOWLEDGE SCHOOLS TRUST**

We have audited the financial statements of Knowledge Schools Trust (the 'Trust') and its subsidiary (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities incorporating Income and Expenditure Account, the Consolidated Balance Sheet, the Trust's Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the Trust's affairs as at 31 August 2023 and of the Group's 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. Our evaluation of the Trustees' assessment of the entity's ability to continue to adopt the going concern basis of accounting included critical reviews of budgets and forecasts provided.

We are independent of the Group and the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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



## **KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE KNOWLEDGE SCHOOLS TRUST**

#### **Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the Trustees (who are also the Directors of the 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.

## **KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**

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

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

#### **Auditor responsibilities for the audit of the financial statements**

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

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Observing control systems in place and testing controls where identified;
- Evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

**KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**

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

**Use of our report**

This report is made solely to the 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 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 Trust and its Members for our audit work, for this report, or for the opinions we have formed.



**Sudhir Singh FCA (Senior Statutory Auditor)**

For and on behalf of MHA, Statutory Auditor  
London, United Kingdom

Date: 21 December 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

## **KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**

### **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO KNOWLEDGE SCHOOLS TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 29 November 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Knowledge Schools 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 Knowledge Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Knowledge Schools 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 Knowledge Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Knowledge Schools Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of Knowledge Schools Trust's funding agreement with the Secretary of State for Education dated 12 July 2016 and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

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

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

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

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

The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Trust, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

**KNOWLEDGE SCHOOLS TRUST**

**(A Company Limited by Guarantee)**

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

**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.

The logo for MHA, consisting of the letters 'MHA' in a stylized, bold, black font.

Reporting Accountant  
For and on behalf of MHA, Statutory Auditor  
London, United Kingdom

Date: 21 December 2023

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

**Knowledge Schools Trust**  
**Consolidated Statement of Financial Activities**  
**For the year ended 31 August 2023**

(including Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Consolidated Total 2023 £	Consolidated Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	-	218,871	281,787	500,658	969,541
Transfer from local authority on conversion	3	-	(97,000)	3,075,000	2,978,000	
Charitable activities						
Funding for the Trust's educational operations	4	-	16,148,828	-	16,148,828	13,661,141
Other trading activities	5	1,467,415	368,727	-	1,836,142	2,188,445
Investments	6	308	-	-	308	322
<b>Total</b>		<b>1,467,723</b>	<b>16,639,426</b>	<b>3,356,787</b>	<b>21,463,936</b>	<b>16,819,449</b>
<b>Expenditure on:</b>						
Raising funds	7	1,347,580	-	-	1,347,580	792,790
Charitable activities						
Trust's educational operations	8	-	17,252,819	1,493,339	18,746,158	17,480,728
Other		-	907	-	907	-
<b>Total</b>		<b>1,347,580</b>	<b>17,253,726</b>	<b>1,493,339</b>	<b>20,094,645</b>	<b>18,273,518</b>
<b>Net incoming resources before transfers</b>		<b>120,144</b>	<b>(614,301)</b>	<b>1,863,448</b>	<b>1,369,291</b>	<b>(1,454,069)</b>
Gross transfers between funds	17	-	(212,127)	212,127	-	-
<b>Net income/(expenditure) for the year</b>		<b>120,144</b>	<b>(826,428)</b>	<b>2,075,575</b>	<b>1,369,291</b>	<b>(1,454,069)</b>
<b>Other recognised gains and losses</b>						
Actuarial gains on defined benefit pension schemes	28	-	954,000	-	954,000	4,481,000
<b>Net movement in funds</b>		<b>120,144</b>	<b>127,572</b>	<b>2,075,575</b>	<b>2,323,291</b>	<b>3,026,931</b>
<b>Reconciliation of funds</b>						
Funds brought forward		1,915,938	(535,367)	60,347,343	61,727,914	58,700,983
<b>Funds carried forward</b>		<b>2,036,082</b>	<b>(407,795)</b>	<b>62,422,918</b>	<b>64,051,205</b>	<b>61,727,914</b>

All of Knowledge Schools Trust's activities derived from continuing operations.

The notes on pages 33-64 form part of these financial statements.

**Knowledge Schools Trust**  
**Consolidated Balance Sheet**  
**As at 31 August 2023**

	Notes	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible assets	13		62,324,853		60,297,376
Investments	14		1		1
			<u>62,324,854</u>		<u>60,297,377</u>
<b>Current assets</b>					
Debtors	15	1,174,755		1,731,924	
Cash at bank and in hand		2,838,369		2,035,454	
		<u>4,013,125</u>		<u>3,767,378</u>	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	(2,430,774)		(1,963,841)	
<b>Net current assets</b>			<u>1,582,351</u>		<u>1,803,537</u>
<b>Net assets excluding pension asset/liability</b>			<u>63,907,205</u>		<u>62,100,914</u>
Defined benefit pension scheme asset/(liability)	28		144,000		(373,000)
<b>Total net assets</b>			<u><u>64,051,205</u></u>		<u><u>61,727,914</u></u>
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>					
Fixed asset funds	17		62,422,918		60,347,343
General funds	17		(551,795)		(162,367)
Pension reserve	17		144,000		(373,000)
<b>Total restricted funds</b>			<u>62,015,123</u>		<u>59,811,976</u>
<b>Unrestricted funds</b>					
General funds	17		2,036,082		1,915,938
<b>Total unrestricted funds</b>			<u>2,036,082</u>		<u>1,915,938</u>
<b>Total funds</b>			<u><u>64,051,205</u></u>		<u><u>61,727,914</u></u>

The financial statements on pages 29 to 64 were approved by the Trustees and authorised for issue on 19 December 2023 and are signed on their behalf by:

Signature:



Ms S Hobart  
Trustee

The notes on pages 33-64 form part of these financial statements.

**Knowledge Schools Trust**  
**Balance Sheet**  
**As at 31 August 2023**

	Notes	2023 £	2023 £	2022 £	2022 £
<b>Fixed assets</b>					
Tangible assets	13		62,324,853		60,297,376
Investments	14		1		1
			<u>62,324,854</u>		<u>60,297,377</u>
<b>Current assets</b>					
Debtors	15	1,269,691		2,113,618	
Cash at bank and in hand		<u>2,613,268</u>		<u>1,586,731</u>	
		3,882,959		3,700,349	
<b>Liabilities</b>					
Creditors: amounts falling due within one year	16	<u>(2,300,608)</u>		<u>(1,896,812)</u>	
<b>Net current assets</b>			<u>1,582,351</u>		<u>1,803,537</u>
<b>Total assets less current liabilities</b>			<u>63,907,205</u>		<u>62,100,914</u>
<b>Net assets excluding pension liability</b>			<u>63,907,205</u>		<u>62,100,914</u>
Defined benefit pension scheme asset/(liability)	28		144,000		(373,000)
<b>Total net assets</b>			<u><u>64,051,205</u></u>		<u><u>61,727,914</u></u>
<b>Funds of the Trust:</b>					
<b>Restricted funds</b>					
Fixed asset funds	17		62,422,918		60,347,343
General funds	17		(551,795)		(162,367)
Pension reserve	17		144,000		(373,000)
<b>Total restricted funds</b>			<u>62,015,123</u>		<u>59,811,976</u>
<b>Unrestricted funds</b>					
General funds	17		<u>2,036,082</u>		<u>1,915,938</u>
<b>Total unrestricted funds</b>			<u>2,036,082</u>		<u>1,915,938</u>
<b>Total funds</b>			<u><u>64,051,205</u></u>		<u><u>61,727,914</u></u>

The financial statements on pages 29 to 64 were approved by the Trustees and authorised for issue on 19 December 2023 and are signed on their behalf by:

Signature:



Ms S Hobart  
Trustee

The notes on pages 33-64 form part of these financial statements.



**Knowledge Schools Trust**  
**Consolidated Cash Flows**  
**For the year ended 31 August 2023**

	Notes	2023 £	2022 £
Net cash (outflow)/inflow from operating activities	22	732,948	(1,003,341)
Returns on investments and servicing of finance	23	308	322
Capital expenditure and financial investment		69,658	156,355
Increase in cash in the year	25	802,915	(846,664)
<b>Reconciliation of net cash flow to movement in net funds</b>			
Cash and cash equivalents at 1 September 2022		2,035,454	2,882,118
Cash and cash equivalents at 31 August 2023		2,838,369	2,035,454

## 1. ACCOUNTING POLICIES

### Basis of Preparation

Knowledge Schools Trust is a private company limited by guarantee, incorporated in England and Wales. The address of the registered office and the principal places of operation are detailed on page 2. The nature of the Trust's operations and principal activities are described in the Trustees report. The financial statements of Knowledge Schools, a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with 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 (FRS102) (Charities SORP(FRS102)), the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The Trust meets the definition of public benefit under FRS 102. The financial statements are presented in sterling (£) which is the functional currency of the Trust and are rounded to the nearest one pound.

### 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 company to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. Most of the funding for the Trust's activities is provided by central government. Whilst exact funding levels for the next three financial years is not certain, the Trustees consider that any material change in funding is unlikely. 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.

### Basis of consolidation

The Consolidated Statement of Financial Activities (SOFA) and the Consolidated Balance Sheet consolidate the financial statements of Knowledge Schools Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis. Knowledge Schools Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements. The Trust's Income and Expenditure account for the year dealt with in the accounts of the Trust was £2,323,289 (2022: £2,554,310).

### Income

All incoming resources are recognised when the Trust has entitlement to the funds, certainty of receipts and the amount can be measured with sufficient reliability.

#### • Grants receivable

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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general funds.

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

1. ACCOUNTING POLICIES (continued)

- **Sponsorship income**

Sponsorship income provided to the Trust, which amounts to a donation, is recognised in the Statement of Financial Activities in the period in which it is receivable, where the receipt is probable and is measurable.

- **Donations**

Donations are recognised on a receivable basis where there is entitlement, receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

Where income relates to subscriptions, it is recognised on a straight-line basis over the subscription period.

- **Donated goods, facilities and services and gifts in kind**

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

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

- **Charitable activities**

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

- **Raising funds**

These are costs incurred by the trading subsidiary in the normal course of its business.

All resources expended are inclusive of irrecoverable VAT.

**Tangible fixed assets**

Fixed assets are assessed according to their nature and are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. All fixed assets purchased using capital start up budgets provided by the Education and Skills Funding Agency are capitalised at cost irrespective of value. Fixed assets purchased from the General Annual Grant are capitalised if the value of an individual item is over £1,000.

## 1. ACCOUNTING POLICIES (continued)

Where tangible fixed assets have been acquired with the aid of specific grants, either from the ESFA's capital budgets or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

Where fixed assets have been donated to the Trust, the asset is recognised at fair value and depreciated over the useful economic life of the related asset on a basis consistent with the Trust's depreciation policy.

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

Freehold land	Not depreciated
Freehold buildings	50 years
Leasehold buildings	50 years
Leasehold land	Over the term of the lease
Fixtures, fittings and equipment	4 years
ICT equipment	4 years
Motor vehicles	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.

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

### Liabilities

Liabilities are recognised when there is an obligation at the 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 settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advance payments for the goods or service it must provide.

### Provisions

Provisions are recognised when the 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 benefit and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligations. 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 risk specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

### Investments

The Academy's shareholdings in its wholly owned subsidiary, KST Enterprises 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 benefits derived.

## **1. ACCOUNTING POLICIES (continued)**

### **Financial Instruments**

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

- Financial assets – VAT and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 15.
- 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 16.

Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

### **Leased Assets**

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

### **Taxation**

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

### **Pensions**

Retirement benefits to employees of the Trust are provided by the Teachers' Pension Scheme (TPS) and the Local Government Pension Scheme (LGPS). These are defined benefit schemes and the assets are held separately from those of the Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The Trust is a member of 4 separate Local Government Pension Schemes (LGPS). These are funded schemes and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**1. ACCOUNTING POLICIES (continued)**

**Fund accounting**

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

Restricted fixed asset funds are resources that 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 ESFA/DfE.

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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.

The year end balances of the four Local Government Pension Schemes are disclosed as an aggregate figure on the face of the balance sheet. Where a scheme has a surplus at the year end, this is recognised only to the extent that the Trust is able to recover the value of the surplus either through reduced contributions in the future or through refunds from the plan.

The net book value of tangible fixed assets is based on the original cost of the assets net of provision for depreciation. The depreciation provision to date is based on the Trustees' assessment of the estimated useful economic lives of such assets.

Other than the estimates discussed above, the Trustees do not consider that there are any key judgements made in the preparation of the financial statements.

**Agency arrangements**

The academy trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 30.

**1. ACCOUNTING POLICIES (continued)**

**Termination/severance payments**

Termination benefits, including redundancy costs, are recognised when the Trust has the obligation to pay the benefits and they can be reliably measured.

**2. GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State, the Trust was not subject to limits at 31 August 2023 on the amount of GAG that could be carried forward from one year to the next.

Knowledge Schools Trust  
Notes to the financial statements  
For the year ended 31 August 2023

3.	DONATIONS AND CAPITAL GRANTS	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
	Capital grants	-	281,787	281,787	646,965
	Other donations	-	218,871	218,871	322,576
		-	500,658	500,658	969,541
	<i>Total 2022</i>	-	969,541	969,541	

£2,978,000 income has been recognised as a result of the transfer of the assets and liabilities of Dover Academy on 01 September 2022. This figure includes £3,075,000 land and buildings and -£97,000 pension liability at that date.

4.	FUNDING FOR THE TRUST'S EDUCATIONAL OPERATIONS	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
	<b>DfE/ESFA grants</b>				
	General Annual Grant (GAG)	-	12,298,365	12,298,365	11,001,636
	UFSM	-	178,583	178,583	142,474
	Pupil premium	-	553,577	553,577	462,527
	Teachers' pension	-	63,962	63,962	57,549
	Others	-	1,493,666	1,493,666	693,200
		-	14,588,153	14,588,153	12,357,386
	<b>Other Government grants</b>				
	Local authority grants	-	833,913	833,913	628,863
	<b>COVID-19 additional funding (DfE/ESFA)</b>				
	Other DfE/ESFA COVID-19 funding	-	-	-	97,501
	<b>Other income</b>				
		-	726,762	726,762	577,391
		-	16,148,828	16,148,828	13,661,141
	<i>Total 2022</i>	-	13,661,141	13,661,141	



Knowledge Schools Trust  
Notes to the financial statements  
For the year ended 31 August 2023

5.	OTHER TRADING ACTIVITIES	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £	
	Hire of facilities	125,948	-	125,948	163,301	
	Other self-generated income	(6,073)	368,727	362,654	760,048	
	Trading subsidiary income	1,347,540	-	1,347,540	1,265,096	
		<u>1,467,415</u>	<u>368,727</u>	<u>1,836,142</u>	<u>2,188,445</u>	
	<i>Total 2022</i>					
	<i>Hire of facilities</i>	<i>163,301</i>	<i>-</i>	<i>163,301</i>		
	<i>Other self generated income</i>	<i>-</i>	<i>760,048</i>	<i>760,048</i>		
	<i>Trading subsidiary income</i>	<i>1,265,096</i>	<i>-</i>	<i>1,265,096</i>		
		<i>1,428,397</i>	<i>760,048</i>	<i>2,188,445</i>		
6.	INVESTMENT INCOME	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £	
	Short term deposits	308	-	308	322	
		<u>308</u>	<u>-</u>	<u>308</u>	<u>322</u>	
	<i>Total 2022</i>	<i>322</i>	<i>-</i>	<i>322</i>		
7.	EXPENDITURE	Staff Costs £	Non-pay Expenditure Premises      Other costs £                      £		Total 2023 £	Total 2022 £
	Expenditure on raising funds:					
	Direct costs - Trading subsidiary	892,251	-	455,329	1,347,580	792,500
	Trust's educational operations					
	Direct costs	9,479,614	1,259,653	1,638,026	12,377,293	11,310,591
	Allocated support costs	3,177,981	1,487,304	1,704,487	6,369,772	6,170,427
		<u>13,549,846</u>	<u>2,746,957</u>	<u>3,797,842</u>	<u>20,094,645</u>	<u>18,273,518</u>
	<i>Total 2022</i>	<i>12,566,765</i>	<i>2,537,078</i>	<i>3,169,675</i>	<i>18,273,518</i>	

Knowledge Schools Trust  
Notes to the financial statements  
For the year ended 31 August 2023

7. EXPENDITURE (continued)

	2023	2022
	£	£
Net income / expenditure for the year includes:		
Fees payable to auditors		
- audit of the financial statements	34,500	28,400
- under accrual for prior year audit fees	-	5,500
- other audit services	8,160	18,505
Depreciation	1,259,652	1,167,091
Operating lease rentals	54,546	26,200

8. CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total 2023 £	Total 2022 £
Direct costs - educational support	-	12,377,292	12,377,292	11,310,301
Support costs - educational support	-	6,368,867	6,368,867	6,170,427
	-	18,746,159	18,746,159	17,480,728
<i>Total 2022</i>	<i>10,000</i>	<i>17,470,728</i>	<i>17,480,728</i>	

Analysis of support costs

	Total 2023 £	Total 2022 £
Support staff costs	3,177,981	3,201,639
Technology costs	322,419	280,858
Premises costs	1,487,305	1,369,986
Legal and professional costs	127,672	135,457
Other support costs	1,210,830	1,130,082
Governance	42,660	52,405
	6,368,867	6,170,427

**Knowledge Schools Trust**  
**Notes to the financial statements**  
**For the year ended 31 August 2023**

<b>9. STAFF COSTS</b>	<b>Total 2023 £</b>	<b>Total 2022 £</b>
Wages and salaries	9,558,703	8,446,495
Social security costs	1,014,063	920,756
Pension costs	2,287,307	2,554,556
	<hr/>	<hr/>
	12,860,073	11,921,807
Agency staff costs	672,780	640,939
Staff restructuring payments	6,300	4,019
Training costs	10,693	-
	<hr/>	<hr/>
	13,549,846	12,566,765
	<hr/> <hr/>	<hr/> <hr/>
Staff restructuring costs comprise:		
Severance payments	6,300	4,000
	<hr/>	<hr/>
	6,300	4,000
	<hr/> <hr/>	<hr/> <hr/>

**STAFF SEVERANCE PAYMENTS**

Included in staff costs are non-contractual staff severance payments of £6,300 (2022: £4,000).  
The individual values of non-contractual staff severance payments made during the year were £3,300 and £3,000.

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

	<b>Total 2023</b>	<b>Total 2022</b>
£0 - £25,000	2	1

**STAFF NUMBERS**

The average number of persons (including senior management team) employed by Knowledge Schools Trust during the year was as follows:

	<b>2023 No.</b>	<b>2022 No.</b>
Teachers	135	126
Administration and support	120	91
Management	23	20
	<hr/>	<hr/>
	278	237
	<hr/> <hr/>	<hr/> <hr/>

9. STAFF COSTS (continued)

HIGHER PAID STAFF

The number of employees whose salary fell within the following bands was:

	Total 2023 No.	Total 2022 No.
£60,001 to £70,000	14	12
£70,001 to £80,000	1	4
£80,001 to £90,000	5	6
£90,000 to £100,000	3	0
£110,001 to £120,000	2	2
	<hr/> 25 <hr/>	<hr/> 24 <hr/>

KEY MANAGEMENT PERSONNEL

The key management personnel of Knowledge Schools Trust comprise the Trustees and the senior management team listed on page 3. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the Trust was £571,724 (2022 as restated: £525,272).

The comparative information has been restated from prior years as it now includes the Director of Primary Education.

10. RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One Trustee has been paid remuneration from employment with the Trust for undertaking the role of CEO under their contracts of employment and not in respect of their role as Trustee. The values of the CEO's remuneration and other benefits were as follows:

Mr I Hunter CEO

Remuneration	£110,000 - £120,000	(2022: £90,000 - £100,000)
Employer's pension contributions	£20,000 - £30,000	(2022: £20,000 - £30,000)

None of the other Trustees received any remuneration in respect of their services as Trustees.

During the year ended 31 August 2023, no expenses were reimbursed to any Trustee (2022: £nil).

# 11. CENTRAL SERVICES

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

Financial, accounting, auditing and compliance services  
Legal services  
Educational support services  
Management of capital projects  
Management of trust-wide procurements  
Human resources services

During the year, the Trust charged for these services on a % basis of each school's annual allocation income, 1/12 of which was remitted monthly by the schools to the Central Trust Team. For all schools this was budgeted at 4.0%, with the exception of Edlesborough Primary Academy which was budgeted at 2.5%. (2022: 2.75%) and Doverly Academy which was budgeted at 0%. The lower rates of top slice are applied to schools until their school roll increases to a level where the standard % is affordable. These charges were recommended and approved by the LGB of each school.

The actual amounts levied during the year were:

	2023 £	2022 £
West London Free School	244,682	233,567
West London Free School Primary	87,616	84,700
Earl's Court Free School Primary	47,955	45,940
Kensington Primary Academy	56,957	49,179
Edlesborough Primary Academy	19,343	22,972
	<u>456,553</u>	<u>436,358</u>

# 12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2023 was included in the total premium paid by the charity of £40,404 (2022: £38,740).

Knowledge Schools Trust  
Notes to the financial statements  
For the year ended 31 August 2023

13. TANGIBLE FIXED ASSETS  
Group and Academy Trust

	Freehold land and buildings £	Leasehold land and buildings £	Motor vehicles £	Fixtures, fittings & equipment £	ICT equipment £	Total £
<b>Cost</b>						
At 1 September 2022	27,802,656	37,891,471	50,539	1,509,807	1,415,309	68,669,782
Additions	-	3,105,092	-	88,802	93,235	3,287,129
At 31 August 2023	27,802,656	40,996,563	50,539	1,598,609	1,508,544	71,956,911
<b>Depreciation</b>						
At 1 September 2022	2,811,293	3,051,520	50,539	1,241,739	1,217,315	8,372,406
Charges in year	387,592	663,632	-	105,743	102,685	1,259,652
At 31 August 2023	3,198,885	3,715,152	50,539	1,347,482	1,320,000	9,632,058
<b>Net book values</b>						
At 1 September 2022	24,991,363	34,839,951	-	268,068	197,994	60,297,376
At 31 August 2023	24,603,771	37,281,411	-	251,127	188,544	62,324,853

The Trust's transactions relating to leasehold land and buildings include £3,075,000 transferred in when Doverly Academy joined the trust on 1 September 2022.

**Knowledge Schools Trust**  
**Notes to the financial statements**  
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14.	INVESTMENTS	2023	2022
	Academy Trust	£	£
	Investment in KST Enterprises	1	1

**KST Enterprises Limited (company number 12000639)**

Nature of business: To manage the lettings of school premises, to run wraparound care and holiday clubs, to provide staff to its parent company and the sale of primary curriculum materials and associated training.

Class of share: Ordinary  
Holding: 100%  
Included in consolidation: Yes

The Academy's shareholding in the wholly owned subsidiary, KST Enterprises Limited (company number 12000639), is included in the balance sheet at the cost of the share capital owned. There is no readily available market value and the cost of valuation exceeds the benefit derived.

The company covenants its taxable profits to Knowledge Schools Trust (KST). A summary of trading results is shown below. Audited accounts are filed with the Registrar of Companies. All income and expenditure from trading activities was to/from unrestricted funds.

The financial results of the subsidiary for the year were:	2023	2023	2023
	£	£	£
	Income	Expenditure	Net assets
KST Enterprises Limited	1,436,767	(1,436,767)	-
	2022	2022	2022
	£	£	£
	Income	Expenditure	Net assets
	1,347,580	(1,347,580)	-

KST Enterprises Limited provides staff to KST and sells primary knowledge curriculum materials, and associated consultancy, to other schools and multi-academy trusts. The materials are also used in our own primary schools. KST Enterprises also manages the letting of our buildings to third parties. It also provides a service to our primary school parents via wrap-around care and holiday clubs.

15.	DEBTORS	2023	2022	2023	2022
		Group		Academy Trust	
		£	£	£	£
	VAT	685,144	1,085,513	718,446	1,108,730
	Trade debtors	147,069	251,952	123,829	145,757
	Other debtors	39,223	27,879	27,580	23,761
	Prepayments	126,228	158,376	122,557	154,545
	Accrued income	177,092	208,204	177,092	208,204
	Amounts owed from trading subsidiary	-	-	100,187	472,621
		1,174,756	1,731,924	1,269,691	2,113,618

**Knowledge Schools Trust**  
**Notes to the financial statements**  
**For the year ended 31 August 2023**

16.	CREDITORS: amounts falling due within one year	2023 Group £	2022 £	2023 Academy Trust £	2022 £
	Trade creditors	688,019	527,529	698,114	516,878
	Taxation and social security	272,911	251,032	267,412	244,302
	Other creditors	302,520	188,743	293,490	185,214
	Accruals and deferred income	1,167,324	996,537	1,041,592	950,418
		<u>2,430,774</u>	<u>1,963,841</u>	<u>2,300,608</u>	<u>1,896,812</u>
				<b>2023</b> <b>£</b>	<b>2022</b> <b>£</b>
	Deferred income as at 1 September 2022			509,087	933,883
	Resources deferred in the year			409,324	203,467
	Amounts released from previous years			(122,685)	(628,263)
				<u>795,726</u>	<u>509,087</u>
	Deferred income as at 31 August 2023				

Deferred income held at 31 August 2023 includes capital and general fixed funding received and related to the year ending 31 August 2024, deposits held for school trips that had not taken place by 31 August 2023, nursery fees, catering and music income received in advance of September 2023.



Knowledge Schools Trust  
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For the year ended 31 August 2023

17. FUNDS	Balance at 1 September 2022 £	Incoming resources £	(Resources expended) £	Gains, Losses and Transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(162,367)	11,840,229	(13,350,849)	(212,127)	(1,885,114)
Start-up Grant	-	-	-	-	-
UFSM	-	178,583	(178,583)	-	-
Pupil premium	-	553,577	(553,577)	-	-
Teachers' pension	-	63,962	(63,962)	-	-
Other DfE/ESFA/LA grants	-	2,325,627	(2,325,627)	-	-
Coronavirus Job Retention Scheme	-	-	-	-	-
Other Covid-19 funding	-	-	-	-	-
Other income	0	1,774,447	(441,127)	-	1,333,319
Pension reserve	(373,000)	(97,000)	(340,000)	954,000	144,000
	<u>(535,367)</u>	<u>16,639,425</u>	<u>(17,253,725)</u>	<u>741,873</u>	<u>(407,795)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	31,039,682	167,661	(607,884)	-	30,599,459
Condition Improvement fund	300,837	114,126	(181,541)	-	233,422
Local authority capital grant	259,196	-	(6,794)	-	252,402
Capital expenditure from other funds	744,357	-	(129,300)	212,127	827,184
Private capital donation	21,999	-	(1,280)	-	20,719
Transfer from local authority	27,981,272	3,075,000	(566,540)	-	30,489,732
	<u>60,347,343</u>	<u>3,356,787</u>	<u>(1,493,339)</u>	<u>212,127</u>	<u>62,422,918</u>
<b>Total restricted funds</b>	<u>59,811,976</u>	<u>19,996,212</u>	<u>(18,747,065)</u>	<u>954,000</u>	<u>62,015,123</u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,915,938	17,519	-	102,625	2,036,082
<b>Total unrestricted funds</b>	<u>1,915,938</u>	<u>17,519</u>	<u>-</u>	<u>102,625</u>	<u>2,036,082</u>
<b>Total funds</b>	<u>61,727,914</u>	<u>20,013,731</u>	<u>(18,747,065)</u>	<u>1,056,625</u>	<u>64,051,205</u>
<b>Unrestricted Trading funds</b>					
KST Enterprises Limited	-	1,347,580	(1,244,954)	(102,625)	-
<b>Total consolidated funds</b>	<u>61,727,914</u>	<u>21,361,310</u>	<u>(19,992,019)</u>	<u>954,000</u>	<u>64,051,205</u>

**17. FUNDS (continued)**

The gains, losses and transfers column includes the transfer of funds related to fixed asset purchases of £212,127 (2022: £332,164). There was no transfer of other income (2022: £3,189,385) to align with associated costs. A transfer has been recognised between KST Enterprises Limited and the Unrestricted funds to account for the gift of profits in the year from the subsidiary to the parent entity.

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

The restricted general fund includes all government and local authority funding which is used to meet the normal running costs of our schools. The majority of this is General Annual Grant (GAG), but it also includes the Universal Infant Free School Meal grants, which is used to provide every pupil in Reception and years 1 and 2 with a free school meal. It includes the Pupil Premium which is used to help raise the attainment of disadvantaged pupils. It includes nursery funding which is used to employ appropriate staff for the nursery at Kensington Primary Academy, Edlesborough Primary Academy and Doverly Academy. It also includes Special Education Needs funding which is used to assist pupils with special needs. £212,127 of this funding was used in the year ended 31 August 2023 to fund the purchases of fixed assets, including IT equipment, and furniture and fittings.

The restricted fixed asset fund includes funding received from various sources for the purposes of buying the fixed assets shown in note 13 of these financial statements. This includes ESFA capital grants for the purchase of fixed assets.

Unrestricted funds include those received from the trading activities of the Trust. It is used at the discretion of the Trustees to meet any of KST's objectives.

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

Knowledge Schools Trust  
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17. FUNDS (continued)

Comparative movement in funds

	Balance at 1 September 2021 £	Incoming resources £	(Resources expended) £	Gains, Losses and Transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	(1,113,048)	10,723,885	(12,630,425)	2,857,221	(162,367)
UIFSM	-	142,474	(142,474)	-	-
Pupil premium	-	462,527	(462,527)	-	-
Teachers' pension	-	57,549	(57,549)	-	-
Other DfE/ESFA/LA grants	-	1,262,691	(1,262,691)	-	-
Other DfE/ESFA Covid-19 funding	-	97,501	(97,501)	-	-
Other income	1,514,402	2,070,411	(395,428)	(3,189,385)	-
Pension reserve	(4,023,000)	-	(831,000)	4,481,000	(373,000)
	<u>(3,621,646)</u>	<u>14,817,038</u>	<u>(15,879,595)</u>	<u>4,148,836</u>	<u>(535,367)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	31,473,316	94,552	(528,186)	-	31,039,682
Condition Improvement fund	187,766	479,140	(366,069)	-	300,837
Local authority capital grant	266,220	-	(7,024)	-	259,196
Capital expenditure from other funds	575,973	-	(163,780)	332,164	744,357
Private capital donation	29,823	-	(7,824)	-	21,999
Transfer from local authority	28,499,812	-	(518,540)	-	27,981,272
	<u>61,032,910</u>	<u>573,692</u>	<u>(1,591,423)</u>	<u>332,164</u>	<u>60,347,343</u>
<b>Total restricted funds</b>	<u>57,411,264</u>	<u>15,390,730</u>	<u>(17,471,018)</u>	<u>4,481,000</u>	<u>59,811,976</u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,289,719	163,598	(10,000)	472,621	1,915,938
<b>Total unrestricted funds</b>	<u>1,289,719</u>	<u>163,598</u>	<u>(10,000)</u>	<u>472,621</u>	<u>1,915,938</u>
<b>Total funds</b>	<u>58,700,983</u>	<u>15,554,328</u>	<u>(17,481,018)</u>	<u>4,953,621</u>	<u>61,727,914</u>
<b>Unrestricted Trading funds</b>					
KST Enterprises Limited	-	1,265,121	(792,500)	(472,621)	-
<b>Total consolidated funds</b>	<u>58,700,983</u>	<u>16,819,449</u>	<u>(18,273,518)</u>	<u>4,481,000</u>	<u>61,727,914</u>

**Knowledge Schools Trust**  
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**For the year ended 31 August 2023**

**17. FUNDS (continued)**

**Analysis of fund balances by entity**

Fund balances at 31 August 2023 were made up as follows:

	<b>Total 2023 £</b>	<b>Total 2022 £</b>
West London Free School	189,379	301,314
West London Free School Primary	581,500	504,692
Earl's Court Free School Primary	594,905	525,520
Kensington Primary Academy	165,052	200,333
Edlesborough Primary Academy	(16,099)	13,470
Central Trust Team	(4,630)	208,242
Doverly Academy	(25,820)	-
	<hr/>	<hr/>
Total before fixed assets and pension reserve	1,484,287	1,753,571
	<hr/>	<hr/>
Restricted fixed asset funds	62,422,918	60,347,343
Pension reserve	144,000	(373,000)
	<hr/>	<hr/>
<b>Total</b>	<b>64,051,205</b>	<b>61,727,914</b>
	<hr/> <hr/>	<hr/> <hr/>

The West London Free School's retained surplus decreased to £189,379 as at 31 August 2023 from £301,314 as at 31 August 2022. The school has invested reserves in LED lighting in both Palingswick House and Franklin House.

Due to prudent financial management, the West London Free School Primary and Earl's Court Free School Primary are carrying surpluses of £581,500 and £594,905 respectively (2022: £504,692 and £525,520).

Kensington Primary Academy is carrying a net surplus of £165,052 (2022: £200,333). On census day the school was not full (204 pupils versus 210) which impacted the level of funding the school received. The school also invested £20,866 in the furniture for the library and invested £12,450 in a class set of laptops to ensure that the computing curriculum could be taught effectively. The costs of maintaining and operating a five-storey school building continues to provide challenges this year with a number of unexpected costs.

Edlesborough Primary Academy is carrying a deficit of £16,099 (2022: Surplus £13,470.) Reserves have been used to fund a replacement of the fire alarm system which cost £19,700.

The Trust's Central Team is carrying a deficit of £4,630 (2022: surplus of £208,242). The gift aid payment from KST Enterprises was less than budgeted and included an investment from reserves (£47,941) in one of our curriculum projects.

At the end of its first full year with the Trust, Doverly Academy is carrying a deficit of £25,820 due to the use of reserves for a portion of the cost of the perimeter fencing project. The majority of the project, which cost £116,518, was funded by the Condition Improvement Fund.

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FUNDS (continued)

Analysis of expenditure by entity

17.

	Teaching and Education support staff costs	Other support staff costs	Educational supplies	Other costs (excluding depreciation)	Total 2023	Total 2022
	£	£	£	£	£	£
WLFS	4,557,199	3,150,923	168,629	1,996,604	9,873,355	7,594,471
WLFS Primary	1,849,510	(433,773)	482,379	728,289	2,626,406	3,221,064
ECFS Primary	851,155	(159,937)	29,303	453,942	1,174,463	1,152,670
KPA	964,188	348,128	68,037	694,507	2,074,860	1,689,700
EPA	663,169	249,011	20,518	150,510	1,083,208	1,453,543
DA	522,298	116,350	42,502	174,896	856,046	0
Central Trust	72,094	(84,534)	223	(422,394)	(434,611)	1,202,475
Total	9,479,613	3,186,168	811,591	3,776,354	17,253,726	16,313,923

ANALYSIS OF NET ASSETS BETWEEN FUNDS

18. Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed assets Funds	Total Funds
	£	£	£	£
Fixed assets tangible	-	-	62,324,853	62,324,853
Fixed asset investments	-	1	-	1
Current assets	2,036,082	1,878,978	98,064	4,013,124
Current liabilities	-	(2,430,774)	-	(2,430,774)
Pension scheme liabilities	-	144,000	-	144,000
	2,036,082	(407,795)	62,422,918	64,051,205

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18 FUNDS (continued)

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed assets Funds £	Total Funds £
Fixed assets tangible	-	-	60,297,376	60,297,376
Fixed asset investments	-	1	-	1
Current assets	1,915,938	1,801,474	49,967	3,767,379
Current liabilities	-	(1,963,841)	-	(1,963,841)
Pension scheme liabilities	-	(373,000)	-	(373,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,915,938	(535,367)	60,347,343	61,727,915
	<hr/>	<hr/>	<hr/>	<hr/>

**Knowledge Schools Trust**  
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**19. CAPITAL COMMITMENTS**

As at 31 August 2023, the Trust had no capital commitments. (2022 : £66,374)

**20. FINANCIAL COMMITMENTS**

**Operating leases recognised as an expense**

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

	2023	2022
	£	£
Amounts due within one year	19,043	16,891
Amounts due between two and five years	48,456	13,567
	<hr/> 67,499	<hr/> 30,458
	<hr/> <hr/>	<hr/> <hr/>

The Trust also had a commitment under a Licence to Occupy with £20,000 payable within twelve months of 31 August 2023.

**21. EVENTS AFTER THE BALANCE SHEET DATE**

On 1 January 2024, Bedford Road Academy (formerly Bedford Road Primary School), will join our Trust. Knowledge Schools Trust are also planning a merger with Bedford College Academies Trust sometime in 2024. This will add a secondary school and a primary school and will mean that the combined entity, including Bedford Road Primary Academy, will be nine schools.

**22. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2023	2022
	£	£
Net income	1,369,291	(1,454,069)
Fixed assets transferred on conversion to academy	(2,978,000)	-
Depreciation (note 13)	1,259,652	1,167,091
Capital grants from ESFA and other capital income	(281,787)	(646,965)
Interest receivable (note 6)	(308)	(322)
Pension cost less contributions payable (note 28)	67,000	757,000
Pension finance cost (note 28)	17,000	74,000
Pension administrative costs (note 28)	2,000	-
Other actuarial gains/losses (note 28)	254,000	-
Decrease/(increase) in debtors	557,169	(787,367)
Increase/(decrease) in creditors	466,932	(112,710)
	<hr/> 732,949	<hr/> (1,003,341)
<b>Net cash (outflow)/inflow from operating activities</b>	<hr/> <hr/> 732,949	<hr/> <hr/> (1,003,341)

Knowledge Schools Trust  
Other notes to the financial statements  
For the year ended 31 August 2023

**23. RETURN IN INVESTMENTS AND SERVICING OF FINANCE**

	2023	2022
	£	£
Interest received	308	322
<b>Net cash (outflow)/inflow from return on investment and servicing of finance</b>	<b>308</b>	<b>322</b>

**24. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT**

	2023	2022
	£	£
Purchase of tangible fixed assets excluding transfers in	(212,129)	(490,609)
Capital grants from ESFA	281,787	646,964
<b>Net cash (outflow)/inflow from capital expenditure and financial investment</b>	<b>69,658</b>	<b>156,355</b>

**25. CHANGES IN NET FUNDS AND NET DEBT**

	At 1 September 2022	Cash flow	At 31 August 2023
	£	£	£
Cash in hand and at bank	2,035,454	802,915	2,838,369

The Trust held no debt at any point during the year.

**26. CONTINGENT LIABILITIES**

There were no contingent liabilities at 31 August 2023 or at 31 August 2022.

**27. MEMBERS' LIABILITY**

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



**28. PENSION AND SIMILAR OBLIGATIONS**

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the relevant Local Authority. Both are defined-benefit pension schemes. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2022.

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

**Teachers's Pension Scheme**

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

The TPS is an unfunded scheme to which both the member and employer make 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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer 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 is 4.45%.

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the period amounted to £1,307,328. (2022: Employer's contribution £1,185,410). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

**Local Government Pension Scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £757,000 (31 August 2022: £604,000) of which employer's contributions totalled £587,000 (2022: £469,000), and employees' contributions totalled £170,000 (2022: £135,000). The agreed contribution rates for future years are 23.9% for the London schools and 22.1% per cent for Edlesborough Primary Academy and Doverly Academy (2022: 23.9% for all schools) for employers and 5.5-12.5% (2022: 5.5-12.5%) for employees.

28. PENSION AND SIMILAR OBLIGATIONS (continued)

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. The Trust has four separate LGPS funds, one held by London Borough of Hammersmith and Fulham (including West London Free School, West London Free School Primary and Earl's Court Free School Primary), one held by the Royal Borough of Kensington and Chelsea (for Kensington Primary Academy), one held by Buckinghamshire County Council (for Edlesborough Primary Academy) and one held by Bedfordshire Council (for Dovery Academy).

The 4 LGPS schemes of which the Trust is a member are: Bedfordshire Pension Fund, Buckinghamshire Pension Fund, Royal Borough of Kensington & Chelsea Pension Fund and London Borough of Hammersmith & Fulham Pension Fund.

	At 31 August 2023	At 31 August 2022
	%	%
<b>Principal Actuarial Assumptions - aggregate</b>		
Rate of increase in salaries	3.91	4.00
Rate of increase in pensions	2.91	3.00
Discount rate for scheme liabilities	5.25	4.23
Inflation assumption (CPI)	2.91	3.00

**Sensitivity analysis for the principal assumptions used to measure scheme liabilities - aggregate**

**Adjustment to discount rate**

	-0.1%
Present value of total obligation	1,358,000

**Adjustment to long term salary increase**

	+0.1%
Present value of total obligation	1,247,000

**Adjustment to pension increases and deferred revaluation**

	+0.1%
Present value of total obligation	1,356,000

**Adjustment to life expectancy assumptions**

	+ 1 Year
Present value of total obligation	1,394,000

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

	At 31 August 2023	At 31 August 2022
<b>Retiring today</b>		
Males	20.7-21.9	21.0-21.4
Females	23.9-24.5	24.1-24.6
<b>Retiring in 20 years</b>		
Males	20.3-22.9	22.3-22.9
Females	25.5-25.9	26.0-26.1

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28. PENSION AND SIMILAR OBLIGATIONS (continued)

	At 31 August 2023	At 31 August 2022
	%	%
<b>Principal Actuarial Assumptions - Bedfordshire Pension Fund</b>		
Rate of increase in salaries	3.90	3.95
Rate of increase in pensions	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumption (CPI)	2.90	2.95

**Sensitivity analysis for the principal assumptions used to measure scheme liabilities - Bedfordshire Pension Fund**

**Adjustment to discount rate**

	-0.1%
Present value of total obligation	615,000

**Adjustment to long term salary increase**

	+0.1%
Present value of total obligation	603,000

**Adjustment to pension increases and deferred revaluation**

	+0.1%
Present value of total obligation	614,000

**Adjustment to life expectancy assumptions**

	+ 1 Year
Present value of total obligation	617,000

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

	At 31 August 2023	At 31 August 2022
Retiring today		
Males	21.1	23.8
Females	23.9	24.1
Retiring in 20 years		
Males	22.1	25.1
Females	25.5	25.6

**Net asset/(liability) position at 31 August 2023**

- 12,000

**Principal Actuarial Assumptions - Buckinghamshire Pension Fund**

	At 31 August 2023	At 31 August 2022
	%	%
Rate of increase in salaries	3.85	3.90
Rate of increase in pensions	2.85	2.90
Discount rate for scheme liabilities	5.30	4.20
Inflation assumption (CPI)	2.85	2.90

28. PENSION AND SIMILAR OBLIGATIONS (continued)

Sensitivity analysis for the principal assumptions used to measure scheme liabilities - Buckinghamshire Pension Fund

Adjustment to discount rate	-0.1%
Present value of total obligation	659,000
Adjustment to long term salary increase	+0.1%
Present value of total obligation	643,000
Adjustment to pension increases and deferred revaluation	+0.1%
Present value of total obligation	657,000
Adjustment to life expectancy assumptions	+ 1 Year
Present value of total obligation	657,000

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

	At 31 August 2023	At 31 August 2022
Retiring today		
Males	20.7	21.0
Females	24.3	24.6
Retiring in 20 years		
Males	22.0	22.3
Females	25.7	26.0
Net asset/(liability) position at 31 August 2023	- 7,000	

	At 31 August 2023	At 31 August 2022
Principal Actuarial Assumptions - RBKC Pension Fund	%	%
Rate of increase in salaries	3.95	4.05
Rate of increase in pensions	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05

Sensitivity analysis for the principal assumptions used to measure scheme liabilities - RBKC Pension Fund

Adjustment to discount rate	-0.1%
Present value of total obligation	8,000
Adjustment to long term salary increase	+0.1%
Present value of total obligation	0
Adjustment to pension increases and deferred revaluation	+0.1%
Present value of total obligation	8,000
Adjustment to life expectancy assumptions	+ 1 Year
Present value of total obligation	9,000

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**28. PENSION AND SIMILAR OBLIGATIONS (continued)**

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

	At 31 August 2023	At 31 August 2022
Retiring today		
Males	21.9	21.4
Females	24.5	24.1
Retiring in 20 years		
Males	20.3	22.9
Females	25.6	26.1

**Net asset/(liability) position at 31 August 2023**

77,000

**Principal Actuarial Assumptions - LBHF Pension Fund**

	At 31 August 2023 %	At 31 August 2022 %
Rate of increase in salaries	3.95	4.05
Rate of increase in pensions	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05

**Sensitivity analysis for the principal assumptions used to measure scheme liabilities - LBHF Pension Fund**

**Adjustment to discount rate**

-0.1%

Present value of total obligation

76,000

**Adjustment to long term salary increase**

+0.1%

Present value of total obligation

1,000

**Adjustment to pension increases and deferred revaluation**

+0.1%

Present value of total obligation

77,000

**Adjustment to life expectancy assumptions**

+ 1 Year

Present value of total obligation

111,000

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

	At 31 August 2023	At 31 August 2022
Retiring today		
Males	0	21.4
Females	24.4	24.1
Retiring in 20 years		
Males	22.9	22.9
Females	25.9	26.1

**Net asset/(liability) position at 31 August 2023**

86,000

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28. PENSION AND SIMILAR OBLIGATIONS (continued)

The Trust's share of the assets in the schemes and the expected rates of return were:

	At 31 August 2023 £	At 31 August 2022 £
Equities	2,761,610	2,235,830
Gilts	47,000	44,000
Cash	68,720	81,710
Property	554,760	535,380
Infrastructure	45,000	24,000
Multi Asset Credit	60,000	50,000
Private debt	16,000	7,000
Bonds	841,910	496,080
<b>Total market value of assets</b>	<b>4,395,000</b>	<b>3,474,000</b>
<b>Present value of scheme liabilities - Funded</b>	<b>(4,251,000)</b>	<b>(3,847,000)</b>
	<b>144,000</b>	<b>(373,000)</b>

The actual return on scheme assets in the London Borough of Hammersmith and Fulham Pension Fund was £81,000 (2022: £80,000).

	At 31 August 2023 £	At 31 August 2022 £
<b>Movements in the present value of defined benefit obligation were as follows</b>		
At 1 September	3,847,000	7,012,000
Transferred in on conversion	596,000	-
Current service cost	654,000	1,226,000
Interest cost	201,000	130,000
Estimated benefits paid net of transfers in	(21,000)	(10,000)
Employee contributions	170,000	135,000
Change in financial assumptions	(1,416,000)	(4,644,000)
Change in demographic assumptions	(33,000)	(21,000)
Experience gain on defined benefit obligation	253,000	19,000
Liabilities assumed/(extinguished) on settlements	-	-
<b>At 31 August (closing defined benefit obligation)</b>	<b>4,251,000</b>	<b>3,847,000</b>

28. PENSION AND SIMILAR OBLIGATIONS (continued)

Movements in the fair value of the Trust's share of scheme assets	2023 £	2022 £
At 1 September	3,474,000	2,989,000
Transferred in on conversion	499,000	-
Interest on assets	184,000	56,000
Return on assets less interest	(242,000)	(165,000)
Administrative expenses	(2,000)	-
Employer contributions	587,000	469,000
Employee contributions	170,000	135,000
Estimated benefits paid	(21,000)	(10,000)
Other actuarial losses	(254,000)	-
	<hr/>	<hr/>
At 31 August (closing defined benefit obligation)	4,395,000	3,474,000
	<hr/>	<hr/>
Amounts recognised in the Statement of Financial Activities	2023 £	2022 £
Service cost	654,000	1,226,000
Net interest on the defined liability	17,000	74,000
	<hr/>	<hr/>
Total operating expenses	671,000	1,300,000
	<hr/>	<hr/>
Return on assets in excess of interest	242,000	165,000
Change in financial assumptions	(1,416,000)	-4,644,000
Change in demographic assumptions	(33,000)	(21,000)
Other actuarial gain/(losses) on assets	-	-
Experience gain on defined benefit obligation	253,000	19,000
	<hr/>	<hr/>
Total comprehensive income	(954,000)	(4,481,000)
	<hr/>	<hr/>
Total amount recognised in the statement of financial activities	(283,000)	(3,181,000)
	<hr/>	<hr/>

The net and individual effect of the net asset positions are not considered material at the year end.

## 29. RELATED PARTY TRANSACTIONS

Owing to the nature of the Trust's operations and the fact that the Board's Trustees are drawn in part from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted on an arm's length basis. Any Trustees with an interest in the organisations concerned are not involved in the decision of whether to engage in those transactions. The Trust follows their financial regulations and normal procurement procedures, and the company's Articles of Association, in relation to any purchase of goods or services from Trustees. The guidance set out in the Academy Trust Handbook and its Financial Regulations and Scheme of Delegation document is followed, and the Trust complies with company law and charity law.

The following related party transaction took place in the period:

During the year ended 31 August 2023, the Trust had donations receivable totalling £163,530 (2022: £130,872) from Knowledge Schools Foundation Trust, a company and registered charity that shares some common Trustees with Knowledge Schools Trust.

During the twelve months ended 31 August 2023, the Trust paid for staffing services provided by KST Enterprises, a wholly owned subsidiary of Knowledge Schools Trust. The value of services paid for was £89,187 (2022: £87,935). At 31 August 2023, KSTE owed KST a net unsecured amount of £92,971. (2022: £1,714 owed by KST).

## 30. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023 the academy trust received £13,245 (2022: £13,584) and disbursed £18,166 (2022: £23,714) from the fund. An amount of £5,156 (2022: £5,136) is included in other creditors relating to undistributed funds that may be repayable to ESFA.

## 31. CONVERSION TO AN ACADEMY TRUST

On 1 September 2022, Doverly Down Lower School (now Doverly Academy) converted to academy status under the Academies Act and all the operations, assets and liabilities were transferred to Knowledge Schools Trust from Bedfordshire Council for no consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding amount recognised as income in the Statement of Financial Activities.

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

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total
Tangible fixed assets				
Leasehold land and buildings	-	-	3,075,000	3,075,000
Current assets				
Cash at bank and in hand	-	-	-	-
Other debtors	-	-	-	-
Current liabilities				
Other creditors	-	-	-	-
Non-current liabilities				
Pension scheme liabilities	-	97,000	-	97,000
<b>Net assets/(liabilities)</b>	<b>-</b>	<b>97,000</b>	<b>3,075,000</b>	<b>2,978,000</b>



Knowledge Schools Trust  
Comparative Statement of Financial Activities  
For the year ended 31 August 2023

32 PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed asset Funds £	Total 2022 £
<b>Income and endowments from:</b>					
Donations and capital grants	3	-	395,849	573,692	969,541
Charitable activities					
Funding for the Trust's educational operations	4	-	13,661,141	-	13,661,141
Other trading	5	1,428,397	760,048	-	2,188,445
Investments	6	322	-	-	322
<b>Total</b>		<b>1,428,719</b>	<b>14,817,038</b>	<b>573,692</b>	<b>16,819,449</b>
<b>Expenditure on:</b>					
Raising funds	7	792,500	290	-	792,790
Charitable activities					
Trust's educational operations	8	10,000	15,879,305	1,591,423	17,480,728
<b>Total</b>		<b>802,500</b>	<b>15,879,595</b>	<b>1,591,423</b>	<b>18,273,518</b>
<b>Net incoming resources before transfers</b>		<b>626,219</b>	<b>(1,062,557)</b>	<b>(1,017,731)</b>	<b>(1,454,069)</b>
Gross transfers between funds	28		(332,164)	332,164	-
<b>Net income for the year</b>		<b>626,219</b>	<b>(1,394,721)</b>	<b>(685,567)</b>	<b>(1,454,069)</b>
<b>Other recognised gains and losses</b>					
Actuarial gains on defined benefit pension schemes	28	-	4,481,000	-	4,481,000
<b>Net movement in funds</b>		<b>626,219</b>	<b>3,086,279</b>	<b>(685,567)</b>	<b>3,026,931</b>
<b>Reconciliation of funds</b>					
Funds brought forward		1,289,719	(3,621,646)	61,032,910	58,700,983
<b>Funds carried forward</b>		<b>1,915,938</b>	<b>(535,367)</b>	<b>60,347,343</b>	<b>61,727,914</b>