

Companies House

## **Chiltern Learning Trust**

### **Annual Report and Financial Statements**

31 August 2023

Company Limited by Guarantee  
Registration Number  
07559901 (England and Wales)

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COMPANIES HOUSE

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## Reference and administrative information

<b>Members</b>	M Berrill (since 15 September 2021) H Cox J Fern (Chair) L Thomas M Thompson (until 14 December 2022)
<b>Trustees</b>	S Bennett A Chowdhury* A Ghafoor (until 14 July 2023) S Koyes A Lewin* S Morales (since 14 May 2023) S Parfitt* G Pryor (Chair) S Spicer* L Thomas (until 14 December 2022) J Williams * members of the Audit Committee
<b>Company Secretary</b>	T Kelly
<b>Chief Executive/Accounting Officer</b>	A Rogers
<b>Senior Management Team</b>	L Hughes, Director of Standards and Teaching School T Kelly, Chief Finance Officer R Parsons, Director of Operations S Sadiq, Director of Teaching School
<b>Company name</b>	Chiltern Learning Trust
<b>Principal and Registered address</b>	c/o Denbigh High School Alexandra Avenue Luton Bedfordshire LU3 1HE
<b>Company registration number</b>	07559901 (England and Wales)

## Reference and administrative information

<b>Independent auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	National Westminster Bank plc Market Hill Branch 31 George Street Luton LU1 2YN
<b>Solicitors</b>	BrowneJacobson Mowbray House Castle Meadow Road Nottingham NG2 1BJ

## **Trustees' report Year to 31 August 2023**

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

From September 2022 the Trust comprised of 15 schools. In August 2023 Lea Manor High School, a Grade 4 Ofsted rated school, joined the Trust to bring the total number of schools to 16. All our schools are located in the East of England. The 16 schools have a combined pupil capacity of 13,481 as at August 2023 and had a roll of 12,437.

In February 2021 CLT was appointed to lead 2 Regional Teaching School Hubs (TSHs). TSHs are school-led centres of excellence for teacher and leader training and development, supporting teachers at all stages of their careers. Our area covers the following local authorities; Bedford Borough, Central Beds, Milton Keynes, Luton, East Herts, North Herts, Stevenage and Broxbourne.

As a Teaching School Hub we focus our work around the following teacher development strands:

- ◆ school-based initial teacher training (ITT) called Chiltern Training Group
- ◆ the early career framework (ECF)
- ◆ the new specialist national professional qualifications (NPQ)
- ◆ leadership NPQs
- ◆ appropriate body services for early career teachers (AB)

Our TSH will also promote and deliver other high-quality evidence-based professional development to school leaders and teachers, including that run by other DfE designated hubs.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

The Chiltern Learning Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust.

The members set the moral purpose and are the custodians of the education in the Trust. Members appoint persons to serve on the Board of Trustees.

The Trustees of Chiltern Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Chiltern Learning Trust.

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details on page 1.

## **Trustees' report Year to 31 August 2023**

### **Members' Liability**

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

### **Trustees' indemnity**

In accordance with normal commercial practice the Trust has purchased insurance to protect governors from claims arising from negligent acts, errors or omissions whilst on school business. The insurance provides cover up to £10,000,000 on any one claim.

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

#### ***Trustees***

The Trustees of the Chiltern Learning Trust comprise of 10 Trustees.

The Members may appoint by ordinary resolution up to 11 Trustees excluding the Chief Executive with a term of office of four years. any Trustee may be re-appointed or re-elected at an Annual General Meeting.

The members may agree unanimously in writing to appoint such additional members as they think fit and may unanimously (save that the agreement of the member(s) to be removed shall not be required), in writing agree to remove any such additional members.

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

The training and induction provided for new trustees/governors will depend on their existing experience. Where necessary induction will provide training on charity and educational level financial matters. All new trustees will be given a tour of the school(s) and the chance to meet with staff and pupils. All trustees are provided with copies of policies, procedures, minutes, financial statements budgets, plans and other documents that they will need to undertake their role as trustees. A suite of online training videos is available covering all aspects of governance of a multi academy trust.

#### **Organisational structure**

As a charity and company limited by guarantee, Chiltern Learning Trust is governed by a Board of Trustees who are responsible for, and oversee, the management and administration of the Trust, the Teaching School Hubs and the schools run by the Trust: Ardley Hill Academy, Cedars Upper, Challney High School for Boys, Challney High School for Girls, Chiltern Academy, Dallow Primary, Daubeney Academy, Denbigh High School, Kempston Academy, Lancot Academy, Lark Rise Academy, Lea Manor High School, Linslade Academy, Marston Vale Middle, Putteridge High School and Springfield Primary. The Trust is the Accreditation Holder of the Chiltern Training Group, an initial teacher training provider.

The management structure consists of four levels: The Board of Trustees, Hub Committees, the Local Governing Bodies, the Chief Executive and the Senior Leadership Teams.

## **Trustees' report** Year to 31 August 2023

### **Organisational structure** (continued)

The Board of Trustees is accountable to external government agencies including the Department for Education for the quality of the education it provides. The Board is responsible for setting general policy, adopting an annual plan and budget, monitoring the Trust by the use of results and budgets and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Board of Trustees appoint people who are more locally based to serve on the Local Governing Body (LGB) which has been established to ensure the good governance of the school. The LGBs act as advisory bodies to the Chiltern Learning Trust.

The key functions of the Local Governing Body (LGB) are:

- ◆ To monitor and be accountable for standards and performance of its school and report termly to the Board of Trustees through the Chief Executive and Chair of the LGB.
- ◆ Contribute to the school's self-evaluation and understand its strengths and weaknesses.
- ◆ Arrangements for setting pay and remuneration of key management personnel
- ◆ The Board of Trustees, following external advice, determines the Chief Executive's terms and conditions of employment taking into account the following factors:
  - ◆ The degree of complexity and challenge (multiple schools, dispersed sites, underperformance);
  - ◆ Additional accountability, for example leading two teaching school hubs; and
  - ◆ Factors that impede the schools ability to attract a field of appropriately qualified and experienced leadership candidates.

The Board of Trustees take into account external advice and factors to determine the terms and conditions of the members of the central executive team. The Board defines the role, personal skills and qualifications, accountability, challenge and responsibility required for the role.

As per the Trust's pay policy the Board of Trustees assign its schools to a Headteacher Group. Appointing a new Headteacher the Board of Trustees will define the role and determine the Headteacher Group, set the Headteacher range and decide the starting salary. All decisions and reasons for these determinations are well documented. It is expected that the Trustees will normally conclude that the Headteacher Group, determined by a total unit score, fully captures the complexity of the role.

The Trustees take account of additional factors that suggest the Headteacher range should be higher (The context and challenge arising from pupil needs, complexity and challenge of the school.)

## Trustees' report Year to 31 August 2023

### Organisational structure (continued)

The Board of Trustees ensure that the maximum of the Headteacher range including factors and any other temporary payments or allowances does not, except in exceptional circumstances, exceed the Headteacher Group range by more than 25%.

If the Board of Trustees consider that exceptional circumstances apply, further external independent advice is sought and if the advice suggest additional payment is appropriate a business case must be made, documented and approved by the Board of Trustees.

### Trade union facilities time

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1,478

### Percentage of time spent on facility time

Percentage of time	Number of employees
0%	One regional union representative
1% to 50%	-
51% to 99%	-
100%	-
Total cost of facility time	£18,542. Chiltern Learning Trust pays for a pooled facilities provision as a traded service through the Local Authority: Bedford Borough, Central Beds and Luton
Total pay bill	£54,750,333
Percentage of the total pay bill spent on facility time	0.03%

### Paid trade union activities

As a percentage of total paid facility time hours, how many hours were spent by employees who were relevant union officials during the relevant period on paid trade union activities?

Time spent on paid trade union activities as a percentage of total paid facility time hours	0%
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### Related Parties and other Connected Charities and Organisations

Our Trust has DfE agreement for schools in our Trust commission Active Support Education, on an ad hoc basis when required to provide alternative provision as Shahed Koyes is a director of the company as well as a Trustee of CLT.



## **Trustees' report Year to 31 August 2023**

### **Engagement with employees**

Our Trust has a Workforce Strategy in place that seeks to recruit, retain and develop staff at all levels. We look to promote from within, and to deploy staff across the Trust in areas where they are most needed and can best develop professionally. We provide high quality professional development and training opportunities. We value our staff and support their careers. We have succession plans in place and we identify and nurture talent.

They ensure strong visible leadership, staff meetings, briefings, assemblies and advertise school events on staff newsletters.

We have a Trade Union Recognition Agreement with recognised trade unions in the education sector and consult employees and their representatives so that their view can be considered when making decision which affect their interests, at a Trust level through the Joint Consultation and Negotiating Committee (JCNC)

We publish a calendar of events for all key stakeholders to join together, be part of the Trust and contribute to the day to day strategic direction. High quality speakers and provide effective well planned CPD.

The Trust builds equality considerations into its employment policies from the outset, it has a policy on the safer recruitment and selection of candidate for roles with the Trust and guarantees an interview to any disabled applicant who meets the essential requirements of the role.

Recruitment staff are trained to apply the Trust's equality principles. The Trust and its schools have a range of policies and procedures to advance equality of opportunity between people who share a protected characteristic and those who do not.

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

We grow and lead within our communities by providing consistently high and improving standards of education and by supporting our communities well-being, its resilience and its ambitions. Our leadership will have impact and ensure we travel in the same direction, embracing equality and diversity along the way. Leaders will 'see it and sort it' - furnishing solutions, not excuses. Our strong, professional relationships with all our stakeholders will set the tone for our organisation, our Trust will inspire its pupils, staff, parents, suppliers and community and communicate our bold vision. We will work alongside key stakeholders in Luton, Bedfordshire and the wider educational community.

### **Objectives and aims**

Chiltern Learning Trust continues to be a successful organisation. It is growing, in terms of number of schools, growth in Initial Teacher Training and the delivery of two Teaching School Hubs.

Our core principles remain the same, and our vision and commitment to our children and our staff remains aspirational and ambitious.

## **Trustees' report Year to 31 August 2023**

### **Objectives and aims (continued)**

Over the next three years, our core business will be based around;

- ◆ growth and increased influence, to be achieved without loss in quality or loss of relationships.
- ◆ post Covid catch-up and ensure the very best experiences for our children.
- ◆ quality leadership within our organisation and schools, to inspire children and our communities.
- ◆ establishing firm community roots in all of our areas.
- ◆ succession planning

### **Core Principles**

#### **Community:**

Principle 1: The highest standard of school and pupil performance

Principle 2: Transforming schools, change management and improving life chances

Principle 3: Support and lead within our communities and communicate our vision

#### **People:**

Principle 4: Invest in our employees and their development as well as the wider sector

Principle 5: Recruitment and retention of talented staff

Principle 6: Develop new teachers for the Trust and SCITT Hubs

#### **Sustainability:**

Principle 7: Growth and organisational change to improve schools in Bedfordshire

Principle 8: Deliver value, fairness, compliance and financial effectiveness

Principle 9: Excellent accountability mechanisms, quality assurance and governance

Principle 10: Environmental and resource sustainability, leading in technology for learning for a changing world

### **Public Benefit**

The Board of Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's objectives and aims and in planning future activities for the year. The Board of Trustees consider that the school's aims are demonstrably for the public benefit.

## Trustees' report Year to 31 August 2023

### STRATEGIC REPORT

#### Achievements and Performance

##### Secondary and Upper School Exam Results

Chiltern Learning Trust can report significant improvements in 2023 performance compared to 2019 - our pre-pandemic benchmark in our secondary schools, with some increases since 2022 despite the return to pre pandemic examinations and grade boundaries. At GCSE, the Progress 8 scores have improved or remained well above average in our schools. In one secondary school the A-Level average grade dipped slightly, but improved in another, note that Lea Manor did not join CLT until after the Summer examination dates.

LEIGHTON / KEMPSTON HUB	NATIONAL 2023	CEDARS UPPER ACTUAL 2023	KEMPSTON ACADEMY ACTUAL 2023	DAUBENEY ACADEMY ACTUAL 2023
<b>KS5 HEADLINES 2023</b>				
A Level APS & Grade	35.16 B-	32.92 C+	15.56 D-	
A Level APS Best 3 & Grade	35.63 B-	35.82 B-	25.0 C-	
% Achieving AAB (2 fac subs)	18.1	16.1	0	
Progress Score	-	-0.71	-1.14	
<b>KS4 HEADLINES 2023</b>				
% Basics 5+	45	42.4	19	30.7
% Basics 4+	64.8	67.6	48	50.1
% English 5+	60.4	56.9	36	53.3
% Maths 5+	50.6	51.1	29	31.1
% Entering EBacc	39.3	35.1	17	25
EBacc APS	4.05	4.02	3.00	3.2
Attainment 8	46.2	46.39	35.5	36.07
Progress 8	-0.03	0.17	-0.19	-1.05

LUTON HUB	NATIONAL 2023	CHALLNEY BOYS ACTUAL 2023	CHALLNEY GIRLS ACTUAL 2023	CHILTERN ACADEMY ACTUAL 2023	DENBIGH HIGH ACTUAL 2023	LEA MANOR HIGH ACTUAL 2023	PUTTERIDGE HIGH ACTUAL 2023
<b>KS4 HEADLINES 2023</b>							
% Basics 5+	45	53	51.9	64.3	48	24.2	48.6
% Basics 4+	64.8	65	71.4	80.7	68	42.4	61.7
% English 5+	60.4	66	75.7	77.3	72	36	65.1
% Maths 5+	50.6	58	53.8	69.6	50	31.2	50.3
% Entering EBacc	39.3	41	29.5	67.1	82	19.1	48.6
EBacc APS	4.05	3.89	4.21	5.18	4.8	2.9	4.09
Attainment 8	46.2	46.16	51.1	54.69	52.5	32.23	47.25
Progress 8	-0.03	0.39	0.94	0.64	0.75	-1.03	0.24

## Trustees' report Year to 31 August 2023

### Primary and Middle School Exam Results

In our Primary Schools for nearly every measure across every school (from EYFS, through Phonics, KS1 & KS2) has improved in 2023 with some greater shifts in the KS2 combined scores this year. There has been significant recovery in the lower years of primary education which had been affected by the pandemic.

DUNSTABLE HUB	NATIONAL 2023	ARDLEY ACTUAL 2023	LANCOT ACTUAL 2023	LARK RISE ACTUAL 2023	DALLOW ACTUAL 2023
<b>EYFS &amp; KS1 HEADLINES 2023</b>					
EYFS % ExS in all ELGs	65.6	71	77	76	68
KS1 % Phonics Screening Y1	79	72	91	86	83
KS1 % ExS+ in Reading	68	69	72	72	66
KS1 % ExS+ in Writing	60	63	68	65	67
KS1 % ExS+ in Maths	70	75	73	72	70
<b>KS2 HEADLINES 2023</b>					
% ExS+ in RWM Combined	60	60	66	73	49
% HS in RWM Combined	8	8	4	11	1
% ExS+ in Reading	73	78	79	82	61
% HS in Reading	29	33	21	47	14
% ExS+ in Writing	71	70	83	81	61
% GD in Writing	13	18	4.00	11	5
% ExS+ in Maths	73	72	92	80	70
% HS in Maths	24	23	34	33	16

KEMPSTON / LEIGHTON HUB	NATIONAL 2023	SPRINGFIELD ACTUAL 2023	MARSTON ACTUAL 2023	LINSLADE ACTUAL 2023
<b>EYFS &amp; KS1 HEADLINES 2023</b>				
EYFS % ExS in all ELGs	65.6	71		
KS1 % Phonics Screening Y1	79	50		
KS1 % ExS+ in Reading	68	50		
KS1 % ExS+ in Writing	60	48		
KS1 % ExS+ in Maths	70	57		
<b>KS2 HEADLINES 2023</b>				
% ExS+ in RWM Combined	60	26	66	53
% HS in RWM Combined	8	6	11	1
% ExS+ in Reading	73	39	79	71
% HS in Reading	29	12	29	27
% ExS+ in Writing	71	38	86	66
% GD in Writing	13	6	25	2
% ExS+ in Maths	73	46	81	65
% HS in Maths	24	10	27	15

## **Trustees' report Year to 31 August 2023**

### **Chiltern Teaching School Hubs**

The Teaching School Hubs have become an integral part of the British education system. They have helped galvanise and bring together all elements of Teacher Development; Initial Teacher Training, Appropriate Body, Early Career Framework, National Professional Qualifications and CPD. This 'Golden Thread' of development now plays a vital role for our Trust and the wider region. Chiltern Teaching School has strengthened relationships across all Local Authorities and with other Multi-Academy Trusts, which has led to an exponential growth of the Hub within its first year.

Our School Centred Initial Teacher Training, is also going through a transformational period in line with national reorganisation of the teacher training sector. This change and growth has allowed us to partnerships with provisions across Bedfordshire and Milton Keynes, with a view of growing our training provision across the region.

### **Going Concern**

The principal source of funding for the Chiltern Learning Trust is General Annual Grant (GAG) from the Department for Education. In 2022/23 GAG accounted for 85.8% of the Trust's total income which included income for the Teaching School and SCA funding. The school used this funding to meet the needs of our students and achieve high quality outcomes.

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

## **Trustees' report Year to 31 August 2023**

### **Promoting the success of the company**

We are delighted to report that it has been another successful year for the Trust.

With Lea Manor finally officially joining the Trust in August this year, we are now a family of 16 schools and are proud to be supporting Wootton Lower School and Aspley Guise Village School.

The summer 2023 GCSE results were excellent overall. More of our schools will be amongst the best progress figures in the country. Cedars Upper School also achieved impressive post-16 results once again. The Early Years and Key Stage 1 results are also strong overall, with some much improved Year 6 SATS results.

Our teacher training provision Chiltern Training Group received a certificate of accreditation in December 2022. We start this year with 118 trainee teachers, which we are really pleased with in light of the national downward trend. All hub cohorts have started their training well, and we have been praised for their overwhelming professionalism. We have a number of partners who now work with us which include Bedfordshire Schools Training Partnership and The Shire Foundation. We are also supporting Two Mile Ash and Bishops Stortford Initial Teacher Training.

The central finance team won MAT Finance Team of the Year in February 2023. The judges said the team at Chiltern Learning Trust was "truly inspirational" with an "innovative approach to problem-solving".

We continue to be proud of our community links.

### **FINANCIAL REVIEW**

The majority of the Trust's funding is via GAG from the Education and Skills Funding Agency and other Government grants administered via the ESFA and/or Local Authority. Additional to this is the income received through our Chiltern Teaching Hubs which include initial teacher training and CPD courses. All expenditure supports the Trust's key objective of delivering quality education to our students and community.

The Trust complies with the principles of financial control as outlined in the academies guidance published by the ESFA, and as required in our funding agreement. Our Financial Procedures, Delegation of Financial Responsibilities and Value for Money Statement provide detailed information on the Trust's accounting procedures, financial controls and systems and principles which conform to the requirements both of propriety and of good financial management.

Our schools prepare both medium term and short term financial plans. The medium term financial plan is prepared as part of the school improvement framework. The school improvement framework indicates how the schools' educational and other objectives are going to be achieved within the expected level of resources and provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the schools and the planned use of those resources.

The Accounting Officer is responsible for reviewing the Financial Procedures on an annual basis and for recommending it to the Trustees for approval. In general the overall position of each school's budget will be monitored on a monthly basis by the finance director who will

## Trustees' report Year to 31 August 2023

produce reports and written commentary for the Board of Trustees on a monthly basis. The reports will detail actual income and expenditure against budget and will be presented at each meeting of the Audit Committee and considered at each Trustee Board meeting

### Key Financial Performance

	2023	2022
Total revenue income to 31 August 2023 (£'000)(excluding transfers)	80,498	62,452
% of revenue income is GAG & Pupil Premium	85.8%	86.6%
Revenue Expenditure to 31 August 2023 (£'000)	(79,527)	(63,393)
In-year balance (£'000)	971	(941)
Pension cost adjustment	650	3,261
Operational surplus (movement in revenue reserves excluding transfers (£'000)	1,621	2,319
Total restricted reserves (£'000)	118,635	97,869
Total unrestricted reserves (£'000)	9,910	7,014
Total net reserves (£'000)	128,545	104,883
Pension deficit (£'000)	-	(9,926)

### Reserves Policy

The following principles underpin the Trust's approach to reserves management:

- ◆ CLT will endeavour to set a balanced in-year revenue budget every year
- ◆ CLT's reserves balance should only decrease due to capital investment and/or other organisational needs which shall at all times be approved by the Board of Trustees.
- ◆ all reserves are CLT reserves, however individual school reserves balances will be reported in order to facilitate administrative requirements and for the purposes of statutory accounting
- ◆ CLT's general reserves balance may be comprised of restricted or unrestricted reserves.

CLT's general unrestricted reserves balance will be maintained at a level equivalent to 10% to 15% of combined General Annual Grant for all schools subject to 10% tolerance either way. Therefore if the combined GAG for the following year is forecasted to be £86m, the Trust's reserves balance should be £8.6m to £12.9m. This is the percentage that Trustees regard as an appropriate level of reserves, given the current operating environment.

## **Trustees' report Year to 31 August 2023**

A general reserves balance higher than this figure must be supported by an appropriate plan, for example for expenditure on growth, school improvement or capital works, or to mitigate a specific foreseen risk.

### **Pension liability**

The risk surrounding the Trust's pension liability has been taken into consideration when calculating the percentage ranges. The presence of our pension deficit (£x.xm) does not constitute an immediate liability or realisable asset and does not mean that the equivalent amount is already committed or no longer available to the Trust.

### **Management of Reserves**

Reserves held will be reviewed by the Board on a regular basis and an appropriate range of options will be considered which include:

- ◆ capital investment,
- ◆ school improvement,
- ◆ growth of the Trust and/or other organisational needs which shall at all times be approved by the Board
- ◆ standardising ICT infrastructure across all schools in the Trust
- ◆ working towards net zero carbon emissions (sustainability projects) where investment from Trust reserves will be repaid by the school in an agreed plan based on forecast efficiency savings

### **Investment policy**

The Trust regularly monitor cash flow and current account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the liquidity account has adequate balances to meet forthcoming commitments.

The Trust periodically (at least annually) reviews interest rates and compares with other investment opportunities.

The Trust's current policy is to invest only in funds which are low risk and which are reasonably accessible.

The Trust's policy is to keep reserves not invested in the Trust's bank liquidity account.



## Trustees' report Year to 31 August 2023

### Principal Risks and Uncertainties

Risk management is embedded in the work of the Trust, particularly those relating to the leadership and teaching. Details of the processes underpinning our approach to risk management are set out in the Governance Statement. The key risks have been determined as:

### Leadership and Management

Risk	Risk Cause	Plans and Strategies
Current and future growth of the Trust	Financial viability of joining schools	CLT's improvement strategy  Standardisation of CLTs operational functions  Support from central team  Regular Headteacher immersion meetings  SLE appointments
Failure of ICT systems and loss of data in schools or at Trust level	Cyber insurance cover purchased  ICT Vulnerability Assessments completed in each Trust School  Priorities and actions arising being monitored by Director of Operations and Director of ICT  Procurement of Trust wide ICT managed service now completed.  New Trust Director of ICT in post from 3 June 2019  Briefings given to Trustees	Single Trust back up standard now implemented.  CLT ICT Strategy approved by Trustees in December 2023  Draft ICT development plans presented to each school in spring 2023 to inform budget setting process and programme or procurement for 2023/24  Cyber security report to be provided to Trustees in autumn term 2023, as recommended in the ESFA Academy Handbook 2022
Change or lack of effective leadership capacity to realise the CLT growth strategy	Leadership ineffective.  CLT leadership does not attract suitable quality	CLT's Recruitment strategy  Talent identification across the Trust  Succession planning

**Trustees' report** Year to 31 August 2023

	staff with the necessary expertise and experience.	SLE appointments  Capacity building in CLT's outstanding schools  Effective CPD
Uncertainty regarding future government funding streams	National context is putting continued pressure on budget planning and staffing costs may increase as staff progress and we put energy into recruiting better staff.	Regular budget monitoring and planning projecting the next three to five years.  Keeping well-informed of government agendas  Regular review of staffing structures across Trust.
School buildings in the Trust not "fit for purpose"	External condition survey completed annually.	Estates management strategy in place  Estates strategy in place
The Trust's obligation to fund any deficit allocated to its share of the Local Government Pension Fund.	This financial period our deficit has resulted in a liability of £x.xm.	CLT reserves policy  Aware of government/pension strategies and agendas
Parental uncertainty and lack of confidence, post covid, with assessing whether their child is well enough to be in school.	Schools advised to share with parents the new guidance published with a letter from the Chief Medical Officer and leading health professionals (5 Sept)  Dissemination to Heads and staff of Governmental advice through Central Team  Heads Immersion meetings held regularly.  Communications agreed to students, parents, carers and to staff	CLT monitoring of procedural guidance given to schools  Central Team monitoring of attendance  Level in line with DfE minimum attendance

## **FUNDRAISING**

The Trustees act in the best interests of the Trust when deciding to accept or refuse a particular donation. Trustees welcome and encourage fundraising activities in our schools but will not accept voluntary donations and other forms of voluntary support where any of the following criteria apply:

- ◆ The support is known, suspected to be or derives from the proceeds of crime.
- ◆ The support derives from a source conflicting with CLT's objectives or values.
- ◆ Acceptance would carry unacceptable reputational risk which may have detrimental effects on the Trust, such as impacting levels of donations and volunteer support.
- ◆ Acceptance would involve onerous obligations, the cost of which might outweigh the benefit.
- ◆ Support is offered in an attempt to obtain privileged access to CLT's contracts.
- ◆ Acceptance would be in contravention of the Trust's financial and safeguarding policies.

Each school is responsible for ensuring that charitable giving by pupils, staff and families is appropriate and only allows fundraising activities if:

- ◆ The charity is registered with the UK's Charity Commission.
- ◆ The charity and the cause demonstrates no political, religious or cultural discrimination.
- ◆ The charity values are consistent with fundamental British values of democracy, rule of law, individual liberty and mutual respect, and tolerance of those with different faiths and beliefs.
- ◆ There is no compulsion for pupils, staff and families to participate in any fundraising procedures.

**Trustees' report** Year to 31 August 2023

**Streamlined Energy and Carbon Reporting 22/23**

<b>UK Greenhouse gas emissions and energy use data</b>	<b>1 September 2022 to 31 August 2023</b>	<b>1 September 2021 to 31 August 2022</b>
Energy consumption used to calculate emissions (kWh) excl transport and electricity (renewables/nuclear)	<b>12,930,488</b>	<b>13,162,983</b>
Energy consumption breakdown		
• gas,	8,711,623 kWh	8,186,780 kWh
• electricity (standard)	2,692,694 kWh	3,109,074 kWh
• electricity (Renewables/nuclear)	1,740,686 kWh	75,264 miles
• transport fuel (total business and mini buses)	119,492 miles	1,867,129 kWh
• oil	1,526,172 kWh	
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	1,590.39	1473.62
Owned transport – mini-buses	11.88 (42,815 miles)	8.81 (28,937 miles)
Oil	374.78	458.21
<u>Total scope 1</u>	<b>1,977.05</b>	<b>1,931.83</b>
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity (standard only)	557.59	601.23
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	20.14 (76,677 miles)	12.97 (46,327 miles)
<u>Total gross emissions in metric tonnes CO2e</u>	<b>2,554.78</b>	<b>2,546.03</b>
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	<b>0.21</b> (12,109 students)	<b>0.24</b> (10,673 students)

**Quantification and Reporting Methodology:-**

We have followed the UK Government Reporting Protocol – Corporate Standard and we have used the 2023 Conversion Factors for greenhouse gas reporting.

**Intensity measurement**

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

## **Trustees' report Year to 31 August 2023**

### **Measures taken to improve energy efficiency in the past year**

1. We commissioned Barkers Associates to undertake energy audits in each of our schools in late autumn term 2022/early spring term 2023 and these are now being amended with the latest consumption data.
2. We have reviewed our Estates Vision and Strategy will be conducted in Spring 2023 against the DfE's Good Estate Management for Schools guidance and best practice
3. Each school has nominated a sustainability lead and has signed up to the letsgozero campaign. They are being supported to develop their own climate action plans from the autumn term 2023. Progress is now reported to LGBs via Leadership and Management template reports.
4. We have drafted our first Sustainability and Climate Change Strategy and Trustees have approved it for consultation in the autumn term 2023
5. We have decommissioned the oil boiler which heated the Yr5 block at Linslade Academy
6. We completed the reconfiguration of water heating circuits to electrical from oil boilers in the main block of Denbigh High School, converted one oil boiler to Gas and replaced two inefficient oil boilers.
7. More of our school electricity contracts have now switched to a higher percentage sourced from renewable generation.

### **Measures to be taken to improve energy efficiency in the next year**

1. We will be drafting an energy efficiency investment programme from the data that the school energy audits will be providing. This will provide an invest to save programme funded from the Trust's reserves but repayable from efficiencies achieved.
2. We will be submitting a public sector decarbonisation scheme application for Lancot Academy
3. We will be investing £433k of energy efficiency grant funding in our schools

### **Notes:**

1. The Trust grew by one school (Lea Manor High School) in the period 1 September 2022 to 31 August 2023 and its emissions are included in the data above
2. Gas and oil consumption reduced in this period, partially the result of investment in more efficient boilers and conversion, where possible, of oil to gas boilers.
3. Published GHG conversion factors for fuel type consumption to metric tonnes CO2 change each year so year on year comparison is difficult

## Trustees' report Year to 31 August 2023

### PLANS FOR FUTURE PERIODS

Chiltern Learning Trust has a defined strategy for growth. We will build capacity in advance of new academies joining the network. We will prepare for the challenges posed by different joiners: start-up, sponsored and converters and the impact this will have on our leadership and governance.

Chiltern Learning Trust will expand into schools they can make a difference in, and will say 'no' when necessary.

#### Our priorities to 2026

- ◆ To explore the growth of the Trust, as a medium-sized Trust. To take on opportunities to grow with the right schools in the right area.
- ◆ To focus on our current partnership schools for growth and consolidation, based around the development of our Hub model.
- ◆ To establish Hub structures, basing growth firmly around our geographical location and setting up Hub's rather than linear growth.
- ◆ To remain focused on schools, within a 5 mile radius from our Trust offices. (18miles if connected to a Hub)

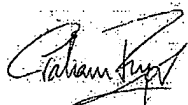
### AUDITOR

In so far as the Trustees are aware:

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

Buzzacott LLP has indicated its willingness to continue in office.

Approved by order of the members of the Board of Trustees on 14 December 2023 and signed on its behalf by:



Graham Pryor  
Chair of Board of Trustees  
Date: 14 December 2023

**Scope of responsibility**

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Chiltern Learning Trust and the Secretary of State for Education. The CEO 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 governors responsibilities. The Board of Trustees has formally met six times during the year.

Attendance during the year at meetings of the governing body was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
S Bennett	6	6
A Chowdhury	4	6
A Ghafoor	4	6
S Koyes	3	6
G Pryor (Chair)	4	6
D Lewin	4	6
S Morales	1	1
S Parfitt	4	6
S Spicer	3	6
J Williams	5	6
A Wilshaw	5	6

Chiltern Learning Trust governance is through the Board of Trustees and Local Governing Bodies (LGBs). The Board is responsible for the effective operation of the Trust and each school therein.

The Board has overall responsibility for strategic planning and the setting of policies for the Trust. It holds the Chief Executive and schools to account through the Trust's school improvement framework presented as a dashboard and robust and detailed financial management reports. Our Scheme of Delegation, reviewed by the Board annually, delegates various agreed functions to the LGBs.

### **Conflicts of Interest**

The Trust maintains an up-to-date and complete register of interests and the Trust seeks to strike a balance by

- ◆ Identifying risks through declaration of business interests forms, standard agenda items on all member, trustees and governor meetings.
- ◆ Prohibiting unacceptable forms of private interest
- ◆ Raising awareness of the circumstances in which conflicts can arise through our governance training.
- ◆ Ensuring effective procedures to resolve conflict-of-interest situations

### **Governance reviews**

Following a review of governance, the Board of Trustees acknowledged the following:

- ◆ to roll out new hub committees for our Local Governing Bodies in our four cluster areas to support the growth of the Trust. The four hubs will be based on a geographic area, Luton, Dunstable, Bedford and Leighton Buzzard
- ◆ strengthening the Board with the addition of two trustees with expertise in teaching school and initial teaching training
- ◆ that conditions requested by joining schools must not be detrimental to the CLT
- ◆ school joiners must agree to CLT conditions.
- ◆ to further enhance Governor training package for CLT governors
- ◆ to ensure high levels of local governance, regular attendance, involvement of the community, representation as we move towards less online governor meetings.

### **Audit Committee**

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to review the actions and judgments of management, in relation to the Trust's financial statements, operating and financial review paying particular attention to:

- ◆ Internal control and risk management
- ◆ Internal scrutiny
- ◆ External audit



**Audit Committee (continued)**

The membership of the audit committee was:

Stewart Parfitt – Trustee

Suzanne Spicer – Trustee and Chair of Audit Committee

Lorraine Thomas – Vice Chair of the Board of Trustees (until December 2022)

Drew Lewin – Trustee

Ashfaque Chowdhury – Trustee (appointed May 2023)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Bennett	1	1 (joined the committee to enable the meeting to be quorate)
A Chowdhury	1	3
D Lewin	3	3
S Parfitt	1	3
S Spicer - Chair	2	3

**Review of value for money**

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

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

The accounting officer for the academy trust has delivered improved value for money during the year by:

**Improving educational results**

The schools within the Trust have maintained very high educational standards. Pupils in our Trust performed significantly better than pupils nationally in most key performance indicators in 2023.

The secondary schools that have been in the Trust for the full 2022/23 academic year delivered outstanding Progress 8 results. This is an outstanding achievement for the Trust. Pupils from disadvantaged backgrounds achieved particularly well, nearly as well as their peers and significantly better than pupils from disadvantaged backgrounds nationally.

Our school improvement framework and our internal and external curriculum audits indicate strong practice in most schools. The Trust continues to be very proud of its achievements in the 2023 examinations.

***Financial governance and oversight***

Internal audits of the schools' internal control system is well established and ensures that the aims, objectives and key performance targets of each school are achieved in the most economic, effective and environmentally preferable manner.

Each local governing body ensures its school's income is used solely for the purposes set out in the Trust's governing documents and with absolute fairness between persons qualified to benefit from the Trust.

***Better purchasing***

Contracts are regularly evaluated to ensure they cover the requirements of the Trust. The Trust achieves value for money by appraising contracts using the Schools Buying Club and the DfE's value for money framework.

Chiltern Learning Trust has secured savings by achieving economies of scale with insurance, ICT, catering and cleaning contracts across the Trust

The Trust regularly benchmarks financial performance against similar schools to demonstrate achieving good value.

***Reviewing controls and managing risks***

The Board of Trustees receive and review budget monitoring reports twice termly.

Risk is identified, assessed and mitigated through our leadership and management structure. All school budgets are prepared and reviewed twice per term with consideration to long term planning and resourcing. Each year the schools' improvement plan priorities and a three year budget plan are presented to each Local Governing Body for approval. Resources allocated for specific provision is monitored regularly by the central team and approved by the Board.

***Facilities management***

The Trust has set up a strategic assets and facilities management committee to ensure the Trust's estate is safe, well-maintained, and complies with regulations by:

- ♦ Termly undertaking an annual review of the Trust's Health and Safety policy
- ♦ and procedures
- ♦ Commissioning Health and Safety audits of schools as necessary
- ♦ Ensuring termly audit reports are provided by each school to its Local Governing Body
- ♦ through the Governor Template focussing on its compliance with the Trust's H&S Policy
- ♦ Acting as the forum for engagement with union membership on health and safety issues,
- ♦ as necessary (under the terms of the Safety Representatives and Safety Committees

**Facilities management (continued)**

- ◆ Regulations 1977 (as amended)) that requires employers to consult their
- ◆ workforce or representatives about health and safety issues.
- ◆ Overseeing the Trust's development and maintenance of clear and accurate asset
- ◆ management data for each school, in preparation for and development of the
- ◆ Trust's Estates Strategy and its Asset Management Plan
- ◆ Promoting the use by each school of a 5 year site development plan
- ◆ Overseeing the development of the Trust's asset management priorities and the
- ◆ process for the strategic prioritisation and allocation of the Trust's
- ◆ School Condition Allocation and Central Capital Programme
- ◆ Reviewing the extent of the Trust's joint procurement of services across its schools
- ◆ Reviewing and developing the management and utilisation of assets and
- ◆ facilities for community use to maximise income generation.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of school policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Chiltern Learning Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the school is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

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

The Board of Trustees has appointed MacIntyre Hudson to conduct the internal scrutiny audits. The Audit and Risk Committee oversee the internal audit process and recommendations carried out by MacIntyre Hudson. The internal audit process includes performing a range of checks on the school's governance, financial planning and monitoring of systems and giving advice on financial matters.

The scope of checks performed by MacIntyre Hudson, in its role as internal auditor include:

- ◆ Review of governance
- ◆ testing of payroll systems
- ◆ testing of purchase systems
- ◆ testing of control account/bank reconciliations

Termly, the Trust and each Local Governing Bodies receive the internal audit reports on the operation of the systems of control and on the discharge of the Board's financial responsibilities. On an annual basis MacIntyre Hudson prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

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

MacIntyre Hudson has delivered their schedule of work as planned and provided details of any significant control issues.

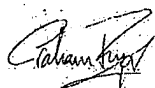
**Review of effectiveness**

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

- ◆ the work of the internal auditors, MacIntyre Hudson
- ◆ the financial management and governance self-assessment process or the school resource management self-assessment tool
- ◆ the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- ◆ the work external auditor; Buzzacott
- ◆ correspondence from ESFA e.g.FNtl/Ntl and 'minded to' letters

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

Approved by order of the members of the Board of Trustees on 14 December 2023 and signed on its behalf by:



**GRAHAM PRYOR**

**Chair/Trustee**



**ADRIAN ROGERS**

**Accounting Officer**

**Statement on regularity, propriety and compliance 31 August 2023**

As Accounting Officer of Chiltern Learning Trust, I have considered my responsibility to notify the 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 agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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 academy trust's funding agreement and the Academy Trust Handbook 2022.

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



**ADRIAN ROGERS**

**Accounting Officer**

**Date:** 14 December 2023

## Statement of trustees' responsibilities 31 August 2023

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

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

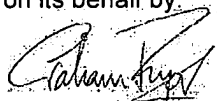
- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Trust 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 Trust 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 Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Trust'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 14 December 2023 and signed on its behalf by:



**GRAHAM PRYOR**  
Chair

## **Independent auditor's report on the financial statements 31 August 2023**

### **Independent auditor's report to the members of Chiltern Learning Trust**

#### **Opinion**

We have audited the financial statements of Chiltern Learning Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

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

#### **Basis for opinion**

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

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company'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.



## **Independent auditor's report on the financial statements 31 August 2023**

### **Conclusions relating to going concern (continued)**

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

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company 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 trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company'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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academy Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;
- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.

**Auditor's responsibilities for the audit of the financial statements (continued)**

- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

**Auditor's responsibilities for the audit of the financial statements (continued)**

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

**Use of our report**

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



Hugh Swainson (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

21 December 2023

## **Independent reporting accountant's report on regularity 31 August 2023**

### **Independent reporting accountant's assurance report on regularity to Chiltern Learning Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter 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 Chiltern Learning Trust during the period from 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 Chiltern Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Chiltern Learning Trust and the 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 the Chiltern Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Chiltern Learning Trust's accounting officer and the reporting auditor**

The accounting officer is responsible, under the requirements of Chiltern Learning Trust's funding agreement with the Secretary of State for Education dated 29 August 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 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 conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

## Independent reporting accountant's report on regularity 31 August 2023

### Approach (continued)

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

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

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

### Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 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.



Buzzacott LLP  
Chartered Accountants  
130 Wood Street  
London  
EC2V 6DL

21 December 2023

**Statement of financial activities (including income and expenditure account)**  
**Year to 31 August 2023**

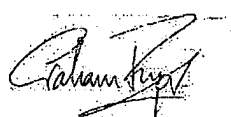
	Notes	Unrestricted general fund £'000	Restricted funds		2023 Total funds £'000	2022 Total funds £'000
			General £'000	Fixed assets fund £'000		
<b>Income from:</b>						
Donations and capital grants	1	9	—	3,223	<b>3,232</b>	2,553
Transfers on existing Academies joining the Trust	1, 19	1,287	(79)	11,625	<b>12,833</b>	15,700
Charitable activities						
· Funding for the academy's educational operations	4	—	75,244	—	<b>75,244</b>	59,539
Teaching schools	4	—	2,760	—	<b>2,760</b>	1,477
Other trading income	2	2,287	—	—	<b>2,287</b>	1,316
Investments	3	198	—	—	<b>198</b>	6
<b>Total income</b>		<b>3,781</b>	<b>77,925</b>	<b>14,848</b>	<b>96,554</b>	<b>80,591</b>
<b>Expenditure on:</b>						
Charitable activities						
· Academy's educational operations	6	582	76,640	4,020	<b>81,242</b>	65,776
Teaching schools	25	—	2,305	—	<b>2,305</b>	1,272
<b>Total expenditure</b>	5	<b>582</b>	<b>78,945</b>	<b>4,020</b>	<b>83,547</b>	<b>67,048</b>
<b>Net income (expenditure) for the year</b>		<b>3,199</b>	<b>(1,020)</b>	<b>10,828</b>	<b>13,007</b>	<b>13,543</b>
<b>Transfers between funds</b>	16	<b>(303)</b>	<b>(1,436)</b>	<b>1,739</b>	<b>—</b>	<b>—</b>
<b>Other recognised gains and losses</b>						
Actuarial losses on defined benefit pension scheme	20	—	10,655	—	<b>10,655</b>	31,213
<b>Net movement in funds</b>		<b>2,896</b>	<b>8,199</b>	<b>12,567</b>	<b>23,662</b>	<b>44,756</b>
<b>Reconciliation of funds</b>						
Total fund balances brought forward at 1 September 2022		<b>7,014</b>	<b>(5,853)</b>	<b>103,722</b>	<b>104,883</b>	<b>60,127</b>
<b>Total fund balances carried forward at 31 August 2023</b>		<b>9,910</b>	<b>2,346</b>	<b>116,289</b>	<b>128,545</b>	<b>104,883</b>

All of the Academy's activities derived from continuing operations during the above two financial periods.

# Balance sheet 31 August 2023

	Notes	Academy Trust	
		2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible fixed assets	12	114,532	102,668
<b>Current assets</b>			
Debtors	13	2,750	1,883
Short term deposits		5,017	—
Cash at bank and in hand		11,584	13,287
		19,351	15,170
<b>Liabilities</b>			
Creditors: amounts falling due within one year	14	(5,136)	(2,720)
<b>Net current assets</b>		14,215	12,450
<b>Total assets less current liabilities</b>		128,747	115,118
Creditors: Amounts falling due after more than one year	15	(202)	(309)
<b>Net assets excluding pension scheme liability</b>		128,545	114,809
Pension scheme liability	20	—	(9,926)
<b>Total net assets</b>		128,545	104,883
<b>Funds of the Academy</b>			
Restricted income funds			
Fixed assets fund	16	116,289	103,722
General fund	16	2,346	4,073
Pension reserve	16	—	(9,926)
		118,635	97,869
Unrestricted funds			
General fund	16	9,910	7,014
<b>Total funds</b>		128,545	104,883

The financial statements on page 37 to 73 were approved by the trustees, and authorised for issue on 14 December 2023 and are signed on their behalf by:



Chair - Graham Pryor

Chiltern Learning Trust  
Company Limited by Guarantee  
Registration Number: 07559901 (England and Wales)



# Statement of cash flows Year to 31 August 2023

		2023 £'000	2022 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	A	4,259	1,416
<b>Cash flows from investing activities</b>	B	(5,855)	29
<b>Cash flows from financing activities</b>	C	(107)	(90)
<b>Change in cash and cash equivalents in the year</b>		<b>(1,703)</b>	<b>1,355</b>
<b>Reconciliation of net cash flow to movement in net funds:</b>			
Cash and cash equivalents at 1 September 2022		13,287	11,932
Cash and cash equivalents at 31 August 2023	D	11,584	13,287

## A Reconciliation of net income (expenditure) to net cash provided by operating activities

	2023 £'000	2022 £'000
<b>Net income (expenditure) for the year (as per the statement of financial activities)</b>	<b>13,007</b>	<b>13,543</b>
<b>Adjusted for:</b>		
Inherited pension (surplus)/deficit	79	4,978
Inherited tangible assets	(11,625)	(20,577)
Revenue expenditure from capital funds	189	369
Depreciation (note 12)	3,831	3,105
Capital grants from DfE and other capital income	(3,223)	(2,439)
Interest receivable (note 3)	(198)	(6)
Defined benefit pension scheme cost less contributions payable (note 20)	245	2,652
Defined benefit pension scheme finance cost (note 20)	405	609
(Increase) in debtors	(867)	(648)
(Decrease) increase in creditors	2,416	(170)
<b>Net cash provided by operating activities</b>	<b>4,259</b>	<b>1,416</b>

## B Cash flows from investing activities

	2023 £'000	2022 £'000
Dividends, interest and rents from investments (note 3)	198	6
Purchase of tangible fixed assets (note 12)	(4,070)	(2,047)
Revenue expenditure from capital funds	(189)	(369)
Capital grants from DfE/ESFA (note 1)	3,223	2,439
Cash placed on deposit	(5,017)	—
<b>Net cash used in investing activities</b>	<b>(5,855)</b>	<b>29</b>

**Statement of cash flows** Year to 31 August 2023

**C Cash flows from financing activities**

	2023 £'000	2022 £'000
Repayments of borrowing	(107)	(90)
<b>Net cash (used in) provided by financing activities</b>	<b>(107)</b>	<b>(90)</b>

**D Analysis of cash and cash equivalents**

	2023 £'000	2022 £'000
Cash at bank and in hand	11,584	13,287
<b>Total cash and cash equivalents</b>	<b>11,584</b>	<b>13,287</b>

**E Analysis of changes in net debt**

	At 1 September 2022 £'000	Cash flows £'000	Other non- cash changes £'000	At 31 August 2023 £'000
Notice deposits	—	5,017	—	5,017
Cash and cash equivalents	13,287	(1,703)	—	11,584
	13,287	3,314	—	16,601
Loans falling due within one year	(102)	102	(111)	(111)
Loans falling due after more than one year	(309)	5	102	(202)
<b>Total</b>	<b>12,876</b>	<b>3,421</b>	<b>(9)</b>	<b>16,288</b>

**Statement of accounting policies**

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

**Basis of preparation**

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

The accounts are stated in pounds and rounded to the nearest thousand.

**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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the Chiltern Learning Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Chiltern Learning 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. In making this assessment, the trustees have considered the impact of the environmental and inflationary concerns on the operational financial results of the Trust.

**Income**

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

**Grants**

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

**Income (continued)**

***Grants (continued)***

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

Capital grants are recognised when there is entitlement 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.

***Other income***

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

***Donations***

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

***Donated fixed assets***

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

***Transfers on conversion***

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income to the net assets received.

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

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the Transfer of an existing academy into the trust within Donations and capital grant income.

### **Expenditure**

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

### **Charitable activities**

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

All expenditure is stated net of recoverable VAT.

### **Tangible fixed assets**

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 Academy's depreciation policy.

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

♦ Freehold buildings	2% per annum
♦ Long leasehold buildings	2% per annum
♦ Leasehold improvements	10% per annum
♦ Fixtures, fittings and equipment	25% per annum
♦ IT equipment	25% per annum
♦ Motor vehicles	25% per annum

Depreciation is charged from the month of acquisition.

**Tangible fixed assets (continued)**

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.

**Debtors**

Debtors are recognised at their settlement amount less any provision for non-recoverability. Prepayments are valued at the amounts prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand. Notice deposits are included on the balance sheet as short term deposits.

**Liabilities**

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

**Financial instruments**

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

*Financial assets* – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. 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, Salix loans and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 14 and 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### **Leased assets**

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

#### **Taxation**

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

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received and include grants from the Local Authority, Luton Borough Council.

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

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

### ***Critical accounting estimates and assumptions***

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

#### ***Local Government Pension Scheme***

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 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### ***Buildings held under PFI contract***

Challney Girls School joined the Trust on 1 March 2017, and is subject to a contract under the Private Finance Initiative (PFI). Under this contract the Academy premises are maintained and managed for a period of 25 years by the PFI-Contractor subject to contractual annual fees paid by the Academy. Upon expiry of the PFI contract, the residual benefit of the premises passes to the Academy as a result of a 125 year lease granted to the Academy.



**Critical accounting estimates and areas of judgement (continued)**

***Critical accounting estimates and assumptions (continued)***

***Buildings held under PFI contract (continued)***

These transactions have been accounted for as a leasing transaction. As the Academy only enjoys the benefit of the Premises subject to the restrictions under the PFI agreement, in the opinion of the Board of Trustees, the Academy does not hold substantially all of the risks and rewards of ownership of the premises and the property is therefore accounted for as an operating lease. The premises are not therefore recognised as an asset in the Trust's financial statements. The annual charges under the PFI agreement are subject to fixed formula but will vary over time.

## Notes to the Financial Statements Year to 31 August 2023

### 1 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants	—	—	3,223	3,223	2,439
Other donations	9	—	—	9	114
	9	—	3,223	3,232	2,553
Transfer of existing academies joining the Trust (note 19)	1,287	(79)	11,625	12,833	15,700
	1,296	(79)	14,848	16,065	18,253

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2022 Total funds £'000
Capital grants	—	—	2,439	2,439
Donated fixed assets	—	—	—	—
Other donations	16	98	—	114
	16	98	2,439	2,553
Transfer of existing academies joining the Trust (note 19)	101	(4,978)	20,577	15,700
	117	(4,880)	23,016	18,253

### 2 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Hire of facilities	210	—	210	137
Income from other charitable activities	1,302	—	1,302	846
Income from ancillary trading activities	775	—	775	333
	2,287	—	2,287	1,316

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Hire of facilities	137	—	137
Income from other charitable activities	846	—	846
Income from ancillary trading activities	333	—	333
	1,316	—	1,316

## Notes to the Financial Statements Year to 31 August 2023

### 3 Investments

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Interest receivable	198	—	198	6
		<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2022 Total funds £'000</i>
Interest receivable		6	—	6

### 4 Funding for academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	—	66,084	66,084	51,614
Other DfE / ESFA grants				
UIFSM	—	275	275	264
Pupil premium	—	2,965	2,965	2,439
National College grants	—	48	48	84
Other DfE / ESFA	—	336	336	1,648
	—	69,708	69,708	56,049
<b>Other government grants</b>				
Local authority grants	—	870	870	1,588
SEN funding	—	2,897	2,897	813
	—	3,767	3,767	2,401
Other income from the academy trust's educational operations	—	872	872	537
<b>COVID-19 additional funding</b>				
Recovery / Catch-up premium	—	659	659	334
Other DfE/ESFA COVID-19 funding	—	238	238	155
Non-DfE/ESFA COVID-19 funding	—	—	—	63
	—	897	897	552
<b>Total educational operations</b>	—	75,244	75,244	59,539
<b>Teaching school hub</b>				
DfE/ESFA grants	—	440	440	240
Other income	—	2,320	2,320	1,237
	—	2,760	2,760	1,477
<b>2023 total funds</b>	—	78,004	78,004	61,016

**4 Funding for academy's educational operations (continued)**

- Movements in recovery premium and catch-up premium balances are included in Note 16 to the financial statements.

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
<i>DfE / ESFA revenue grants</i>			
· General Annual Grant (GAG)	—	51,614	51,614
<i>Other DfE / ESFA grants</i>			
· UIFSM	—	264	264
· Pupil premium	—	2,439	2,439
· National College grants	—	84	84
· Other DfE / ESFA	—	1,648	1,648
· Start up grants	—	—	—
	—	56,049	56,049
<i>Other government grants</i>			
· Local authority grants	—	1,588	1,588
· SEN funding	—	813	813
	—	2,401	2,401
<i>Other income from the academy trust's educational operations</i>	—	537	537
<i>COVID-19 additional funding</i>			
· Recovery / Catch-up premium	—	334	334
· Coronavirus Job Retention Scheme	—	—	—
· Other DfE/ESFA COVID-19 funding	—	155	155
· Non-DfE/ESFA COVID-19 funding	—	63	63
	—	552	552
<b>2022 total funds</b>	—	59,539	59,539

Notes to the Financial Statements Year to 31 August 2023

**5 Expenditure**

	Non pay expenditure			2023	2022
	Staff costs £'000	Premises £'000	Other costs £'000	Total funds £'000	Total funds £'000
Charitable activities					
.. Academy's educational operations					
.. Direct costs	51,388	919	3,365	55,672	41,863
.. Allocated support costs	7,206	9,687	8,677	25,570	23,913
Teaching school					
.. Direct costs	929	—	1,075	2,004	1,138
.. Allocated support costs	301	—	—	301	134
	59,824	10,606	13,117	83,547	67,048

**Expenditure for the year includes:**

Operating leases	867	825
Depreciation	3,831	3,105
Fees payable to auditor		
.. Audit of the group financial statements	46	39
.. Other services	11	18

	Non pay expenditure			2022
	Staff costs £'000	Premises £'000	Other costs £'000	Total funds £'000
Charitable activities				
.. Academy's educational operations				
.. Direct costs	39,588	82	2,193	41,863
.. Allocated support costs	8,192	9,674	6,047	23,913
Teaching school				
.. Direct costs	526	—	612	1,138
.. Allocated support costs	134	—	—	134
	48,440	9,756	8,852	67,048

Notes to the Financial Statements Year to 31 August 2023

**6 Charitable activities - academy's educational operations**

	<b>2023 Total funds £'000</b>	<b>2022 Total funds £'000</b>
Direct costs - educational operations	<b>55,672</b>	41,863
Direct costs - teaching school hub	<b>2,004</b>	1,138
Support costs - educational operations	<b>25,570</b>	23,913
Support costs - teaching school hub	<b>301</b>	134
	<b>83,547</b>	<b>67,048</b>

	Teaching school hub £'000	Educational operations £'000	<b>2023 Total funds £'000</b>	<b>2022 Total funds £'000</b>
<b>Analysis of support costs</b>				
Support staff costs	301	7,206	<b>7,507</b>	8,326
Depreciation	—	2,912	<b>2,912</b>	3,023
Technology costs	—	1,835	<b>1,835</b>	1,878
Premises costs	—	6,775	<b>6,775</b>	6,651
Legal costs – conversion	—	9	<b>9</b>	30
Legal costs - other	—	8	<b>8</b>	4
Other support costs	—	6,728	<b>6,728</b>	4,046
Governance costs	—	97	<b>97</b>	89
<b>Total support costs</b>	<b>301</b>	<b>25,570</b>	<b>25,871</b>	<b>24,047</b>

## Notes to the Financial Statements Year to 31 August 2023

### 7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2022 between restricted and unrestricted funds:

		Unrestricted	Restricted funds		2022
	Notes	general fund £'000	General £'000	Fixed assets fund £'000	Total funds £'000
<i>Income from:</i>					
Donations and capital grants	1	16	98	2,439	2,553
Transfers on existing Academies joining the Trust	1, 19	101	(4,978)	20,577	15,700
<i>Charitable activities</i>					
Funding for the academy's educational operations	4	—	59,539	—	59,539
Teaching schools	25	—	1,477	—	1,477
Other trading income	2	1,316	—	—	1,316
Investments	3	6	—	—	6
Total income		1,439	56,136	23,016	80,591
<i>Expenditure on:</i>					
<i>Charitable activities</i>					
Academy's educational operations	6	1,393	60,728	3,655	65,776
Teaching schools	25	—	1,272	—	1,272
Total expenditure	5	1,393	62,000	3,655	67,048
Net income (expenditure) for the year		46	(5,864)	19,361	13,543
Transfers between funds	16	—	(892)	892	—
<i>Other recognised gains and losses</i>					
Actuarial losses on defined benefit pension scheme	21	—	31,213	—	31,213
Net movement in funds		46	24,457	20,253	44,756
<i>Reconciliation of funds</i>					
Total fund balances brought forward at 1 September 2021		6,968	(30,310)	83,469	60,127
Total fund balances carried forward at 31 August 2022		7,014	(5,853)	103,722	104,883

## 8 Staff

### (a) Staff costs

Staff costs during the year were:

	2023 Total funds £'000	2022 Total funds £'000
Wages and salaries	44,419	34,003
Social security costs	4,596	3,621
Pension costs	9,804	10,060
	<b>58,819</b>	<b>47,684</b>
Supply teacher costs	947	721
Staff restructuring costs	58	35
	<b>59,824</b>	<b>48,440</b>

Staff restricting costs comprise:

	2023 Total funds £'000	2022 Total funds £'000
Redundancy payments	—	7
Severance payments	58	28
	<b>58</b>	<b>35</b>

### (b) Severance payments

The academy trust paid 5 severance payments in the year, disclosed in the following bands:

	2023 No.
£0 - £25,000	4
£25,001 - £50,000	1

### (c) Special staff severance payments

Included in staff restructuring costs are five special severance payments totalling £28,000, £16,000, £6,141, £5,130 and £2,061 (2022: one amount of £500).

### (d) Staff numbers

The average number of persons (including the senior management team) employed by the charitable company during the year ended 31 August 2023 was as follows:

Charitable activities	2023 No.	2022 No.
Teachers	592	435
Administration and support	783	576
Management	129	106
	<b>1,504</b>	<b>1,117</b>



**8 Staff (continued)**

**(e) Higher paid staff**

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

	2023 No.	2022 No.
£60,001 - £70,000	40	27
£70,001 - £80,000	18	10
£80,001 - £90,000	6	3
£90,001 - £100,000	6	4
£100,001 - £110,000	4	2
£120,001 - £130,000	—	1
£140,001 - £150,000	—	1
£150,001 - £160,000	1	—

**(f) Key management personnel**

The key management personnel of the academy trust comprise the trustees, the senior management team and the central executive team as listed on page 1. The total amount of employee benefits (including employer pension contributions and national insurance) received by key management personnel for their services to the academy trust was £715,971 (2022 - £555,087).

**9 Central support**

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

- ◆ Governance
- ◆ Company secretary
- ◆ Leadership
- ◆ Finance
- ◆ Human resources
- ◆ Data/Technology
- ◆ School improvement
- ◆ Marketing and communications
- ◆ Compliance

The trust charges each Academy 3% of GAG income for these services.

**9 Central support (continued)**

The actual amounts charged during the year were as follows:

	2023 £'000	2022 £'000
Ardley Hill	41	47
Chiltern Academy	295	233
Challney High School for Boys	298	280
Challney High School for Girls	199	195
Dallow Primary School	80	95
Daubeney Academy	106	31
Denbigh High	274	268
Kempston Academy	167	48
Marston Vale Middle School	93	60
Putteridge High School	266	244
Cedars Upper School	236	226
Larkrise Academy	21	35
Lancot Academy	52	21
Lea Manor High School	—	—
Linslade School	92	113
Springfield Primary	22	19
	<b>2,242</b>	<b>1,915</b>

**10 Trustees' remuneration and expenses**

The trustees did not receive any payments, other than expenses, from the Trust in respect of their role as trustees.

During the year ended 31 August 2023, no trustees were reimbursed for travel and subsistence expenses (2022 - no reimbursements).

Other related party transactions involving the trustees are set out in note 21.

**11 Trustees and Officers' insurance**

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2023 was £1,078 (2022 - £1,078). The cost of this insurance is included in the total insurance cost.

## Notes to the Financial Statements Year to 31 August 2023

### 12 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Building improvements £'000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total funds £'000
<b>Cost/valuation</b>							
At 1 September 2022	30,228	73,550	6,973	4,336	3,209	100	118,396
Donated assets on acquisition/transfer	11,625	—	—	—	—	—	11,625
Additions	—	—	2,206	1,226	638	—	4,070
Disposals	—	—	—	(1,016)	(2,385)	(100)	(3,501)
At 31 August 2023	41,853	73,550	9,179	4,546	1,462	—	130,590
<b>Depreciation</b>							
At 1 September 2022	3,793	5,928	854	2,604	2,449	100	15,728
Charge in year	541	1,651	721	489	429	—	3,831
Disposals	—	—	—	(1,016)	(2,385)	(100)	(3,501)
At 31 August 2023	4,334	7,579	1,575	2,077	493	—	16,058
<b>Net book value</b>							
At 31 August 2023	37,519	65,971	7,604	2,469	969	—	114,532
At 31 August 2022	26,435	67,622	6,119	1,732	760	—	102,668

The freehold and leasehold land held by the Trust is designated for educational purposes. As a result, it has no open market value and has not been included in these financial statements.

The Challney High for Girls school building has not been recognised in Land and Buildings as the balance of risks and rewards of the building do not fall with the Trust due to PFI agreement between Luton Borough Council and QED Luton (Challney) Limited which the Trust is not party to.

### 13 Debtors

	2023 £'000	2022 £'000
Trade debtors	132	125
VAT recoverable	491	462
Other debtors	1,349	155
Prepayments and accrued income	778	1,141
	<b>2,750</b>	<b>1,883</b>

**Notes to the Financial Statements Year to 31 August 2023**

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

	2023 £'000	2022 £'000
Trade creditors	2,030	974
Salix loans	111	102
Other creditors	—	123
Accruals and deferred income	2,995	1,521
	<b>5,136</b>	<b>2,720</b>
<b>Deferred income</b>		
Deferred Income at 1 September 2022	384	107
Resources deferred in the year	(384)	(107)
Amounts released from previous years	610	384
Deferred Income at 31 August 2023	<b>610</b>	<b>384</b>

Deferred income relates to unspent school-led tutoring income which is subject to clawback, school trip and other income received in advance of £610,000 (2022: £384,000).

**15 Creditors: amounts falling due after one year**

	2023 £'000	2022 £'000
Salix loans	202	309
	<b>202</b>	<b>309</b>

At 31 August, the total of the Trust's future loan capital repayments were as follows:

	2023 £'000	2022 £'000
<b>Salix loans</b>		
Amounts falling due within one year (note 14)	111	102
Amounts due between one and two years	102	102
Amounts due between two and five years	100	207
Total amounts falling due after one year	<b>202</b>	<b>309</b>
<b>Total due</b>	<b>313</b>	<b>411</b>

**16 Funds**

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	3,730	66,084	(66,830)	(1,436)	<b>1,548</b>
Other DfE / ESFA grants					
UIFSM	—	275	(275)	—	—
Pupil premium	—	2,965	(2,965)	—	—
Teaching school	343	2,760	(2,305)	—	<b>798</b>
Recovery and catch-up premium	—	659	(659)	—	—
Other ESFA and government grants	—	622	(622)	—	—
Pension reserve	(9,926)	(79)	(650)	10,655	—
	<b>(5,853)</b>	<b>73,286</b>	<b>(74,306)</b>	<b>9,219</b>	<b>2,346</b>
<b>Other restricted funds</b>					
Local authority grants	—	870	(870)	—	—
Other restricted funding	—	3,769	(3,769)	—	—
	—	<b>4,639</b>	<b>(4,639)</b>	—	—
<b>Total restricted funds</b>	<b>(5,853)</b>	<b>77,925</b>	<b>(78,945)</b>	<b>9,219</b>	<b>2,346</b>
<b>Restricted fixed asset funds</b>					
Transfer on Academies joining the trust	58,965	11,625	(3,183)	—	<b>67,407</b>
Capital grants	4,136	3,223	(426)	—	<b>6,933</b>
Donated fixed assets	38,703	—	(302)	—	<b>38,401</b>
Capital expenditure from GAG	1,918	—	(110)	1,739	<b>3,547</b>
	<b>103,722</b>	<b>14,848</b>	<b>(4,020)</b>	<b>1,739</b>	<b>116,289</b>
<b>Unrestricted funds</b>					
Unrestricted funds	7,014	3,781	(582)	(303)	<b>9,910</b>
<b>Total unrestricted funds</b>	<b>7,014</b>	<b>3,781</b>	<b>(582)</b>	<b>(303)</b>	<b>9,910</b>
<b>Total funds</b>	<b>104,883</b>	<b>96,554</b>	<b>(83,547)</b>	<b>10,655</b>	<b>128,545</b>

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

**ESFA revenue grant fund and other restricted funds***General Annual Grant (GAG)*

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

*Pension reserve*

The pension reserve relates to the deficit on the Trust's share of the Local Government Pension Scheme liability for support staff. Whilst the fund is currently in deficit, the liability is not expected to crystallise in the short-term.

**16 Funds (continued)**

***ESFA revenue grant fund and other restricted funds (continued)***

***Fixed asset fund***

These funds relate to the Trust's holding of tangible fixed assets. Transfers from the General Annual Grant fund to this fund represents the purchase of tangible fixed assets from GAG funding. Capital funding received for maintenance and refurbishment work, including School Condition Allocation (SCA) and Condition Improvement Fund (CIF) funding, is recorded in the fixed asset fund and either capitalised or expended depending on the nature of the expenditure.

***Analysis of academies by fund balance***

Fund balances at 31 August 2023 were allocated as follows:

	<b>Total 2023 £'000</b>	<b>Total 2022 £'000</b>
Ardley Hill	(477)	(282)
Chiltern Academy	966	606
Cedars Upper School	271	206
Challney High School for Girls	1,159	1,240
Challney High School For Boys	780	780
Chiltern Training Group	508	140
Dallow Primary School	632	559
Daubeney Academy	212	140
Denbigh High School	648	406
Chiltern Training Hub	314	203
Kempston Academy	(191)	41
Larkrise Academy	244	284
Lancot School	17	40
Lea Manor High School	1,037	—
Linslade Academy	154	323
Marston Vale Middle	279	103
Putteridge High School	402	195
Springfield Primary School	333	171
Central trust	4,968	5,931
<b>Total before fixed assets and pension reserve</b>	<b>12,256</b>	<b>11,086</b>
Restricted fixed asset fund	116,289	103,722
Pension reserve	—	(9,926)
<b>Total</b>	<b>128,545</b>	<b>104,882</b>

Ardley Hill Academy has a deficit of £477,000 and Kempston Academy £191,000. The Trust is in the process of implementing a recovery plan to bring the costs at these schools down to a sustainable level.

**16 Funds (continued)**

***Analysis of academies by cost***

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	<b>Total 2023 £'000</b>
Ardley Hill	1,795	366	106	374	2,641
Chiltern Academy	5,552	749	354	1,418	8,073
Cedars Upper School	4,430	632	369	1,085	6,516
Challney High School for Girls	4,548	562	200	1,962	7,272
Challney High School For Boys	5,556	841	208	1,533	8,138
Chiltern Training Group	486	193	—	644	1,323
Dallow primary School	2,280	356	86	650	3,372
Daubeney Academy	2,089	305	218	725	3,337
Denbigh high School	5,055	746	318	1,482	7,601
HUB	443	108	—	434	985
Kempston Academy	3,601	540	265	1,162	5,568
Larkrise Academy	1,271	155	54	369	1,849
Lancot School	1,785	241	67	440	2,533
Lea Manor High School	2,358	245	162	567	3,332
Linslade Academy	382	42	48	109	581
Marston Vale Middle	2,231	336	126	500	3,193
Putridge High School	4,811	715	500	1,179	7,205
Springfield Primary	1,316	121	96	378	1,911
Central services	1,407	930	215	920	3,472
	<b>51,396</b>	<b>8,183</b>	<b>3,392</b>	<b>15,931</b>	<b>78,902</b>

## 16 Funds (continued)

### Comparative information

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

	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	2,045	51,614	(49,038)	(892)	3,730
Other DfE / ESFA grants					
UIFSM	—	264	(264)	—	—
Pupil premium	—	2,439	(2,439)	—	—
Teaching school	138	1,477	(1,272)	—	343
Recovery and catch-up premium	132	334	(466)	—	—
Other ESFA and government grants	275	3,398	(3,673)	—	—
Pension reserve	(32,900)	(4,978)	(3,261)	31,213	(9,926)
	<u>(30,310)</u>	<u>54,548</u>	<u>(60,413)</u>	<u>30,321</u>	<u>(5,853)</u>
<b>Other restricted funds</b>					
Local authority grants	—	1,588	(1,588)	—	—
	<u>—</u>	<u>1,588</u>	<u>(1,588)</u>	<u>—</u>	<u>—</u>
<b>Total restricted funds</b>	<u>(30,310)</u>	<u>56,136</u>	<u>(62,001)</u>	<u>30,321</u>	<u>(5,853)</u>
<b>Restricted fixed asset funds</b>					
Transfer on Academies joining the trust	38,388	20,577	—	—	58,965
Capital grants	4,802	2,439	(3,105)	—	4,136
Donated fixed assets	39,253	—	(550)	—	38,703
Capital expenditure from GAG	1,026	—	—	892	1,918
	<u>83,469</u>	<u>23,016</u>	<u>(3,655)</u>	<u>892</u>	<u>103,722</u>
<b>Unrestricted funds</b>					
Unrestricted funds	6,968	1,439	(1,393)	—	7,014
<b>Total unrestricted funds</b>	<u>6,968</u>	<u>1,439</u>	<u>(1,393)</u>	<u>—</u>	<u>7,014</u>
<b>Total funds</b>	<u>60,127</u>	<u>80,591</u>	<u>(67,049)</u>	<u>31,213</u>	<u>104,883</u>



# Notes to the Financial Statements Year to 31 August 2023

## 16 Funds (continued)

### Comparative information (continued)

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2022 £'000
Ardley hill	1,630	300	75	339	2,344
Chiltern academy	4,042	574	186	1,129	5,931
Cedars Upper School	4,017	566	341	1,207	6,131
Challney High School for Girls	4,280	462	152	1,694	6,588
Challney High School For Boys	5,147	886	284	1,295	7,612
Chiltern Training Group	233	47	—	455	735
Dallow primary School	2,114	338	120	578	3,150
Daubeney Academy	541	87	36	173	837
Denbigh high School	4,944	808	339	1,668	7,759
HUB	293	88	—	159	540
Kempston Academy	1,087	98	49	300	1,534
Larkrise Academy	1,059	175	41	364	1,639
Lancot School	541	82	7	136	766
Linslade Academy	2,180	227	51	537	2,995
Marston Vale Middle	1,843	289	73	478	2,683
Putridge High School	4,268	593	233	1,083	6,177
Springfield Primary	371	22	14	94	501
Central services	834	3,383	188	1,617	6,022
	39,424	9,025	2,189	13,306	63,944

## 17 Analysis of net assets between funds

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2023 £'000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	—	—	114,532	114,532
Current assets	9,910	7,684	1,757	19,351
Current liabilities	—	(5,136)	—	(5,136)
Non-current liabilities	—	(202)	—	(202)
<b>Total net assets</b>	<b>9,910</b>	<b>2,346</b>	<b>116,289</b>	<b>128,545</b>

**17 Analysis of net assets between funds (continued)**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
<i>Fund balances at 31 August 2022 are represented by:</i>				
Tangible fixed assets	—	—	102,668	102,668
Current assets	7,014	7,102	1,054	15,170
Current liabilities	—	(2,720)	—	(2,720)
Non-current liabilities	—	(309)	—	(309)
Pension scheme liability	—	(9,926)	—	(9,926)
<b>Total net assets</b>	<b>7,014</b>	<b>(5,853)</b>	<b>103,722</b>	<b>104,883</b>

**18 Commitments under operating leases and PFI agreements and managed**

**Operating leases**

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

<b>Other</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Amounts due within one year	126	79
Amounts due between two and five years inclusive	28	48
	<b>154</b>	<b>127</b>

**Academies with Private Finance Initiative (PFI)**

Land and buildings leases below relate to Challney High School for Girls which is held under a PFI contract. The Trust itself is not party to this service concession contract, however the academy trust has entered in to a supporting agreement towards the costs of the local authority. The below relates to operating payments including costs for cleaning and catering and other ancillary services. The annual charges under the PFI agreement are subject to a fixed agreement, but will vary over time.

The agreement will run until 31 December 2036. In the year ended 31 August 2023, £687,000 (2022: £687,000) of costs relating to this has been recognised in expenditure, being included in the total operating lease rentals figure in note 5.

At 31 August 2023, the total of the Trust's future minimum payments under PFI arrangements was as follows:

<b>Land and buildings</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Amounts due within one year	687	687
Amounts due between two and five years inclusive	2,748	2,748
Amounts due after five years	7,076	7,763
	<b>10,511</b>	<b>11,198</b>

## 18 Commitments under operating leases and PFI agreements

### ***Academies with Facilities Management Agreements***

The Land and Building operating leases below relate to Lea Manor High School. The school buildings were constructed under the Buildings Schools for the Future programme. The capital investment was funded through grants and therefore this did not constitute a PFI agreement. The freehold buildings have been recognised as an asset in these financial statements. There is, however, a facilities management agreement in place which expires in 2036. The Trust itself is not party to this contract, however the Trust has entered into a supporting agreement towards the costs of the local authority. A contract is in place relating to operating payments for the day-to-day maintenance and management of the property, the annual value of which is £712,000. In addition, an annual contribution of £240,000 is made to a sinking fund for future lifecycle projects. The annual charges under the agreement are subject to a fixed agreement, but will vary over time.

The agreement will run until 31 December 2036. In the year ended 31 August 2023, no costs have been recognised in expenditure since all annual payments were made prior to transfer to the Trust.

At 31 August 2023, the total of the Trust's future minimum payments under facilities management arrangements were as follows:

<b>Land and buildings</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Amounts due within one year	950	—
Amounts due between two and five years inclusive	3,802	—
Amounts due after five years	7,603	—
	<b>12,355</b>	<b>—</b>

## 19 Members' Liability

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

## 20 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

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

## 20 Pension and similar obligations (continued)

### *Teachers' Pension Scheme*

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

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

### *Valuation of the Teachers' Pension Scheme*

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £6,491,000 (2022 – £5,040,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pension Scheme website.

**20 Pension and similar obligations (continued)**

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

***Local Government Pension Scheme (LGPS)***

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 £3,891,000 (2022 - £2,904,000), of which employer's contributions totalled £3,180,000 (2022 - £2,368,000) and employees' contributions totalled £711,000 (2022 - £533,000). The agreed contribution rates for future years are 21% of employers and between 5.5% and 12.5% of employees dependent on differing salary bands.

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

<b>Principal Actuarial Assumptions</b>	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
Rate of increase in salaries	<b>3.9%</b>	3.90 - 4.00%
Rate of increase for pensions in payment / inflation	<b>2.9%</b>	2.90 - 3.00%
Discount rate for scheme liabilities	<b>5.3%</b>	4.20 - 4.25%
Inflation assumption (CPI)	<b>2.9%</b>	2.90 - 3.00%
Commutation of pensions to lump sums	<b>50.0%</b>	50%

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

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
<i>Retiring today</i>		
Males	<b>21.1</b>	22.0
Females	<b>23.9</b>	24.4
<i>Retiring in 20 years</i>		
Males	<b>22.1</b>	22.9
Females	<b>25.5</b>	26.1

**20 Pension and similar obligations (continued)**

**Local Government Pension Scheme (LGPS) (continued)**

	At 31 August 2023 £'000	At 31 August 2022 £'000
Discount rate +0.1%	816	1,073
Discount rate -0.1%	(839)	(1,101)
Mortality assumption – 1 year increase	(1,160)	(1,303)
Mortality assumption – 1 year decrease	1,036	1,265
CPI rate +0.1%	(819)	(1,045)
CPI rate -0.1%	793	1,019

The Academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Equities	28,483	20,991
Corporate bonds	8,150	7,960
Property	6,605	4,861
Cash and other liquid assets	1,741	1,280
<b>Total market value of assets</b>	<b>44,979</b>	<b>35,092</b>
Present value of scheme liabilities	44,271	(45,018)
<b>Actuarial surplus in the scheme</b>	<b>708</b>	<b>(9,926)</b>
Adjustment to cap actuarial surplus	(708)	—
<b>FRS102 deficit in the scheme</b>	<b>—</b>	<b>(9,926)</b>

	2023 £'000	2022 £'000
<b>Amounts recognised in statement of financial activities</b>		
Current service cost (net of employee contributions)	3,425	5,020
Interest income	(1,562)	(524)
Interest cost	1,919	1,065
Admin expenses	47	34
<b>Total operating charge</b>	<b>3,829</b>	<b>5,595</b>
<b>Analysis of pension finance income/(costs)</b>		
Expected return on pension scheme assets	(192)	(595)
Interest on pension liabilities	1,919	1,099
<b>Pension finance income/(costs)</b>	<b>1,727</b>	<b>504</b>

## 20 Pension and similar obligations (continued)

### *Local Government Pension Scheme (LGPS) (continued)*

Changes in the present value of defined benefit obligations were as follows:	2023 £'000	2022 £'000
At 1 September 2022	45,019	59,723
Inherited on conversion/transfer	1,669	10,870
Current service cost	3,425	5,020
Interest cost	1,919	1,099
Employee contributions	712	533
Actuarial gain	(7,571)	(31,807)
Benefits paid	(902)	(420)
<b>At 31 August 2023</b>	<b>44,271</b>	<b>45,018</b>

Changes in the fair value of the Academy's share of scheme assets:	2023 £'000	2022 £'000
At 1 September 2022	35,091	26,821
Transferred in	1,590	5,892
Interest income	1,562	524
Actuarial gain/(loss)	3,986	—
Expected return on assets	(192)	(595)
Employer contributions	3,180	2,368
Administration expenses	(47)	(34)
Employee contributions	711	536
Benefits paid	(902)	(420)
<b>At 31 August 2023</b>	<b>44,979</b>	<b>35,092</b>

## 21 Related party transactions

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

In addition to those detailed in note 10, the following related party transactions took place in the period of account:

Shahed Koyes is a trustee of the Trust. In the year ended 31 August 2023, the Trust purchased services totalling £143,652 (2022: £187,775) from Active Support Education Centre Limited, an educational support company incorporated as a Special Academy of which Mr Koyes is also a director. This contract for these services was entered into prior to 1 April 2019 and the ESFA has been notified of the nature of the arrangement, the company does not seek to generate profit and have provided a statement to confirm.

Adrian Rogers is the Chief Executive of the Trust. Anna Rogers, the wife of Adrian Rogers is employed by Chiltern Training Group under standard terms of employment.

**21 Related party transactions (continued)**

The academy trust conducted the above related party transactions in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with their financial regulations and procurement procedures.

Where, for goods or services exceeding £2,500 cumulatively in the year, the element above £2,500 has been provided at no more than cost.

**22 Capital commitments**

At 31 August 2023 the Trust had no capital commitments (2022 – £nil).

**23 Agency arrangements**

The Trust distributes bursary funds for Initial Teacher Training as an agent for National College for Teaching & Leadership and Post-16 Bursaries. In the accounting period ending 31 August 2023, £564,600 (2022: £428,400) was received into the fund and £599,000 (2022: £406,800) of bursaries were disbursed from the fund. An amount of £6,100 (2022 - £41,600) of undistributed funds was held at the year end that will be distributed in the accounting period ending 31 August 2023.

**24 Transfer in on schools joining the Trust**

***Transfer on conversion from Local Authority (current year)***

On 1 August 2023, Lea Manor High School joined the Trust on conversion from Local Authority. The following tables detail the net assets transferred to Chiltern Learning Trust under the transfer agreement.

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2023 £'000
Tangible fixed assets				
Freehold land and buildings	—	—	11,625	11,625
LGPS pension deficit	—	(79)	—	(79)
Other net current assets	1,287	—	—	1,287
<b>Net assets / (liabilities)</b>	<b>1,287</b>	<b>(79)</b>	<b>11,625</b>	<b>12,833</b>



## 24 Transfer in on schools joining the Trust (continued)

### *Transfer of existing academy schools (prior year)*

On 1 May 2022, Daubeney Academy, Lancot School, Kempston Academy and Springfield Primary joined the Trust from the Challenger Multi-Academy Trust (UK Provider Reference Number 10060886). The following tables detail the net assets transferred to Chiltern Learning Trust under the transfer agreement.

A fair value adjustment was made on transfer to reduce the value of freehold land and buildings and leasehold land and buildings by the carrying value of the associated land. This adjustment was made because it the accounting policy of Chiltern Learning Trust is to not place a value on land within the financial statements. This resulted in an overall fair value adjustment of a reduction of £11,333,000 of which £7,544,000 related to freehold land, and £3,789,000 to leasehold land.

#### **All schools**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
<i>Tangible fixed assets</i>				
· Freehold land and buildings	—	—	14,564	14,564
· Leasehold land and buildings	—	—	5,821	5,821
· Other tangible fixed assets	—	—	192	192
LGPS pension surplus / (deficit)	—	(4,978)	—	(4,978)
Borrowing obligations	(22)	—	—	(22)
Other net current assets	123	—	—	123
<b>Net assets / (liabilities)</b>	<b>101</b>	<b>(4,978)</b>	<b>20,577</b>	<b>15,700</b>

#### **Daubeney Academy**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
<i>Tangible fixed assets</i>				
· Freehold land and buildings	—	—	4,779	4,779
· Leasehold land and buildings	—	—	—	—
· Other tangible fixed assets	—	—	49	49
LGPS pension surplus / (deficit)	—	(648)	—	(648)
Net current assets	(22)	—	—	(22)
<b>Net assets / (liabilities)</b>	<b>(22)</b>	<b>(648)</b>	<b>4,828</b>	<b>4,158</b>

The fair value adjustment in relation to the freehold land at Daubeney Academy was £2,340,000 a further adjustment of £22,000 was made to recognise borrowing obligations.

**24 Transfer in on schools joining the Trust (continued)**

**Kempston Academy**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
<i>Tangible fixed assets</i>				
· Freehold land and buildings	—	—	9,785	9,785
· Leasehold land and buildings	—	—	—	—
· Other tangible fixed assets	—	—	92	92
LGPS pension surplus / (deficit)	—	(2,632)	—	(2,632)
Net current assets	80	—	—	80
Net assets / (liabilities)	80	(2,632)	9,877	7,325

The fair value adjustment in relation to the freehold land at Kempston Academy was £5,204,000.

**Lancot School**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
<i>Tangible fixed assets</i>				
· Freehold land and buildings	—	—	—	—
· Leasehold land and buildings	—	—	2,770	2,770
· Other tangible fixed assets	—	—	11	11
LGPS pension surplus / (deficit)	—	(677)	—	(677)
Net current assets	18	—	—	18
Net assets / (liabilities)	18	(677)	2,781	2,122

The fair value adjustment in relation to the leasehold land at Lancot School was £2,498,000.

24 Transfer in on schools joining the Trust (continued)

**Springfield Primary**

	Unrestricted funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Fund £'000	Total 2022 £'000
<i>Tangible fixed assets</i>				
. Freehold land and buildings	—	—	—	—
. Leasehold land and buildings	—	—	3,051	3,051
. Other tangible fixed assets	—	—	40	40
<i>LGPS pension surplus / (deficit)</i>	—	(1,021)	—	(1,021)
<i>Net current assets</i>	25	—	—	25
<i>Net assets / (liabilities)</i>	25	(1,021)	3,091	2,095

The fair value adjustment in relation to the leasehold land at Springfield Primary was £1,291,000.