

# Twynham Learning

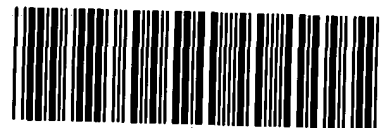
(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 August 2023

Company Registration number: 07565088 (England and Wales)

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# **Twynham Learning**

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## **Twynham Learning**

### **Reference and administrative details**

<b>Members</b>	Mr Ian Fretten Mr Ian Sibley Mr Morné Smit (resigned 14 September 2023) Miss Gayle Upshon-Ellison Mr Gordan Marchant (appointed 15 September 2022)
<b>Trustees (Directors)</b>	Mr Gareth Morris, Chief Executive Officer Mrs Lynda Clarke, Chair Mr Doug Croucher, Vice Chair Mr Bernard Bhukal Mrs Gaynor Brown Mr Michael Turvey Mr Adam Kenneth Bingham Scott Miss Laura Emily Jane Ellener Mr Benjamin Allan Emm (resigned 21 July 2023) Mr James Hannam Mr Tom Ormerod (appointed 7 December 2022) Mr Richard Ian Brown (appointed 7 December 2022) Mrs Shani Davies (appointed 7 December 2022) Mr Leo Cedric Borrett (appointed 1 February 2023)
<b>Chief Executive Officer</b>	Mr Gareth Morris, Accounting Officer from 1 September 2018
<b>Company Secretary</b>	Mrs Anusha Hesketh (appointed 16 September 2020)
<b>Senior Management Team</b>	Mr Darren Barton, Director of Education Mrs Kathryn Woodhead, Chief Financial Officer (resigned 31 August 2023) Ms Louise Adams, Chief Financial Officer (appointed 1 September 2023) (resigned 31 October 2023) Mrs Heather Spring, Chief Financial Officer (appointed 1 November 2023)

## Twynham Learning

### Reference and administrative details (continued)

**Principal and  
Registered Office** Twynham School  
Sopers Lane  
Christchurch  
Dorset  
BH23 1JF

**Company  
Registration Number** 07565088

**Independent Auditor** PKF Francis Clark  
Statutory Auditor  
Hitchcock House  
Hilltop Park  
Devizes Road  
Salisbury  
SP3 4UF

**Bankers** NatWest Bank

# **Twynham Learning**

## **Trustees' Report for the Year Ended 31 August 2023**

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

The Trust operates six academies for pupils aged 4 to 19 serving a catchment area in Christchurch and Bournemouth. For Years R to 11 it has a capacity of 3,450 and had a roll of 3,153 in the school census taken in October 2022. There were also 485 students in post-16 provision at the October 2022 census.

### **Structure, Governance and Management**

#### ***Constitution***

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Trustees of the Twynham Learning Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Twynham Learning.

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

#### ***Members' Liability***

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

#### ***Trustees' Indemnities***

The Academy Trust, through its Articles, has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy Trust purchased and maintained liability insurance for its Trustees in the form of the Government's Risk Protection Arrangement, which provides unlimited employer's liability, unlimited third-party public liability and unlimited professional indemnity.

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

The Members are responsible for the appointment of up to nine Trustees and further Trustees can be co-opted by the Trustees in office at the time. Details of the Members who served during the year are included in the Reference and Administrative Details on page 1. The term of office of any Trustee or Local Advisory Board (LAB) Member is four years.

An audit of skills is used to identify desirable skills or experience, and this information is used when advertising for new Trustees (or LAB Members).

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

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

The training framework for Trustees and LAB members developed and implemented in July 2021 continued. This included training on induction, essential elements to be covered in the first year, development and refresher training, specialist topics for Lead Trustees/LAB members and Leadership training. All Trustees and LAB members are required to keep a personal log of their training which is requested by the Clerks and/or training leads on a termly basis. The Lead Trustee and Lead LAB members for training continued in their roles to monitor training uptake. The framework is a dynamic document with new training being added as it becomes available in line with identified needs. Much of the school improvement training is arranged and delivered internally by the Director of Education. All Trustees and LAB Members are required to update their safeguarding and cyber security training annually.

#### ***Organisational structure***

The Twynham Learning Multi-Academy Trust currently consists of six schools, all of which are governed by the Members and the Board of Trustees of Twynham Learning. A CEO (who is also the Accounting Officer) and a Director of Standards (now Director of Education) were appointed in September 2018. In 2022-23 the Trust Executive Team was made up of the CEO, the Director of Operations and the Director of Education (who also holds the position of Deputy CEO).

Following the re-introduction of Committees part way through 2021-22, this structure continued in 2022-23. The CEO/Accounting Officer attends meetings, the Director of Education attends the Education Committee meetings and the Director of Operations attends the Resources Committee meetings. The Audit Committee (comprising members of the Trust Board, but not the Chair) and the Local Advisory Boards also serve as Committees of the Board of Trustees.

The Trustees delegate governance functions to the Local Advisory Boards and different levels of delegation exist depending on circumstance. The School Improvement Strategy sets out levels of assurance / concern and the model of support and challenge varies accordingly. This model has proved highly successful in supporting The Grange School and Stourfield Infant School on their improvement journeys. Key roles are allocated from within the LAB for particular oversight of core functions, e.g. Safeguarding, SEND and Training.

Each academy within the Trust has its own Senior Leadership Team (SLT), led by its Headteacher, and these SLTs are accountable to their own Local Advisory Board.

Trustees delegate the day-to-day management operations of the Academy Trust to the CEO/Accounting Officer. In order to facilitate effective operations, the CEO/Accounting Officer has delegated authority within terms approved by the Trustees for operational matters, including education, finance and employment.

Underpinning the membership arrangements of the Board of Trustees and the Local Advisory Boards is a formal Memorandum, the Governance Handbook, the various Terms of Reference and the Scheme of Delegation, describing the respective roles and accountabilities of each body in relation to: People & Structures, Systems, Strategy, Education & Curriculum, Finance, Infrastructure and Compliance.

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

The Local Advisory Boards are responsible to, and held to account by, the Twynham Learning Board of Trustees for the performance of their schools. Monitoring processes are in place and, in the case of underperformance of a Local Advisory Board, the Twynham Learning Board will intervene and has reserved the right to suspend the Board and/or to discuss and appoint Local Advisory Board members. During 2022 this was the case at Stourfield Infant School, where an Education Improvement Board, chaired by the Chair of Trustees, was in place temporarily to monitor school improvement in place of the Local Advisory Board. The responsibilities of the LAB were transferred to the EIB until such time as the LAB is reinstated.

The Chairs' Advisory Group (CAG) continued to meet on a half-termly basis, acting as the main link between the Board of Trustees and the Local Advisory Boards. This group enhances communication, offers advice, ensures consistency across the LABs and provides a forum for Chairs' development. CAG is represented on the Board via the Chair of Trustees who also chairs the group.

The Headteachers of the schools within the Academy Trust also met at least once per half-term as the Executive Leadership Team (ELT), which is the main link between the Board of Trustees and senior leadership teams. Under the professional leadership of the CEO, the Director of Education and the Director of Operations and, through their Self-Improving Schools System (SISS) Board, they drive the improvement agenda across the community of schools and ensure that strategic and operational leadership is consistent and coherent across the schools. Representatives from ELT attend meetings of the Board of Trustees as required, to provide information to Trustees on the performance of schools, including the quality of teaching, standards, performance data, and student issues such as attendance, exclusions, punctuality and disciplinary matters, as well as school development plans. The Director of Education leads on pupil outcomes and the associated performance information is shared with the Trust Executive, Headteachers and Trustees on a half termly basis. The Director of Education supports the Trustees' work to achieve improved pupil outcomes by regularly engaging with school leaders. Schools whose standards require further scrutiny have more direct support; activity is very much targeted depending on need.

Terms of reference for the Members, the Board of Trustees, Education Committee, Resources Committee, Audit Committee, the Chairs' Advisory Group, Local Advisory Boards, Academic Standards Boards and Hearings Panels have been agreed by the Trustees and are fully documented, as are the agreed lines of accountability and leadership within the Trust's schools.

The Full Board of Trustees met five times during the academic year and was responsible for maintaining strategic oversight, setting vision and policies for the Academy Trust and ensuring that appropriate safeguarding measures were in place across the Trust.

The Education Committee, attended by the Director of Education, met four times during the academic year and was responsible for overseeing standards and outcomes across the Trust. This included curriculum provision (including arrangements for provision of remote learning), pupil wellbeing, reviewing and ratifying educational policies, setting annual targets for individual academies and overseeing key performance data on a Trust and individual academy basis. A robust programme of individual school reviews was agreed and evaluated.

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

The Resources Committee, attended by the Director of Operations, met four times during the academic year. The Committee maintains oversight of the finances of the Academy Trust, establishes a funding model for use across the Trust, ensures compliance with the Academy Trust Handbook, and reviews and ratifies financial policies as required. The Trustees also consider and make recommendations on risk management, internal control and the value for money framework, as well as matters relating to the premises and business continuity plan. The Audit Committee agreed an appropriate programme of work to be delivered by independent assurance providers, receiving reports from the external auditor, internal auditor and other bodies, maintaining transparency and openness of communication at all times.

#### ***Trade union facility time***

Twynham Learning does not recognise any trade unions for collective bargaining purposes, therefore there is no requirement to offer/track facility time.

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

The arrangements for the setting of pay for the Academy Trust's key management personnel are based on the Trust's Staff Pay Policy which is informed by the DfE's School Teachers' Pay and Conditions statutory guidance. Remuneration is benchmarked against other schools of a similar size.

In relation to the pay of the CEO/Accounting Officer, a committee is formed comprising of three Trustees with extensive performance management experience (one of whom is an Education Specialist). The CEO is required to present a comprehensive self-evaluation report prior to the Performance Review meeting, clearly stating evidential outcomes to the objectives set twelve months previously. Pay is discussed in the absence of the CEO, once all evidence has been collated and recorded. Consideration is given to outcomes to set objectives, performance throughout the Academy Trust, professional development including leadership and membership of educational bodies, length of service, and market forces.

#### ***Related parties and other connected charities and organisations***

Twynham Learning does not have any wider networks or affiliations with other charities, companies or organisations and remains an education entity.

#### ***Engagement with employees (including disabled persons)***

Twynham Learning staff came together at the start of the academic year to hear key note presentations about the future of the organisation, its strategy and key topics including Safeguarding.

Throughout the year, staff benefit from attending staff meetings, where they are briefed on matters of concern to them and can ask questions of colleagues. There are also a number of additional inset days where staff gather in school groups / phase groups / subject groups to co-design practice, learn more about changes in the organisation and learn together. These inset days are coordinated by the Trust's leaders to ensure staff have the knowledge they need and have time to build networks.

A number of development opportunities were provided through the Two Rivers Institute (TRI) and by the Trust's Leadership Team for staff to learn more about the elements which represent a successful educational organisation (which is one which gains success for its pupils). Cross-Trust working groups with representatives from each school have been delivering ever improving arrangements to Pedagogy, Curriculum and Assessment.



## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

In September 2022, the new staff intranet 'SpotLight' was launched. It offers a platform for staff to read news/communications, access policies and guidance, connect with one another, access staff discounts, see internal vacancies and CPD opportunities and read about Twynham Learning's strategy, guiding principles and employee values.

Twynham Learning is founded on the principle of Equality and has transparent processes extending this to the recruitment of staff (whether that is an external candidate or career development / promotion of existing staff). All vacancies on our website set out our commitment as part of the advert:

*"Twynham Learning values diversity and inclusiveness. We aim to eliminate unlawful discrimination and promote diversity throughout our whole workforce. We want our workforce to be representative of all sections of our community, so we give equal opportunities to all job applicants. We do not discriminate on the basis of age, disability status, gender reassignment, marital/partnership status, pregnancy/maternity, race/colour/national origin, religion/belief, sex or sexual orientation."*

We will not ask candidates for any information about their health before they are offered a job. However, we will check whether they require any adjustments to help them participate in our selection processes (and we will always do our best to accommodate any reasonable request). We have an outsourced Occupational Health provision which provides pre-employment health screenings and advises on how we can support existing staff with disabilities and health conditions at work.

Our pay progression processes are moderated to ensure they are fair and that policies are consistently applied to all.

During 2022-23 Twynham Learning respected the choice of a number of teaching staff to take industrial action as part of a national-level dispute over their pay, which led to some limited class and year group closures.

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

During 2022-23, coordinated procurement work was done with a number of local companies to obtain value for money arrangements across the Trust's built estate; ensuring that competent, capable contractors are in place in a consistent and reliable way for the safety of all of the site's users.

Twynham Learning's primary customers are of course its pupils and their families, with whom the organisation has regular interaction at a variety of levels. Schools have regular communication with families through letters, newsletters, social media information and events. There is also ongoing liaison with community groups who choose to base their activities within the Trust's buildings through regular lettings; the lettings income is useful to each school but the community provision is also of importance.

In addition, Twynham Learning has business relationships with other educational establishments; through membership of the School Improvement Network and participation in CPD events. TRI actively works to build partnerships within the locality, in order that other educators can work alongside Twynham Learning staff on their journey to excellence.

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

#### **Objectives and Activities**

##### ***Objects and Aims***

Twynham Learning is driven by its social responsibility to offer every pupil the very best of opportunities and ensure they are ready for their next step in life; whether transitioning to their next class / next school or on to further / higher education or stepping out into the workplace. They deserve a world class education; not just strong outcomes in terms of external examination results, but also in terms of the richness of their educational journey.

We commit to delivering equality of opportunity; not the same thing for all but recognising what each individual pupil in our care requires to succeed.

We always seek to learn and to improve; recognising that we need to have humility in acknowledging areas which could be better and acting swiftly to make positive changes.

We exist to serve our community; recognising that each school should be its own entity with its own ethos and identity, rooted in its locality and responding to its context.

As an organisation, we hold each other to high standards in terms of our values and behaviours and our effort on behalf of our pupils. We are highly ambitious for our pupils and therefore have high expectations of our pupils in terms of behaviour, attendance and commitment to learning, so that they can make the very most of their education and have the very best life chances. We seek support from parents and carers in promoting the value of education with their children.

##### ***Objectives, Strategies and Activities***

The direction for the Trust's main objectives and activities is captured within the Twynham Learning Excellence Strategy (see Appendix 1). The Excellence Strategy was informed by the work of the Transforming Learning Communities Programme which comprised six "grass roots" reviews of Early Years, Primary, Secondary, Post-16, SEND and People & Communication.

The Excellence Strategy is an umbrella approach for Twynham Learning as a fractal organisation in that it can be applied at all levels of the organisation from Trust Executive Team to Schools to Phases / Departments to Subjects and Operational Teams. The expectation is that all groups of staff can define what excellence looks like, can accurately assess their current performance and can deliver a robust plan to bridge the gap.

This repeatable / scalable approach gives schools autonomy but still enables a collaborative approach across groups of schools and colleagues. Each Headteacher is responsible for their own school's Excellence Plan and the clear evaluative line of sight through the structure of their organisation to ensure all its component parts are driving relentlessly towards excellence for the benefit of their pupils.

The academic year 2022-23 largely focussed on "Embedding" and the 3-5 years following that will be "Developing" on our never-ending continuous improvement journey.

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

#### ***Public Benefit***

The Trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

The Trust offers considerable public benefit through its role as a provider of education and the links it has developed with the local community. A number of community groups use the Trust facilities on an ongoing basis to deliver sporting, art and other services under a lettings agreement and the charges made contribute to the running costs of the school.

Our PE and School Sport Partnership works with 14 local primary schools to develop engagement, participation, professional development for teachers, health and physical literacy programmes and community links. Our competitions and events provide opportunities for children to enjoy and benefit from meaningful experiences. We also deliver the Dorset Leadership Academy, which supports character development by empowering children through leadership roles to design, deliver and promote physical activity and/or sport.

Two Rivers Childcare, our community based childcare provision had a successful summer. Having successfully bid for HAF Funding, the holiday club provided free places to Pupil Premium children who might otherwise be unable to access quality childcare during the holidays. During the summer of 2023, 55 Pupil Premium children attended the provision, averaging 24 HAF per day. In addition to this, 107 children accessed the paid provision, averaging 19 non-funded children per day. In partnership with the Friendly Food Club we also provided free cookery classes for children focussing on nutrition, as well as preparing and cooking a meal.

The Trust also worked closely with a range of local schools, beyond the organisational definition of Twynham Learning. In particular, the work of TRI in providing both initial teacher training and ongoing CPD opportunities, is supporting a large number of schools in the region and is highly regarded as a training provider of choice. During 2022-23, 27 Secondary Teachers trained with BPD SCITT. Last year the school worked to induct 14 Primary and 15 Secondary Early Career Teachers (ECTs) in partnership with local schools. There were 16 ECTs on our ECT Programme. Over fifty local schools are actively engaged in partnership with TRI to deliver development opportunities for their staff. TRI also ran a basic coaching course for 14 Twynham Learning Staff.

In particular, the TRI School Improvement Network had its second successful year, bringing together a number of other local education partners to work with Twynham Learning Schools in honest evaluation and collaborative school improvement journeys.

BPD SCITT has also been re-accredited for September 2024 to continue as a provider of ITT under the name "Bournemouth Bay Teacher Training Partnership", which it will do in partnership with Poole High School, with two training hubs, in Christchurch and Poole.

## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

#### Strategic Report

##### Achievements and Performance

##### Key Performance Indicators

The number of students on roll within the Trust is approximately 3,638 for the academic year 2022-23. This, from the autumn 2022 pupil census is broken down into:

School	Number on Roll
Twynham School	1,800
The Grange School	374
Twynham Primary School	217
Christchurch Junior School	491
Stourfield Infant School	304
Stourfield Junior School	452

#### Staff Turnover

Organisational unit	Number of leavers	Turnover %
TS	108	19
TPS	7	17
SJS	9	16
SIS	13	27
CJS	10	14
Core Services	2	11
TRC	3	43
TS	47	19
TGS	17	22

#### Pupil Attendance 2022-23

Post pandemic, pupil attendance continued to improve across the Trust, though significant pockets of challenge remain. Attendance in primary phase schools was above national when compared to both primary schools nationally and all schools via DfE benchmarking. Secondary attendance at Twynham School was above national when compared to secondary schools nationally. Attendance at The Grange School is still a significant concern in terms of both the headline attendance metrics and the proportion of pupils who are deemed to be persistently absent. School leaders continue to work to address the school's attendance challenges.

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

#### **Pupil Outcomes 2022-23**

Summer 2023 marked the second year of formal statutory assessments and public examinations post pandemic with some encouraging pupil outcomes seen across the trust.

- 81.1% of year R TL pupils achieved a 'Good Level of Development' in their Early Years Foundation Stage (EYFS) assessments compared to a national figure of 67.3%.
- 85.4% of year 1 TL pupils passed the Phonics Screening Checking (PSC) compared to 78.9% of pupils nationally.
- 64.9% of year 2 TL pupils attained the Expected Standard in their KS1 Reading, Writing and Mathematics assessments compared to 56% of pupils nationally.
- 73.5% of year 6 TL pupils attained the Expected Standard in their KS2 Reading, Writing and Mathematics assessments compared to 59.5% of pupils nationally.
- 71.3% of year 11 TL pupils attained grades 4+ in English and Mathematics with 50% of year 11 pupils attaining grades 5+ in English and Mathematics compared to national figures of 65% and 45% respectively.
- 38% of year 11 TL pupils are entered for the EBacc suite of qualifications compared to 39% nationally.

Below the trust wide headlines, there were some significant successes at individual schools.

- Christchurch Junior School achieved its best ever set of KS2 results with 79.8% pupils attaining the Expected Standard in Reading, Writing and Mathematics. It was also the case that Stourfield Junior School achieved its best set of KS2 outcomes.
- Post Ofsted, Stourfield Infant School continues to embed sustained improvements with this year's EYFS and PSC outcomes significantly above national.
- GCSE English/Mathematics outcomes at the 5+ standard were much improved at The Grange School with progress now being back to 'Average' in 2023 compared to 2022.
- EBacc entry at Twynham School remains strong with 65% of pupils entering the gold standard suite of subjects comprising of English, Mathematics, Science, a Humanity and a Modern Foreign Language.

The Trust continues to challenge and support each of the six schools to improve the educational outcomes for the pupils in its care. There is a robust school improvement strategy in place predicated on constantly striving for excellence, with each school having a full and holistic Autumn Term Review completed by the Trust Core Services team. This is supported both by the Self-Improving School System (SISS) Board and the Two Rivers Institute which operationally leads on school improvement and the provision of CPD for both Twynham Learning and the wider school system. Every Twynham Learning school has a bespoke school improvement plan with the School Improvement Team quality assuring each school's ownership and drive for school improvement.

Most Twynham Learning schools remain over-subscribed and increasingly popular with parents and carers in our local community.

#### **Going concern**

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

## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

#### *Promoting the success of the academy*

As has been set out in other sections of this report, Twynham Learning has a real ambition for the success of its young people. There has been structured and effective strategic improvement; delivered in a collaborative and sustainable way. The School Improvement model, with its cyclical approach, ensures that leaders identify the next key developments which will give pupils ever-increasing educational outcomes and educational journeys. Leaders give their staff increasing opportunity to grow as individuals and to co-design the future with peers, and they are relentless in the pursuit of excellence. The operational functions of the Trust are being modernised and best practice is being shared across all schools. The Governance functions have a clear strategic view and hold leaders to account.

The organisation is committed to the highest standards of public life; to show moral purpose in its planning, decision-making and actions. It actively seeks to form community links, to support those in need in the locality and to work collaboratively with the Local Authority in providing education services.

#### **Financial Review**

The Academy Trust generated a deficit of £8,000 (2022 - £625,000 surplus) in the restricted general funds (excluding pension reserve) in the year ended 31 August 2023. The current reserves position is as follows:

£'000	31 August 2023	31 August 2022
In year surplus / (deficit)	(1,397)	(1,903)
Restricted general and Restricted fixed assets funds balance*	48,844	50,125
Unrestricted funds balance	539	316

\* Excluding pension reserve

The principal source of funding for the Trust continues to be funds received from the Department for Education. Resources across the Trust have been tightly managed to ensure maintained delivery of a high-quality provision. ESFA recognise the current arrangements as being robust and there is a positive working relationship established, including hosting a visit from their CEO during Summer 2022, ahead of him taking up his post. The intake at The Grange School continues to be lower than capacity but students on roll are starting to increase because of the closer alignment with Twynham School and the success of the School Improvement work in securing a Good rating from Ofsted.

The Trust uses benchmarking and Integrated Curriculum Financial Planning to inform budget planning and performance within the year. The Director of Education and the Trust Finance Manager work closely with schools to shape their budgets to deliver the educational and wider objectives of the school. Schools / LABs then present their budgets to the CEO and Director of Operations who can then recommend them to Trustees for ratification.

The Trust benefits from access to School Condition Allocation (SCA) capital funding and a prioritised programme of investment is in place across the Twynham Learning sites. Significant focus has been given to compliance works and improvements to heating systems. Alongside this functional work, general condition improvements have been made to many areas including a full refurbishment of the Jenkins Block classrooms and circulation spaces at Twynham School and of four classrooms at The Grange School, restoration of the original stonework to Stourfield Infant School, improvements to external teaching spaces at Christchurch Junior School and Pupil Toilet refurbishments at Stourfield Junior.

## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

Trustees regularly review the financial policies and ensure they reflect and support current practice. Key financial policies are:

- Financial Procedures Policy - last reviewed & ratified Autumn term 2022 (currently under review in Autumn term 2023)
- Charging & Remission Policy - last reviewed & ratified Spring term 2023 (next review due Spring term 2024)
- Debt Recovery Policy - last reviewed & ratified Autumn term 2023 (next review due Autumn term 2025)
- Asset Control Policy - last reviewed Spring term 2023 (next review due Spring term 2024)
- Anti-Fraud and Corruption Policy - last reviewed & ratified Autumn term 2023 (next review due Autumn term 2025)
- Gifts & Hospitality Policy - last reviewed & ratified Autumn term 2022 (next review due Autumn term 2024)
- Lettings Policy - last reviewed and ratified Autumn term 2023 (next review due Autumn term 2025)
- Reserves & Investment Policy - last reviewed & ratified Autumn term 2023 (next review due Autumn term 2024)
- Whistle Blowing Policy - last reviewed & ratified Spring term 2022 (next review due Spring term 2024)

Currently the pension liability is £3,030,000 (2022 - £4,535,000).

Current projections for the year ended 31 August 2024 indicate that Trust will deliver an in-year surplus.

Robust budget-planning processes and clear management reporting during the year are in place at Trust and individual school level, to ensure sustained viability and going concern status.

#### Reserves Policy

The balance sheet shows the Academy Trust having £4,236,000 cash at bank and in hand. The true amount of assets currently held by the Trust amount to £2,060,000. The reserves balances as at 31st August 2023 are as follows:

£'000	31 August 2023	31 August 2022
Restricted general fund	1,521	1,529
Restricted fixed asset fund	47,323	48,596
Restricted pension fund	(3,030)	(4,535)
Unrestricted general fund	539	316
<b>Total funds</b>	<b>46,353</b>	<b>45,906</b>

\* Asset / (liability)

Due to its size, the Trust benefits from the formula funded School Condition Allocation. In the tax year 2022-23, the Trust was allocated £549,055 and in the tax year 2023-24 the Trust has been allocated £561,848. The School Condition Allowance is held in a separate reserve from the general fund, to ensure that the Trust properties are maintained and developed in accordance with the asset management plan.

## **Twynham Learning**

### **Trustees' Report for the Year Ended 31 August 2023 (continued)**

Trustees are mindful that there is no reserve in respect of the pension deficit on the Dorset County Council pension scheme.

#### ***Investment Policy***

The Trust Finance Manager is responsible for monitoring cash flow forecasts to ensure the Trust has sufficient funds available to pay for day-to-day operations. The Finance Manager meets regularly with the Trust Executive Team to share this information and agree actions. Trustees also regularly monitor cash flow reports and forecasts produced by the Finance Manager to ensure that commitments are fully covered.

If the cash flow identified a base level of cash funds that would be surplus to requirements then these would be invested in interest bearing deposit accounts with a major UK regulated bank.

Should funds be invested, then the Trust Finance Manager will regularly review the interest rates being achieved.

Levels of reserves and balances are communicated to all Trustees monthly in the management accounts. The actual level of reserves is included in the year end annual report and financial statements.

#### ***Principal Risks and Uncertainties***

The Trustees have an established procedure in place for ensuring risk awareness and management remain a priority within the Academy Trust. The principal risks for the Trust remain unchanged, with continued focus on high educational performance and strong financial control to mitigate reputational and going concern risks. Operational risks are managed by:

- Clear policies being in place which are regularly reviewed
- Trust-wide staff training programmes in place
- Internal governance framework and regular key control checks in place
- Outsourced internal audit programme delivered by Moore South LLP

The Risk Register is a live document and is formally reviewed termly by Trustees and LABs. Information on Incidents feeds into the Risk Register review cycle. A new post of Risk & Audit Lead was created within the Core Services Team during 2021-22 in order to give further solidity to the joining of Risk Management information and action. A new Business Continuity Planning template was launched during 2021-22.

#### **Fundraising**

The Trustees are mindful of the social inequalities evident within our community, particularly recognising the impact of inflation. Twynham Learning encourage each school community to donate to established local charities such as the Foodbank and to promote outward-looking charitable endeavours.

Trustees are also conscious of the need to maximise funds available to support our pupils' education and, with this in mind, have charged key Trustees and the CEO to increase income through providing education-related services. Most of this commissioned work sits under the umbrella of Two Rivers Institute. Activity within 2022-23 included provision of Continuous Professional Development for local schools, provision of Governance Training and Year 2 / Year 6 Training via BCP Council, IT Technician Service and School Improvement Support (including Ofsted Inspection).



## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

#### Streamlined Energy and Carbon Reporting

As part of Twynham Learning's commitment to environmental improvements and in line with statutory expectations, the following information is presented to outline both the energy use and the associated greenhouse gas emissions from the six Twynham Learning sites.

**UK Greenhouse Gas Emissions and Energy Use Data** (for the period 01/09/2022 - 31/08/2023)

<b>UK Greenhouse gas emissions and energy use data for the period</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)	3,332,408	3,282,700
<b>Scope 1 emissions in metric tonnes CO<sub>2</sub>e</b>		
Gas consumption	386.22	390.13
Owned transport – owned minibus (CJS)	0.32	0.25
Total scope 1	386.54	390.38
<b>Scope 2 emissions in metric tonnes CO<sub>2</sub>e</b>		
Purchased electricity	244.02	215.49
<b>Scope 3 emissions in metric tonnes CO<sub>2</sub>e</b>		
Managed transport – leased minibuses (TS)	11.77	16.39
Managed transport – leased minibuses (TGS)	4.39	5.49
Business travel in employee owned vehicles	1.74	1.29
Total scope 3	17.90	23.17
<b>Total gross emissions in metric tonnes CO<sub>2</sub>e</b>	<b>648.46</b>	<b>629.04</b>
<b>Intensity ratio</b>		
Tonnes CO <sub>2</sub> e per pupil	0.18	0.17

## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

#### Quantification and Reporting Methodology:

Twynham Learning has followed the 2019 HM Government Environmental Reporting Guidelines and used the GHG Reporting Protocol – Corporate Standard and the 2022 UK Government's Conversion Factors for Company Reporting.

- Gas and electricity consumption data was obtained from invoice history across the six sites.
- Data for the mini-bus fleet was obtained from a fuel card history and log book entries.
- Business mileage from use of staff cars for work purposes was obtained from the organisation's expense system.

Element	Model	Consumption	Conversion Factor	Kg CO2e (to nearest kg)
CJS Minibus - Owned (Scope 1)	Peugeot Boxer	786 miles	0.25	318
TS Minibuses - Leased (Scope 3)	Ford Transit	4,690.88 litres	2.51	11,774
TGS Minibuses - Leased (Scope 3)	Ford Transit	1,749 litres	2.51	4,390
Staff Business Mileage - Private Cars (Scope 3)	Variable	6,470 miles	0.27	1,735

Fuel	Total Consumption (kWh)	Conversion Factor	Kg CO2e (to nearest kg)
Electricity	1,178,428	0.207074	244,022
Gas	2,145,654	0.18	386,218

#### Consumption data - breakdown by site

Site	Electricity Use 22/23 (kWh)	Gas Use 22/23 (kWh)	Electricity Use 21/22 (kWh)	Gas Use 21/22 (kWh)
TS	609,885	735,716	557,652	879,984
TGS	193,047	626,319	237,988	565,338
TPS	60,995	219,843	57,407	116,835
CJS	182,343	242,273	129,463	252,153
SIS	50,274	205,538	51,208	224,971
SJS	81,884	115,965	80,598	128,123
<b>Total</b>	<b>1,178,428</b>	<b>2,145,654</b>	<b>1,114,316</b>	<b>2,167,405</b>

## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

#### **Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector. As recommended, pupil numbers are based on the Autumn Census data. For Twynham Learning, the total number of pupils in the October 2022 census was 3,638.

#### **Measures taken to improve energy efficiency**

A number of projects were delivered during the academic / financial year with a focus on improving energy efficiency. These included:

##### Heating efficiency

- Boiler Replacements at Twynham School (x4 Cape, Jenkins, Blocks G & H)
- New BMS system at Stourfield Infant School
- Heating repairs across the estate to improve efficiency

##### LED lighting schemes

- LED fittings introduced to five classrooms and circulation spaces at Stourfield Junior School
- LED lights included in a number of wider condition-based refurbishment projects including five classrooms and circulation spaces at Stourfield Junior School (Y2); toilets at The Grange School, Twynham School (x2), Stourfield Infant School
- Failed lighting units replaced with LED units at a number of locations across the estate inside and outside

Energy schemes remain a priority for ongoing Asset Management project planning where we anticipate another year of high activity including continuing to replace inefficient heating and lighting and looking at use of sensors to target use. However, wider work to promote culture and behavioural energy reduction initiatives is also underway with all schools signing up to a coordinated Sustainability network and inset day sessions being used to start the involvement of a wider network of energy (and sustainability) champions.

Stourfield Junior School, Twynham School and Twynham Primary School continue to generate electricity from solar panel installations and Twynham Learning also opts for a Green Electricity Tariff across its estate, which can provide REGO Certification.

Adoption of Microsoft Teams has enabled an increasing amount of cross-Trust collaborative working without a corresponding increase in travel. Some meetings have reverted to a face-to-face approach since the covid pandemic restrictions were lifted, but many will stay online for energy / cost / time savings.

#### **Plans for Future Periods**

The Trust continues on its journey to Excellence, with a clear plan to deliver a World Class education to the pupils we serve, but within a moderate and progressive culture. The School Improvement Strategy to achieve "deeper green", in terms of pupil outcomes being well above the national average, will be a key focus. We will continue to see the impact of consistent support and challenge within schools, assured and supported by the Trust's Core Services team.

Parallel activity in Operations Teams will ensure ever-improving standards in the enabling functions which underpin Teaching & Learning. We will continue to manage our finances tightly to ensure that we direct our finite resources to where they make the most impact; we will direct attention and funding to enhancing our infrastructure (buildings and technology) and will also continue to invest in recruiting, retaining and developing the most exceptional staff in leadership, teaching and support staff roles.

## Twynham Learning

### Trustees' Report for the Year Ended 31 August 2023 (continued)

Leaders across the Trust are committed to:

- A clear and succinct vision for excellence (where do we need to be?)
- Robust self-evaluation, outlining strengths and areas for development (where are we now?)
- A relentless and uncompromising approach to driving the implementation of their Excellence Plan (how will we get there?)
- Rigorous quality assurance of the implementation process (is our plan effective?)

We will continue to see colleagues working together in peer groups across the Trust; enjoying the opportunity to collaborate on curriculum development, pedagogical approaches, assessment arrangements, business management, sustainability, staff development and other areas. We learn from one another and co-create approaches.

The Trust is certainly open to growth but is, first and foremost, focussed on the pupils for whom it is already responsible. Twynham Learning will continue to work with any local school with whom there is a shared sense of values and purpose and will be happy for any of these positive relationships to move towards a more formal partnership on the basis of mutual benefit. The senior team continue to work with the Local Authority, with other MAT Leaders and link into the Regional Director's Team.

#### Funds Held as Custodian Trustee on Behalf of Others

The Academy Trust does not act as custodian trustee on behalf of any other body.

#### 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.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company directors, on 6/12/2023 and signed on the board's behalf by:

  
.....  
Mrs Lynda Clarke  
Trustee

Date: 6/12/2023

# Twynham Learning

## Governance statement

### Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to Mr Gareth Morris, 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 Twynham Learning and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Trustees any material weaknesses or break-downs in internal control.

The Audit Committee has oversight of all audit processes and made annual recommendations for improvement in the delivery of the governance function. The work of the Committee has matured during the Academic Year 2022-23.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

From the beginning of the calendar year 2022, a strengthened Full Board allowed the MAT to return to a sub-committee structure.

A number of key functions are delegated to these sub-committees as recorded in the Scheme of Delegation and the terms of reference. However, the Full Board retains the overall responsibility, particularly for the Trust's funds as laid out in the Academies Trust Handbook section 2.4 and all Trustees may attend any committee meeting as a non-voting member (with the exception of the Audit Committee). In addition, the Full Board receives all documentation from these meetings.

The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Bernard Bhukal	5	5
Mr Leo Cedric Borrett (appointed 1 February 2023)	1	2
Mrs Gaynor Brown	4	5
Mr Richard Ian Brown (appointed 7 December 2022)	1	2
Mrs Lynda Clarke, Chair	4	5
Mr Doug Croucher, Vice Chair	5	5
Mrs Shani Davies (appointed 7 December 2022)	2	2
Miss Laura Emily Jane Ellener	5	5
Mr Benjamin Allan Emm (resigned 21 July 2023)	4	5
Mr James Hannam	4	5
Mr Gareth Morris, Chief Executive Officer	3	5
Mr Tom Ormerod (appointed 7 December 2022)	2	2

## Twynham Learning

### Governance statement (continued)

Mr Adam Kenneth Bingham Scott	4	5
Mr Michael Turvey	5	5

Attendance during the year at meetings of the Education Committee was as follows:

Trustee Name	Number attended	Out of a possible
Leo Borrett	2	2
Gaynor Brown	4	4
Lynda Clarke	4	4
Doug Croucher	4	4
Laura Ellener	4	4
Benjamin Emm	2	2
James Hannam	4	4
Gareth Morris	4	4
Tom Ormerod	3	3
Michael Turvey	4	4

Attendance during the year at meetings of the Resources Committee was as follows:

Trustee Name	Number attended	Out of a possible
Bernard Bhukal	4	4
Richard Brown	3	3
Lynda Clarke	4	4
Doug Croucher	4	4
Shani Davies	1	3
Benjamin Emm	4	4
Gareth Morris	4	4
Adam Scott	4	4
Michael Turvey	3	4

Attendance during the year at meetings of the Audit committee was as follows:

Trustee	Meetings attended	Out of a possible
Mr Bernard Bhukal	2	4
Mrs Gaynor Brown	4	4
Mr Richard Ian Brown	2	2
Mr Benjamin Allan Emm	4	4
Mr Adam Kenneth Bingham Scott	4	4

## **Twynham Learning**

### **Governance statement (continued)**

Active recruitment in the Autumn Term 2022, based on the annual audit of Trustees' skills and experience, resulted in the appointment of four new local professionals to the Board (Leo Borrett, Richard Brown, Shani Davies & Tom Ormerod). Ben Emm resigned effective from 21 July 2023.

#### **Governance reviews**

Governance forms a key part of our Trust-wide Excellence Strategy where we are refining robust and transparent procedures in the relationship between governance and organisational delivery.

Annual individual reviews for all Trustees and Chairs of LABs are conducted by the Chair of Trustees in the autumn term, following which the Chairs of LABs conduct reviews for their respective LAB members. From this process, training needs are identified and matched with courses on the Trust's programme of training for governance volunteers, sourced from internal and external providers. The Trust is actively embedding best practice of governance and encourages attendance at webinars, learning sets and other leadership networks. During 2022-23 a network of representatives from each LAB, chaired by the Vice Chair of Trustees, informed further development of this training programme. Training logs are maintained by individual members for submission to their training lead. This ensures sufficiency of training. In addition, a review of financial competencies is also undertaken annually for key Trustees and members of staff. An overview of individual reviews and financial competencies is discussed by Trustees and used to decide upon key skills to be sought when making new appointments.

Elections of the Chair of Trustees, Vice Chair and Chairs of Committees are held in the final Full Board meeting of the academic year. At this meeting Trustees also approve the appointment of Local Advisory Board Chairs and Vice Chairs for the following year. The Scheme of Delegation, Governance Handbook and all Governance Terms of Reference documents are reviewed and ratified together annually. Should these documents require change during the academic year, this is actioned at the next Full Board meeting.

During this accounting period, Twynham Learning employed the services of Moore South LLP to undertake the role of Responsible Officer and to provide assurance to the Board of Trustees that the financial responsibilities of the Governing Body are being properly discharged, that resources are managed in an efficient, economical and effective manner, that sound systems of internal financial control are being maintained, and that financial considerations are fully taken into account when reaching decisions. No major issues were identified during this period and recommendations made by internal auditors in their final report were either already in place, or are being implemented, and progress tracked.

#### **Review of Value for Money**

The accounting officer has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes 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 where appropriate. The Accounting Officer for the Academy Trust has delivered improved value for money during the year in the following ways:

## **Twynham Learning**

### **Governance statement (continued)**

- Trustees, Local Advisory Boards and the Senior Leadership teams are provided with regular reports to enable them to monitor and hold to account the financial management of the Academy Trust. These reports are used to make informed decisions about the best use of the resources of the Trust.
- In addition to external auditors, the Trust employed Moore South (LLP) to take on the role of Responsible Officer and check the internal controls of the Academy Trust. The Trustees continue to believe this gives a robust, professional approach to the internal audit programme which ensures transparency and accountability. The reports were submitted to the CEO/Accounting Officer, the Trust Finance Manager and Director of Operations, and were then reviewed at the next meeting of the Trustees Audit Committee. During the year 2022-23, the internal audit programme for the Academy Trust focussed on a review of Two Rivers Childcare, high level review of payroll procedures and a review of supplier management. .
- The Academy Trust continues to adhere to the good practice within the Financial Procedures Policy, which is reviewed and refreshed annually as a minimum.
- The Trust continually reviews teaching and support staff structures to demonstrate best value in every aspect of resource management.
- A Best Value Statement is completed by budget holders for any orders over £10,000, together with three quotations.
- Where appropriate, shared procurement is undertaken, leveraging the buying power of the MAT.
- A Trust-wide catering contract is in place offering all children in the Trust a quality meal at lunchtime.
- The CEO/Accounting Officer and Trustees continue to seek other business opportunities to offer value for money and/or generate income.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

All schools within the Trust are subject to the same levels of internal control. Advice and support is available from Moore South who are engaged in the Responsible Officer role. Their audit of internal controls by their professional and experienced team ensure that Trustees are confident in the systems in place at all the schools within the Trust.

#### **Capacity to Handle Risk**

The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the significant risks that have been in place since conversion and up to the date of the approval of the annual report and financial statements. Additional assurance is provided to the Board through the appointment of the Trust Risk and Audit Lead, appointed in June 2022, who delivered a robust programme of risk management training.

The Risk Register for Twynham Learning is reviewed on a termly basis by the Trustees, the Local Advisory Board of each school within the Trust and nominated persons and committees. The Audit Committee also review the Risk Register template and risk management process on an ongoing basis to inform the programme of internal audit for the following academic year.



# Twynham Learning

## Governance statement (continued)

### The Risk and Control Framework

Twynham Learning'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.

The key components of the framework include:

- comprehensive budgeting and monitoring systems with an annual budget and monthly financial reports which are reviewed and agreed by the Trustees;
- internal management reporting including cash flow forecasting, explanations of balance sheet items, and a report showing actual vs budget at a granular level, with explanations of any variances;
- regular reviews by the Resources Committee of the management accounts at both Trust and school/services level, 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;
- regular benchmarking against other educational establishments
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

Details of financial controls are contained within the Financial Procedures Policy.

### Review of Effectiveness

As Accounting Officer, Mr Gareth Morris has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2023 the review has been performed by:

- The work of the Audit Committees
- The work of the external auditor
- The work of the internal auditor
- The financial management and governance self-assessment process
- The work of the CEO/Accounting Officer, who has the responsibility for the development and maintenance of the internal control framework within Twynham Learning.

The CEO/Accounting Officer and Audit Committee are advised of any implications identified by internal and external auditors. The Audit Committee disseminates this information to the Trust Board via a standing report.

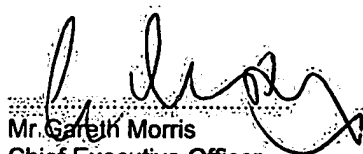
Approved by order of the members of the Board of Trustees on 6/12/2023 and signed on its behalf by:

## Twynham Learning

### Governance statement (continued)



Mrs Lynda Clarke  
Trustee

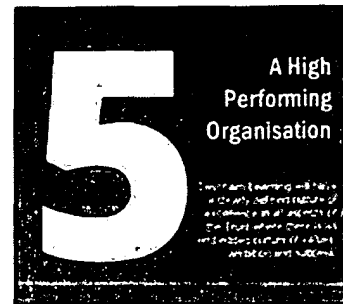
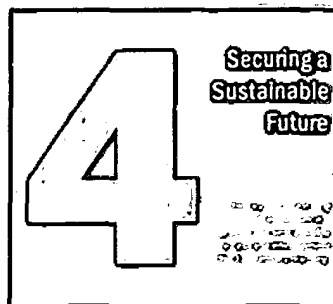
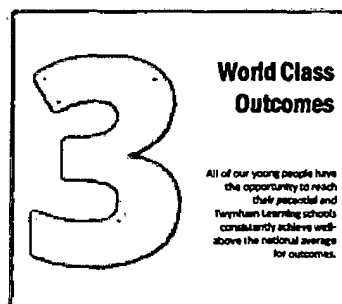
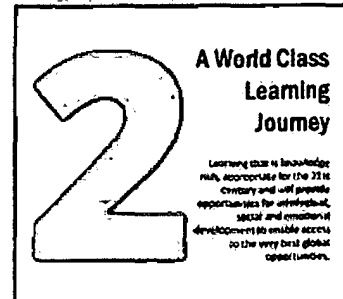
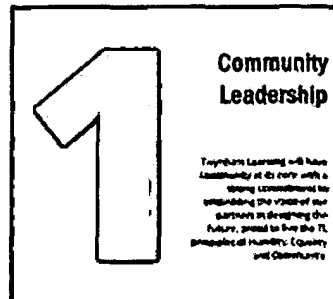


Mr. Gareth Morris  
Chief Executive Officer

# Twynham Learning

## Governance statement (continued)

### Appendix 1- Twynham Learning Excellence Strategy Themes



## Twynham Learning

### Statement of regularity, propriety and compliance

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

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



Mr Gareth Morris  
Accounting officer

Date: 6/12/2023

## Twynham Learning

### Statement of Trustees' Responsibilities

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 6/12/2023 and signed on its behalf by:

  
Mrs Lynda Clarke  
Trustee

## **Twynham Learning**

### **Independent Auditor's Report on the Financial Statements to the Members of Twynham Learning**

#### **Opinion**

We have audited the financial statements of Twynham Learning (the 'Academy') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

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

#### **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 responsibilities for the audit of the financial statements section of our report. We are independent of the Academy 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 Academy's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were authorised for issue.

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

#### **Other information (covers the Reference and administrative details, the Trustees' Report and Strategic Report and the Governance statement)**

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.

## Twynham Learning

### Independent Auditor's Report on the Financial Statements to the Members of Twynham Learning (continued)

We have nothing to report in this regard.

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

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

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

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

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

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

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

#### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 27], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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.

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

## **Twynham Learning**

### **Independent Auditor's Report on the Financial Statements to the Members of Twynham Learning (continued)**

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the education sector in which it operates to identify the key laws and regulations affecting the entity. The key laws and regulations we identified were compliance with the funding agreement and Academies Financial Handbook 2022 and requirements with regard to safeguarding.

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily the Academies Accounts Direction 2022/23, Companies Act 2006 and Charities Act 2011.

We discussed with management how the compliance with these laws and regulations is monitored and discussed the policies and procedures in place. We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deals with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue operating and the risk of material misstatement to the accounts.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud of which there were none.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.
- Reviewed board minutes.

We also evaluated the risk of fraud through management override including that arising from management's incentives. We determined that these risks are low as the academy operates on a charitable, not for profit basis and so there would be no motivation for management to influence performance for individual gain. However, there was considered a risk of the inappropriate allocation of expenditure against restricted funds.

In response to the identified risk, as part of our audit work we:

- Reviewed the material restricted grant income sources, identified the related conditions and reviewed the nature of expenditure set against it for appropriateness, together with sample testing on expenditure;
- Used data analytics to test journal entries throughout the period, for appropriateness;
- Reviewed accounting estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities is available 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.



## **Twynham Learning**

### **Independent Auditor's Report on the Financial Statements to the Members of Twynham Learning (continued)**

#### **Use of our report**

This report is made solely to the Academy's Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy'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 Academy's Members, as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Paul Giessler FCA (Senior Statutory Auditor)  
PKF Francis Clark, Statutory Auditor

Hitchcock House  
Hilltop Park  
Devizes Road  
Salisbury  
SP3 4UF

Date: 12 December 2023 .....

## **Twynham Learning**

### **Independent Reporting Accountant's Assurance Report on Regularity to Twynham Learning and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 6 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction issued by the Education Funding Agency, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Twynham Learning during the period 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 Twynham Learning and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Twynham Learning and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Twynham Learning and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Twynham Learning's Accounting Officer and the reporting Accountant**

The Accounting Officer is responsible, under the requirements of Twynham Learning's funding agreement with the Secretary of State for Education dated 30 March 2011 and the Academies Financial Handbook 2022, 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 issued by the Education Funding Agency. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 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. The Trust's responsibilities with regards to estates safety and management are not included within the scope of our engagement.

#### **Approach**

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

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

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

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

## **Twynham Learning**

### **Independent Reporting Accountant's Assurance Report on Regularity to Twynham Learning and the Education and Skills Funding Agency (continued)**

The work undertaken to draw to our conclusion includes:

- Inspection and review of documentation providing evidence of governance procedures;
- Evaluation of the system of internal controls for authorisation and approval;
- Performing substantive tests on relevant transactions.

#### **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 year 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.



.....  
Paul Giessler FCA

For and on behalf of Francis Clark LLP, Chartered Accountants

Hitchcock House  
Hilltop Park  
Devizes Road  
Salisbury  
SP3 4UF

Date: 12 December 2023  
.....

## Twynham Learning

### Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2023 Total £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	13	-	801	814
Other trading activities	4	564	-	-	564
<i>Charitable activities:</i>					
Funding for the Academy Trust's charitable operations	3	-	22,409	-	22,409
Teaching schools		-	40	-	40
<b>Total</b>		<b>577</b>	<b>22,449</b>	<b>801</b>	<b>23,827</b>
<b>Expenditure on:</b>					
Raising funds	5	354	-	-	354
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	23,524	1,311	24,835
Teaching schools		-	35	-	35
<b>Total</b>		<b>354</b>	<b>23,559</b>	<b>1,311</b>	<b>25,224</b>
Net income/(expenditure)		223	(1,110)	(510)	(1,397)
Transfers between funds		-	763	(763)	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	20	-	1,844	-	1,844
Net movement in funds/(deficit)		223	1,497	(1,273)	447
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2022		316	(3,006)	48,596	45,906
Total funds/(deficit) carried forward at 31 August 2023		539	(1,509)	47,323	46,353

## Twynham Learning

### Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)


	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total 2022 £ 000
<b>Income and endowments from:</b>					
Donations and capital grants	2	36	-	629	665
<i>Charitable activities:</i>					
Funding for the Academy Trust's charitable operations	3	-	21,042	-	21,042
Teaching schools		-	32	-	32
Other trading activities	4	543	-	-	543
<b>Total</b>		<b>579</b>	<b>21,074</b>	<b>629</b>	<b>22,282</b>
<b>Expenditure on:</b>					
Raising funds	5	429	-	-	429
<i>Charitable activities:</i>					
Academy trust educational operations	6	-	22,409	1,290	23,699
Teaching schools		-	57	-	57
<b>Total</b>		<b>429</b>	<b>22,466</b>	<b>1,290</b>	<b>24,185</b>
Net income/(expenditure)		150	(1,392)	(661)	(1,903)
Transfers between funds		-	302	(302)	-
<b>Other recognised gains and losses</b>					
Actuarial gain/(loss) on defined benefit pension schemes	20	-	12,853	-	12,853
Net movement in funds/(deficit)		150	11,763	(963)	10,950
<b>Reconciliation of funds</b>					
Total funds/(deficit) brought forward at 1 September 2021		166	(14,769)	49,559	34,956
Total funds/(deficit) carried forward at 31 August 2022		316	(3,006)	48,596	45,906

# Twynham Learning

## (Registration number: 07565088) Balance Sheet as at 31 August 2023

	Note	2023 £ 000	2022 £ 000
<b>Fixed assets</b>			
Tangible assets	11	46,162	47,075
<b>Current assets</b>			
Debtors	12	838	519
Cash at bank and in hand		4,236	4,446
		<u>5,074</u>	<u>4,965</u>
<b>Liabilities</b>			
Creditors: Amounts falling due within one year		<u>(1,853)</u>	<u>(1,599)</u>
Net current assets		<u>3,221</u>	<u>3,366</u>
Total assets less current liabilities		<u>49,383</u>	<u>50,441</u>
Net assets excluding pension liability		49,383	50,441
Defined benefit pension scheme liability	20	<u>(3,030)</u>	<u>(4,535)</u>
<b>Total net assets</b>		<u><u>46,353</u></u>	<u><u>45,906</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
Restricted general fund	14	1,521	1,529
Restricted fixed asset fund	14	47,323	48,596
Pension reserve	14	<u>(3,030)</u>	<u>(4,535)</u>
		45,814	45,590
<b>Unrestricted funds</b>			
Unrestricted general fund	14	<u>539</u>	<u>316</u>
<b>Total funds</b>		<u><u>46,353</u></u>	<u><u>45,906</u></u>

The financial statements on pages 34 to 62 were approved by the Trustees and authorised for issue on 12/2023 and are signed on their behalf by:

  
Mrs Lynda Clarke  
Trustee

## Twynham Learning

### Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £ 000	2022 £ 000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	17	(614)	475
Cash flows from investing activities	18	<u>404</u>	<u>291</u>
Change in cash and cash equivalents in the year		(210)	766
Cash and cash equivalents at 1 September		<u>4,446</u>	<u>3,680</u>
Cash and cash equivalents at 31 August	23	<u><u>4,236</u></u>	<u><u>4,446</u></u>

# **Twynham Learning**

## **Notes to the Financial Statements for the Year Ended 31 August 2023**

### **1 Accounting policies**

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

#### **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 minimum period of one year from the date of approval of the financial statements. The trustees have prepared cash flow forecasts which cover this period and have considered the impact of sensitivities to income and expenditure.

Based on this assessment the trustees are satisfied the going concern basis of accounting remains appropriate.

#### **Income**

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

#### **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

#### **Sponsorship income**

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

#### **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.



## **Twynham Learning**

### **Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)**

#### **1 Accounting policies (continued)**

##### ***Other income***

Other income, including the hire of facilities and fees charged to other schools and organisations for services rendered, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

##### ***Donated goods, facilities and services***

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and 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.

##### ***Transfer of existing academies into the academy 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.

##### ***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 should be 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.

##### ***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.

All resources expended are inclusive of irrecoverable VAT.

# Twynham Learning

## Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

### 1 Accounting policies (continued)

#### *Expenditure on raising funds*

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

#### *Charitable activities*

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

#### **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 Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

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.

<b>Asset class</b>	<b>Depreciation method and rate</b>
Leasehold buildings	50 years straight line
Leasehold improvements	10 years straight line
Furniture & fittings	3 - 5 years straight line
Computer equipment	3 years straight line
Motor Vehicles	5 years straight line

#### **Leased assets**

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

## **Twynham Learning**

### **Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)**

#### **1 Accounting policies (continued)**

##### **Taxation**

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

##### **Pension 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

##### **Fund accounting**

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

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

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

# **Twynham Learning**

## **Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)**

### **1 Accounting policies (continued)**

#### **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.

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 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### **Critical areas of judgement**

A critical area of judgement is the recognition of trip income and costs as either restricted or unrestricted funds.

The school has a long-standing policy that any surplus on an individual trip in excess of a reasonable administration fee per pupil is returned to the parent. The school does not retain any surplus in respect of any this income. It is raised from parents for an explicit purpose, and where a trip is cancelled subsequent to contributions being collected then all of the contributions received are returned to the parents concerned. Therefore, this clearly is not money that is available for the general purposes of the charity and so is classified as restricted.

A critical area of judgement is whether the school has a constructive obligation in respect of a redundancy payment or not.

The school issues a member of staff a notice of termination of employment. This notice creates a constructive obligation between the member of staff and the school. At this point the school recognises an accrual or provision in the accounts for the expected redundancy payment.

#### **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 12. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 1 Accounting policies (continued)

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 13. 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. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

#### 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.

#### Provisions

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

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

#### 2 Donations and capital grants

	Unrestricted funds £ 000	Restricted fixed asset funds £ 000	2023 Total £ 000	2022 Total £ 000
Capital grants	-	801	801	629
Other donations	13	-	13	36
	<u>13</u>	<u>801</u>	<u>814</u>	<u>665</u>

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	Total 2023 £ 000	Total 2022 £ 000
<b>DfE/ESFA revenue grants</b>			
General Annual Grant (GAG)	19,800	19,800	18,642
Other DfE grants	115	115	94
Pupil Premium	765	765	726
UIFSM	124	124	150
	<u>20,804</u>	<u>20,804</u>	<u>19,612</u>
<b>Other government grants</b>			
Local Authority Grants	606	606	544
Special educational projects	714	714	767
	<u>1,320</u>	<u>1,320</u>	<u>1,311</u>
<b>Non-government grants and other income</b>			
Trip income	285	285	119
<b>Total grants</b>	<u>22,409</u>	<u>22,409</u>	<u>21,042</u>

The funding for educational operations was £22,449,159 (2022: £21,075,225) which was allocated between the funds as follows; £3 unrestricted funds (2022: £163), £22,449,156 restricted funds (2022: £21,075,062), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

#### 4 Other trading activities

	Unrestricted funds £ 000	2023 Total £ 000	2022 Total £ 000
Hire of facilities	145	145	86
Sale of educational supplies	79	79	87
Insurance claims	28	28	31
Other generating funds income	312	312	339
	<u>564</u>	<u>564</u>	<u>543</u>

The income from other trading activities was £564,961 (2022: £543,140) which was allocated between the funds as follows; £564,961 unrestricted funds (2022: £543,140), £Nil restricted funds (2022: £Nil), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 5 Expenditure

	Non Pay Expenditure			2023	2022
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
<b>Expenditure on raising funds</b>					
Direct costs	58	1	295	354	429
<b>Academy's educational operations</b>					
Direct costs	14,804	1,311	1,517	17,632	17,132
Allocated support costs	3,882	2,135	1,186	7,203	6,567
<b>Teaching school hub</b>					
Allocated support costs	19	16		35	57
	<u>18,763</u>	<u>3,463</u>	<u>2,998</u>	<u>25,224</u>	<u>24,185</u>
<b>Net income/(expenditure) for the year includes:</b>					
				2023 £ 000	2022 £ 000
Operating leases - other leases				94	72
Fees payable to auditor - audit				28	23
- other audit services				<u>6</u>	<u>5</u>

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 6 Charitable activities

	<b>Total 2023 £ 000</b>	<b>Total 2022 £ 000</b>
<b>Direct costs - educational operations</b>	17,632	17,132
<b>Support costs - educational operations</b>	<u>7,203</u>	<u>6,567</u>
	<b>24,835</b>	<b>23,699</b>

	<b>Educational operations £ 000</b>	<b>Total 2023 £ 000</b>	<b>Total 2022 £ 000</b>
<b>Analysis of support costs</b>			
Support staff costs	3,882	3,882	4,152
Technology costs	131	131	114
Premises costs	2,135	2,135	1,338
Other support costs	981	981	906
Governance costs	<u>74</u>	<u>74</u>	<u>57</u>
<b>Total support costs</b>	<b>7,203</b>	<b>7,203</b>	<b>6,567</b>



## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 7 Staff

##### Staff costs

	2023 £ 000	2022 £ 000
<b>Staff costs during the year were:</b>		
Wages and salaries	13,721	12,750
Social security costs	1,279	1,216
Pension costs	3,403	4,472
	<u>18,403</u>	<u>18,438</u>
Supply teacher costs	360	356
	<u>18,763</u>	<u>18,794</u>
	<b>2023 £ 000</b>	<b>2022 £ 000</b>
<b>Staff restructuring costs comprise:</b>		
Redundancy payments		14
Severance payments	16	
	<u>16</u>	<u>14</u>

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 7 Staff (continued)

##### Staff numbers

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

	2023 No	2022 No
<b>Charitable Activities</b>		
Teachers	227	227
Administration and support	251	254
Management	3	3
	<u>481</u>	<u>484</u>

##### Higher paid staff

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

	2023 No	2022 No
£60,001 - £70,000	7	2
£70,001 - £80,000	5	4
£80,001 - £90,000	2	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£150,001 - £160,000	-	1
£160,001 - £170,000	<u>1</u>	<u>-</u>

##### Key management personnel

The key management personnel of the Academy Trust comprise the Chief Executive Officer and Senior Management Team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the Academy Trust was £425,503 (2022: £395,438).

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 8 Central services

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

- Strategic Leadership
- School Standards
- Safeguarding
- Audit
- Risk Management
- Training
- Human resources
- IT
- Finance
- Facilities
- Governance
- Business Admin

The Academy Trust charges for these services on the following basis:

The trusts charges the schools 5% of their funding as a "top slice" for central charges.

The actual amounts charged during the year were as follows:

	2023 £ 000
Twynham School	489
The Grange School	121
Twynham Primary	46
Stourfield Junior School	101
Stourfield Infant School	72
Christchurch Junior School	105
	<u>934</u>

#### 9 Related party transactions - Trustees' remuneration and expenses

No Trustees have been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

Mr Gareth Morris (CEO):

Remuneration: £165,000 - £170,000 (2022 - £155,000 - £160,000)

Employer's pension contributions: £35,000 - £40,000 (2022 - £25,000 - £30,000)

During the year ended 31 August 2023, travel and subsistence expenses totalling £Nil (2022 - £Nil) were reimbursed or paid directly to 0 trustees (2022 - 0).

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 9 Related party transactions - Trustees' remuneration and expenses (continued)

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

#### 10 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 £5,000,000 on any one claim. The cost of this insurance is not separately identifiable from information provided by the insurance provider.

#### 11 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Leasehold improvements £ 000	Motor Vehicles £ 000	Total £ 000
<b>Cost</b>						
At 1 September 2022	52,148	435	596	3,596	32	56,807
Additions	-	21	-	377	-	398
At 31 August 2023	52,148	456	596	3,973	32	57,205
<b>Depreciation</b>						
At 1 September 2022	6,339	391	507	2,483	12	9,732
Charge for the year	836	35	59	374	7	1,311
At 31 August 2023	7,175	426	566	2,857	19	11,043
<b>Net book value</b>						
At 31 August 2023	44,973	30	30	1,116	13	46,162
At 31 August 2022	45,809	44	89	1,113	20	47,075

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 12 Debtors

	2023 £ 000	2022 £ 000
Trade debtors	66	21
Prepayments	243	134
Accrued grant and other income	285	154
VAT recoverable	243	193
Other debtors	1	17
	<u>838</u>	<u>519</u>

#### 13 Creditors: amounts falling due within one year

	2023 £ 000	2022 £ 000
Trade creditors	453	273
Other taxation and social security	302	279
Other creditors	97	28
Pension scheme creditor	344	310
Accruals	464	561
Deferred income	193	148
	<u>1,853</u>	<u>1,599</u>

	2023 £ 000	2022 £ 000
<b>Deferred income</b>		
Deferred income at 1 September 2022	148	199
Resources deferred in the period	193	148
Amounts released from previous periods	<u>(148)</u>	<u>(199)</u>
Deferred income at 31 August 2023	<u>193</u>	<u>148</u>

At the balance sheet date, the Academy Trust was holding funds received in advance for trips which will take place in the new financial year, funds received in advance on grants which cover the period to 31 March 2024 or 31 August 2024.

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 14 Funds

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2023 £ 000
<b>Restricted funds</b>					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	1,460	19,800	(20,578)	763	1,445
Pupil Premium	-	765	(765)	-	-
Other DfE Grants	-	115	(115)	-	-
LEA and other grants	-	606	(606)	-	-
Trips	-	285	(285)	-	-
SCITT	63	549	(554)	-	58
Other restricted	-	73	(73)	-	-
UIFSM	-	124	(124)	-	-
SGO	6	92	(87)	-	11
Teaching school	-	40	(33)	-	7
Total restricted general funds	1,529	22,449	(23,220)	763	1,521
<i>Restricted fixed asset funds</i>					
Donation from Local Authority	42,199	-	(1,107)	-	41,092
DfE Capital funding	3,213	801	(99)	(763)	3,152
Capital expenditure from GAG	368	-	(26)	-	342
LEA grant	159	-	(13)	-	146
Transfers from existing academies	2,657	-	(66)	-	2,591
Total restricted fixed asset funds	48,596	801	(1,311)	(763)	47,323
<i>Pension reserve funds</i>					
Pension reserve	(4,535)	-	(339)	1,844	(3,030)
Total restricted funds	45,590	23,250	(24,870)	1,844	45,814
<i>Unrestricted general funds</i>					
Unrestricted funds	316	577	(354)	-	539
Total unrestricted funds	316	577	(354)	-	539
Total funds	45,906	23,827	(25,224)	1,844	46,353

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 14 Funds (continued)

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

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
<b>Restricted funds</b>					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	771	18,642	(18,251)	298	1,460
Pupil Premium	-	726	(726)	-	-
Other DfE Grants	-	94	(94)	-	-
LEA and other grants	-	544	(544)	-	-
Trips	-	119	(119)	-	-
SCITT	80	686	(703)	-	63
Other restricted	-	12	(12)	-	-
UIFSM	-	150	(150)	-	-
SGO	32	69	(95)	-	6
Teaching school	21	32	(57)	4	-
<b>Total restricted general funds</b>	<b>904</b>	<b>21,074</b>	<b>(20,751)</b>	<b>302</b>	<b>1,529</b>
<i>Restricted fixed asset funds</i>					
Donation from Local Authority	43,035	-	(836)	-	42,199
DfE Capital funding	2,801	629	(217)	-	3,213
Capital expenditure from GAG	716	-	(46)	(302)	368
LEA grant	168	-	(9)	-	159
Transfers from existing academies	2,839	-	(182)	-	2,657
<b>Total restricted fixed asset funds</b>	<b>49,559</b>	<b>629</b>	<b>(1,290)</b>	<b>(302)</b>	<b>48,596</b>
<i>Pension reserve funds</i>					
Pension reserve	(15,673)	-	(1,715)	12,853	(4,535)
<b>Total restricted funds</b>	<b>34,790</b>	<b>21,703</b>	<b>(23,756)</b>	<b>12,853</b>	<b>45,590</b>
<i>Unrestricted general funds</i>					
Unrestricted funds	166	579	(429)	-	316
<b>Total unrestricted funds</b>	<b>166</b>	<b>579</b>	<b>(429)</b>	<b>-</b>	<b>316</b>
<b>Total funds</b>	<b>34,956</b>	<b>22,282</b>	<b>(24,185)</b>	<b>12,853</b>	<b>45,906</b>

## **Twynham Learning**

### **Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)**

#### **14 Funds (continued)**

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

**General Annual Grant (GAG)** – The Academy's principal funding stream received from the Education Skills and Funding Agency (ESFA).

A transfer has been made fixed asset funds to GAG to cover expenditure which did not meet the criteria to be recognised as a fixed asset but had been funded through capital income.

A transfer has been made from unrestricted funds into GAG funds to cover the deficit.

**Pupil Premium** – DfE funding to address inequalities between children eligible for free school meals and their wealthier peers by ensuring that funding reaches the pupils who need it most.

**Other DfE grants** – Other specific grants from the DfE including assistance with the cost of establishing a Multi-Academy Trust.

**LEA and other grants** – Other grants from the Local Education Authority including for teacher training and skills support.

**Pension reserve** – The deficit on the Local Government Pension Scheme has been recognised against restricted funds in order to match it against GAG as recommended by the ESFA Accounts Direction.

**Trips** – Contributions from students towards trips and events run by the school. Where a surplus above a set limit is generated on a specific trip, this is returned to the students.

**SCITT (School-Centred Initial Teacher Training)** - Twynham is the lead school for the Bournemouth, Poole and Dorset East SCITT. Funding is received for bursaries and placement fees for student teachers in the area which is then distributed to the schools and teachers participating in the scheme.

**Restricted fixed asset funds** – Funding for capital items and projects. This also includes an element of capital spend funded from GAG.



## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 14 Funds (continued)

##### Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £ 000	2022 £ 000
Twynham School	1,226	863
The Grange School	(531)	(344)
Twynham Primary	115	108
Christchurch Junior School	349	385
Stourfield Infant School	185	184
Stourfield Junior School	492	443
Central services	224	206
Total before fixed assets and pension reserve	2,060	1,845
Restricted fixed asset fund	47,323	48,596
Pension reserve	(3,030)	(4,535)
Total	46,353	45,906

##### Total cost analysis by academy

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2023 £ 000
Twynham School	7,138	1,528	1,080	1,228	10,974
The Grange School	1,913	824	211	510	3,458
Twynham Primary	789	137	77	272	1,275
Stourfield Junior School	1,750	226	105	359	2,440
Stourfield Infant School	1,157	164	173	290	1,784
Christchurch Junior School	1,793	283	158	362	2,596
Central services	459	612	31	1,321	2,423
Academy Trust	14,999	3,774	1,835	4,342	24,950

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 14 Funds (continued)

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2022 £ 000
Twynham School	7,180	1,854	701	1,046	10,781
The Grange School	1,892	630	131	393	3,046
Twynham Primary	812	211	61	152	1,236
Stourfield Junior School	1,669	327	88	328	2,412
Stourfield Infant School	1,072	292	176	224	1,764
Christchurch Junior School	1,689	336	141	310	2,476
Central services	294	535	356	920	2,105
Academy Trust	<u>14,608</u>	<u>4,185</u>	<u>1,654</u>	<u>3,373</u>	<u>23,820</u>

The Grange School is carrying a net deficit of £531k on these funds primarily because of the falling number on roll.

The Trust continues to support The Grange School and has aligned the curriculum with Twynham School effective from September 2021 and implemented a single leadership and teaching team across both schools.

#### 15 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	46,162	46,162
Current assets	539	3,374	1,161	5,074
Current liabilities	-	(1,853)	-	(1,853)
Pension scheme liability	-	(3,030)	-	(3,030)
Total net assets	<u>539</u>	<u>(1,509)</u>	<u>47,323</u>	<u>46,353</u>

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

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 15 Analysis of net assets between funds (continued)

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	47,075	47,075
Current assets	316	3,128	1,521	4,965
Current liabilities	-	(1,599)	-	(1,599)
Pension scheme liability	-	(4,535)	-	(4,535)
Total net assets	<u>316</u>	<u>(3,006)</u>	<u>48,596</u>	<u>45,906</u>

#### 16 Financial commitments

##### Operating leases

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

	2023 £ 000	2022 £ 000
Amounts due within one year	94	94
Amounts due between one and five years	<u>60</u>	<u>127</u>
	<u>154</u>	<u>221</u>

#### 17 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2023 £ 000	2022 £ 000
Net expenditure	(1,397)	(1,903)
Depreciation	1,311	1,291
Capital grants from DfE and other capital income	(802)	(629)
Defined benefit pension scheme cost less contributions payable	158	1,456
Defined benefit pension scheme finance cost	181	260
Increase in debtors	(319)	(117)
Increase in creditors	<u>254</u>	<u>117</u>
Net cash (used in)/provided by Operating Activities	<u>(614)</u>	<u>475</u>

#### 18 Cash flows from investing activities

	2023 £ 000	2022 £ 000
Purchase of tangible fixed assets	(398)	(338)
Capital grants from DfE Group	<u>802</u>	<u>629</u>
Net cash provided by investing activities	<u>404</u>	<u>291</u>

## **Twynham Learning**

### **Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)**

#### **19 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.

#### **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 Dorset 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 2019.

Contributions amounting to £(344,033) (2022 - £(309,516)) were payable to the schemes at 31 August 2023 and are included within creditors.

#### **Teachers' Pension Scheme**

##### **Introduction**

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 academy trusts. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both 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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019.

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £2,124,079 (2022: £1,999,662).

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

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

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 £1,185,000 (2022 - £1,021,000), of which employer's contributions totalled £940,000 (2022 - £792,000) and employees' contributions totalled £245,000 (2022 - £229,000). The agreed contribution rates for future years are 24 per cent for employers and 5 - 10 per cent for employees.

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 GOV.UK.

#### Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.85	2.95
Discount rate for scheme liabilities	5.30	4.25
Inflation assumptions (CPI)	2.85	2.95

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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

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

	2023	2022
<b>Retiring today</b>		
Males retiring today	21.80	22.10
Females retiring today	23.90	24.20
<b>Retiring in 20 years</b>		
Males retiring in 20 years	23.10	23.40
Females retiring in 20 years	<u>25.30</u>	<u>25.60</u>

#### Sensitivity analysis

	2023 £ 000	2022 £ 000
Discount rate +0.1%	15,214	15,483
Discount rate -0.1%	15,800	16,240
Mortality assumption – 1 year increase	15,917	16,337
Mortality assumption – 1 year decrease	15,100	15,392
CPI rate +0.1%	15,798	16,218
CPI rate -0.1%	15,216	15,504
Salary rate +0.1%	15,512	15,883
Salary rate -0.1%	<u>15,494</u>	<u>15,831</u>

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

	2023 £ 000	2022 £ 000
Equities	7,699	6,106
Gilts		1,237
Other bonds	818	521
Property	1,094	1,169
Cash and other liquid assets	185	174
Other	<u>2,677</u>	<u>2,115</u>
Total market value of assets	<u>12,473</u>	<u>11,322</u>

The actual return on scheme assets was £211,000 (2022 - (£459,000)).

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

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

##### Amounts recognised in the statement of financial activities

	2023 £ 000	2022 £ 000
Current service cost	1,098	2,247
Interest income	(497)	(189)
Interest cost	670	441
Admin expenses	8	8
Total amount recognised in the SOFA	1,279	2,507

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

	2023 £ 000	2022 £ 000
At start of period	15,857	26,765
Current service cost	1,098	2,247
Interest cost	670	441
Employee contributions	245	229
Actuarial (gain)/loss	(4,319)	(15,089)
Losses or gains on curtailments	2,369	1,574
Benefits paid	(417)	(310)
At 31 August	15,503	15,857

##### Changes in the fair value of Academy Trust's share of scheme assets

	2023 £ 000	2022 £ 000
At start of period	11,322	11,092
Interest income	489	181
Actuarial gain/(loss)	(106)	(662)
Employer contributions	940	792
Employee contributions	245	229
Benefits paid	(417)	(310)
At 31 August	12,473	11,322

#### 21 Related party transactions

There were no related party transactions in the year, other than certain trustees' remuneration and expenses already disclosed in note 9.

## Twynham Learning

### Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

#### 22 Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash	4,446	(210)	4,236
Total	4,446	(210)	4,236

#### 23 Analysis of cash and cash equivalents

	2023 £ 000	2022 £ 000
Cash in hand and at bank	4,236	4,446
Total cash and cash equivalents	4,236	4,446