

Company Registration Number: 07626956 ()

ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023



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ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

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ELMLEA SCHOOLS' TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	N Hester G Williams P Miles I Venn J Hollingbery (appointed 10 April 2023) C Sanders (appointed 10 April 2023) S Beavan (resigned 21 November 2022)
Trustees	S Coulson, Co-Chair of the Board of Trustees ^{2,5} A Gallagher, Co-Chair of the Board of Trustees ^{4,5} E J Daley ¹ A Dawes ⁴ S French ¹ G Benyon ^{3,4,5} C Bird ¹ S Everett-Cox ^{1,2,5} A Hill ¹ S Martin (resigned 16 July 2023) ^{4,5} D H Rowlands ² M Smith ^{1,2} E Zylinski (appointed 17 July 2023) J Hollingbery (resigned 12 October 2022) ¹ Operations Committee ² Audit and Risk Committee ³ Joint Local Governing Body Committee ⁴ Staffing Committee ⁵ Pay and Performance Committee

Company registered number	07626956
Company name	Elmlea Schools' Trust
Principal and registered office	The Dell Westbury-On-Trym Bristol BS9 3UF
Company secretary	A Bizley
Accounting officer	L Wright

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

Senior leadership team

L Wright, Executive Headteacher
J Sloper, Deputy Head
E Long, Assistant Head
R Salisbury, Assistant Head
C Boyle, School Business Manager
L Daubney, Deputy Head
A Bizley, DFO
L Flook, Inclusion Lead
A Neal, Early Years Lead
J Andrews, SENDCO

Independent auditors

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Bankers

Lloyds Bank PLC
15 High Street
Westbury on Trym
Bristol
BS9 3DA

Solicitors

Browne Jacobson LLP
1st Floor
The Mount
72 Paris Street
Exeter
Devon
EX1 2JY

ELMLEA SCHOOLS' TRUST
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TRUSTEE'S 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 a primary multi-academic trust consisting of two schools for pupils aged 4 to 11 in Bristol. It has a total capacity of 630 across the Infant school and the Junior school and had a total roll of 635 in the school's census on 6th October 2023. The MAT (Multi academy trust) was formed in September 2019 with Elmlea Infant school with a pupil capacity of 270 joining Elmlea Junior with a pupil capacity of 360 to form Elmlea School's Multi Academy Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust (incorporated on 9th July 2019) 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 Elmlea Schools are also the directors of the charitable company for the purposes of company law. The charitable company operates as Elmlea Schools' Trust.

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

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 is a member of the Department for Education's Risk Protection Arrangement (RPA) – a voluntary arrangement for academies as an alternative to commercial insurance. This provides unlimited cover.

TRUSTEES

Method of recruitment and appointment or election of trustees

On 1 July 2019, the Members appointed Trustees from Trustees and Governors that served the predecessor schools to be Trustees of the newly formed Academy Trust. These Trustees were appointed for a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re-election or replacement process. The Trust reviews its structure annually and undertakes a recruitment drive for forthcoming vacancies, recruiting ahead of vacancies occurring to ensure a period of training.

The Board of Trustees has 12 members with additional Co-opted trustees and a local Governing Body. Trustees are appointed for a four-year term. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

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

When appointing new Trustees, the Board gives consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trusts ongoing development. This process is supported by the skills audit undertaken by the Board of Trustees. The Board undertook a successful recruitment process during 2022-23 and has appointed several new co-opted Trustees to supplement the skills and experience mix to replace those whose term is ending during the academic year 2023-2024.

Policies and Procedures Adopted for The Induction and Training of Trustees.

The Trust has a Trustee recruitment, induction, and training policy available from the Clerk to the Trustees. The training and induction provided for new Trustees depends upon their existing experience. New Trustees are introduced to the Trust's schools through an informal meeting and tour with the Executive Headteacher and there is a chance to meet with staff and pupils. A mentoring system is also in place for new Trustees during their first year of appointment. The Trust arranges bespoke training events to keep Trustees and Governors updated on relevant developments impacting their roles and responsibilities and/or to consider school strategy. In addition, the Trust subscribes to the National Governors Association and the Bristol Governor Development Service which provides an information service and training for members, trustees, and governors.

Organisational Structure

The management structure consists of three levels: The Trustees, The Local Governing Body (LGB) and the Senior Management team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Board of Trustees normally meets once a term, 6 times a year. In addition to the Memorandum and Articles of Association and Scheme of Delegation the Board establishes an overall framework for the governance of the Academy and determines membership, terms of reference and procedures of the Committees and Local Governing Bodies. It monitors the activities of the Committees and receives reports including policies from its Committees for ratification. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 5 committees as follows:

- Operations Committee – this meets every term and is responsible for monitoring, evaluating, and reviewing policy and performance in relation to financial management, budget setting, risk management, value for money and compliance with reporting in line with regulatory requirements. It also acts as the health and safety committee for the Trust.
- Audit and Risk committee -is a committee of the main Board of Trustees. Its purpose is to assist the Board in the fulfilment of its corporate governance duties in relation to risk management, internal control, General Data Protection Regulations, and Financial Reporting.
- Joint Local Governing Body – this meets every term to monitor, evaluate and review Academy policy, practice, and performance in relation to curriculum planning, communications, target setting and assessment, examinations, and all pastoral issues.
- Staffing committee – meets to ensure that the responsibilities of the Board of Trustees in relation to staff matters are fulfilled.
- Pay and Performance Committee – responsible for Leadership, Staff pay and appraisals.

The following decisions are reserved to the Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Trust and its committee structure,
- to appoint or remove the Chair/Co-Chair and / or Vice Chair,
- to appoint the Chief Executive Officer (CEO)/ Executive Headteacher and Clerk to the Trustees,
- to approve the Annual Development Plans and Budget.

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

The Trustees are responsible for strategic decision making about the future of the Trust, capital expenditure and staff appointments. Trustees adopt an annual plan and budget, approve the statutory accounts, and monitor the Academy's performance through pupil data, budgets, and other data.

The Trust has a leadership structure which consists of the Trustees, the Senior Executive and Leadership team. The aim of the leadership structure is to devolve responsibility and encourage involvement making at all levels.

In the year, the Board of Trustees has delegated responsibility for day-to-day management of the schools with the Academy Trust to the Executive Headteacher and Executive Leadership (ELT) and Senior Leadership (SLT). The SLT comprises the Executive Headteacher, Deputy Headteachers, Assistant Headteachers, the Inclusion lead, the Special Educational Needs and Disabilities Coordinator (SENCO), the Early Years Lead, the Director of Finance and Operations and the Business manager. The SLT implements the policies laid down by the Trustees and reports back to them on performance.

The Executive Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel.

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

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

The pay of key management personnel is reviewed annually in accordance with the Academy's Pay, Appraisal and Capability policy.

Trade union facility time

There were no relevant union officials for the year ended 31 August 2023.

Related Parties and Other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of Elmlea Schools Trust.

Significant connected parties are:

- The Elmlea Junior School Parent Teacher Association (PTA)
- The Elmlea Infant School Association (EISA)

The Trust has strong collaborative links with local school networks including the NW24 and a local Business Manager Partnership.

OBJECTIVES AND ACTIVITIES

Objects and aims.

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing, and developing schools, offering a broad range of curriculum for pupils of different abilities.

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

Our Vision is to be:

An inclusive community: everyone thriving, empowered to be forever learners, within the world we care for

Our core values:

Kindness, Respect, Community

Our vision as a Trust is outlined above. The vision is for the next 3-5 years and drives our Trust development plan as well as the school development plan.

Objectives and Aims

The aims of the Academy during the year ended 31 August 2023 are summarised below:

- To continue to raise the standard of educational attainment and achievements of all pupils.
- To ensure that every child makes at least "Expected" progress and maximise the number of pupils achieving "Age Related Expectation" in Reading, Writing and Math's
- Support more pupils to achieve "Greater Depth in Writing."
- Continue to provide, review and develop a broad and balanced curriculum which anticipates and matches the needs for future society.
- Provide a wide range of extra-curriculum activities which complement the core curriculum.
- Develop pupils as effective independent and self-motivated learners.
- Develop the Trust site so that it enables pupils to achieve their full potential.
- Ensure that every child enjoys the same high quality of education in terms of resources, tuition and care.
- Maintain close links to the local community.
- Continue to monitor, review and evaluate effectiveness of organizational structure and systems.
- Provide value for money for the funds expended.
- Comply with all appropriate statutory and curriculum requirements.
- Develop the Academy's capacity to manage change.
- Conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

The Strategic priorities are outlined in our School Development Plan for the academic year which is available from the Trust office in the Junior school.

At Elmlea Schools Trust we have a key priority for each area of development as detailed below:

Quality of Education

- Quality first teaching supports the lowest 20% and highest 20% of children in English.

Behaviour and Attitudes

- Embed the EST Behaviour policy across the Trust supported by the school values: Kindness, Respect and Community.

Personal Development

- To embed the Trust and British values across the Trust, consistently promoting the extensive personal development of all pupils.

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

Leadership and Management

- To develop the role of curriculum subject leaders (with CPD) to ensure together they provide teachers with highly effective professional development to ensure this translates into improvements in teaching of the curriculum and drives pupil progress.

Early Years Foundation Stage

- To meet the requirements of the new EYFS curriculum and complete new statutory baseline assessments.

Public Benefit

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

The Trust aims to advance for the public benefit, education in the surrounding area and so is an active member of the local school's networks, working collaboratively to share best practice across a broad range of teaching and learning as well as school business themes.

The Academy Trust provides facilities for recreational and other leisure occupation or the community at large in the interests of social welfare and with the interest of improving the life of said community.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefits.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

During the last academic year there have been significant achievements:

Our whole school community was delighted when our hard work and commitment was recognised as Elmlea Infant School received a graded OFSTED inspection in March 2023. The findings of the inspection judged the school provision to be outstanding in every area. The report outlined the key findings.

Comments in the report include;

"Pupils flourish at Elmlea Infant School. They achieve extremely well."

"Staff have high expectations for pupils' behaviour and conduct. Pupils rise to this."

"Trustees and governors are ambitious for the school. They are not complacent and continuously strive for improvement. Governors know the school well and robustly hold leaders to account for their actions"

In our statutory assessment data our attainment results for this academic year exemplify the strength of the quality of teaching and learning as the following outcomes demonstrate.

In all the following areas attainment scores were above national; EYFS at GLD, Yr1 phonics, Yr2 phonics retest and Yr6 KS2 SATS. Yr6 data was outstanding again this year and represents a culmination of the learning journey our pupils have received since joining Elmlea. It is especially exemplified in the combined data where the reading, writing and math's combined attainment score for the expected standard and above was 25% above national. We expect to be again one of the highest performing schools in Bristol once data is shared and remain in the top 20% of schools nationally.

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

At Elmlea we remain again the school of choice for our local families and remain oversubscribed for Reception applications and run a waiting list for every year group.

Key Performance Indicators

The main financial performance indicator is the level of free reserves held at the Balance Sheet date of £616,181.

A key financial performance indicator that the Board of Trustees monitors is the performance against the Budget. The Trust aims to break even on the school budget this is to reflect the desire to spend the funding received in any particular year on the pupils in that academic year.

As funding is based on pupil numbers this is also a key indicator and is central to the school's capacity to deliver its development plans. The schools are at full capacity of approximately 270 for the Infant school and 360 for the Junior school, making a total of 630 across the two schools throughout the academic year. The schools are oversubscribed and have a waiting list for several year groups.

The KPI's were set at the start of the year:

	Target	Actual
Pupil numbers	630	631
Staff costs as % revenue expenditure	80%	77%
Staff costs as a % of revenue income	79%	74%
Av FTE teaching staff	27.5	27.1
Av FTE Non-Teaching staff	22.0	21.4
Annual FTE	49.5	48.6
Cumulative reserves % as total income	11%	14%

Going concern

The Board of Trustees are anticipating a reduction in balances due to increased costs such as staff pay awards, energy and general cost inflation. The Board has recognised this and there are controls in place to monitor reserves levels. 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.

FINANCIAL REVIEW

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial activities income in the Fixed Asset Fund. The Restricted Fixed Asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2023, the Academy received total income of £3,299,614 and incurred total expenditure of £3,339,814. The excess of income over expenditure for the year was £40,200.

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

At 31 August 2023 the net book value of the fixed assets was £4,920,831 and movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Academy has taken on the deficit to the Local Governing Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 26 to the financial statements. This has been underwritten by the Government from 18 July 2013.

The Financial Management Policy lays out the framework for financial management, including financial responsibilities and delegated authority levels is reviewed at least annually. This incorporates the Academy's guiding principles in relation to Investments, Reserves and Depreciation.

The key factors that are likely to impact the Trust's financial performance are:

1. Staff pay awards
2. Energy costs
3. General cost inflation

The impact of these are reviewed and challenged by the Operations committee termly and then taken to the Board of Trustees.

RESERVES POLICY

The Trustees review the reserve levels of the Academy annually. This review encompasses the nature of the income and expenditure streams, the needs to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees believe that they should maintain reserves to cover reasonably foreseeable eventualities and or capital expenditure. These reserves should be approximately one month of normal operational expenditure (approx. £250k), unless there are exceptional circumstances e.g., saving for a large capital project or retaining funds for an anticipated drop in income. At the year end the total reserves were £5,159,012 of which £4,542,831 is invested in fixed assets or held in restricted funds (excluding GAG). Free reserves at year end were £616,181. The Academy is committed to a capital and premises plan to reduce the level of reserves in order to continue to improve the education environment in a managed program of works.

The defined benefit pension schemes reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

INVESTMENT POLICY

Any cash not required for operating expenses is placed on deposit at the most favourable rate available. Day to Day management of the surplus funds is delegated to the Executive Headteacher and the Director of Finance and Operations with strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate these risks. This is managed through close monitoring and updating of the Academy's Risk Register. The Risk Register is reinforced by a formal annual review led by the Chair of the Audit Committee.

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

The principal risks and uncertainties facing the Academy are as follows:

Financial – the Academy is reliant on continued government funding through the ESFA. In last year 96% of the Academy's incoming resources were government funded. Impending changes to the government's funding strategy for schools nationally brings a significant degree of uncertainty around future funding levels.

The Trustees examine financial health regularly, by means of update reports at all Board and Operations committee meetings. The Trustees also review the financial key performance indicators (KPI'S), the level of reserves and cash flow forecasts to preserve the quality of provision and long-term sustainability, through turbulent times.

The Board of Trustees recognises that the defined benefit pension scheme (Local Government Pension Scheme), which is set out in Note 26 to the financial statements, represents a significant and increasingly potential liability. However, the Trustees consider that the Trust can meet its known contribution commitments for the foreseeable future and so the risk from this liability is minimised.

Reputational – the ongoing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To guard against any decline in performance, the Trustees ensure that pupils' academic progress and attainment are closely monitored and reviewed, and that appropriate high-quality provision is in place.

Safeguarding and child protection – the Trustees continue to ensure that the highest standards are maintained in the aspects of Safeguarding. Clear policies and procedures are in place and appropriate regular training is provided, so there is an elevated level of awareness throughout the school community.

Staffing – the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of its staff as well as ensuring there is clear succession planning.

Further risks that are managed through the risk register include:

- Premises and Health and Safety compliance
- Failures in governance and/or management
- Cyber
- Fraud and mismanagement of Funds
- Staffing in particular recruitment and retention of high-quality staff

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

FUNDRAISING

The Trust undertakes limited amounts of fundraising. Most of the fund-raising activities are undertaken by the PTA who raise funds by holding several functions during the school year, where they can raise about £20k p.a. The schools work closely with the PTA to ensure that the activities are consistent with the school's aims and objectives and comply with all appropriate guidelines. These funds are spent on areas of the school which are identified through consultation with staff and the PTA.

Parents also donate annually to the school for additional activities that the children can undertake these funds and are also used to buy additional resources for us within the school. Gift aid is claimed for these donations.

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

PLANS FOR THE FUTURE

Elmlea Schools Trust continues to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. Our aim to provide an outstanding education is underpinned by continuing to attract and support high quality teachers and support staff to deliver our objectives.

We have invested in our buildings in both schools and have used our independently commissioned Condition surveys to inform our spend for future years. The Trust commissioned a report on Heat decarbonization as the first step in developing a Sustainability and Climate change strategy.

The reserves are needed to cover both the increased staffing costs arising from the latest pay awards , but also to allow us to invest in the Infant school where the roof needs replacing followed by the boiler that is nearing end of life . In terms of the junior school investment is needed around Fire safety where works have been identified and ICT.

AUDITOR

In so far as the trustees are aware:

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

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

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 06/12/2023 and signed on the board's behalf by:



S Coulson
Co-Chair of Trustees

ELMLEA SCHOOLS' TRUST
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

Scope Of Responsibility

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

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Elmlea Schools Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meeting attended	Out of a possible
Mr Gareth Beynon	3	6
Mr Colin Bird	6	6
Mr. Simon Coulson	3	6
Mrs. Emma Jane Dalley	2	6
Mrs. Alice Dawes	5	6
Mrs. Sarah Everett-Cox	6	6
Mr. Steve French	5	6
Mrs. Adrienne Gallagher	6	6
Mr. Alistair Hill	5	6
Mr Jon Hollingbery	0	1
Mrs. Sarah Martin	6	6
Mr. David Hedley Rowlands	4	6
Mr. Martin Smith	6	6

There have been some changes in the membership of the Board of Trustees' terms of office (usually 4 years) ended. During the year Simon Coulson and Adrienne Gallagher acted as Co-Chairs for the Trust and Jon Hollingbery resigned as a Trustee along with Sarah Martin.

During the year, the local Governing bodies of the Infant and Junior schools held their meetings as a joint committee. This continues to strengthen and there is sharing of work in order that the two schools, continue to collaborate and share resources which enables a smoother transition for our pupils from Reception to Year 6.

Governance Review

Governance effectiveness is reviewed annually through a self-evaluation process using both the National Governors Association skills audit and the DfE recommended governance review, with the committees reviewing their terms of reference to ensure full compliance through the year.

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

The annual individual skills audit and governance reviews are used to ensure that there is an appropriate distribution of skills across governance committees, whose membership are reviewed annually. Gaps in knowledge and skills identified to support the trustee and governor appointment process.

The Board of Trustees met six times during the academic year to discharge its responsibilities and ensure that robust governance and effective management arrangements were in place.

The Operations committee is a sub-committee of the main board of trustees. Its purpose is to provide guidance to and assist decision making of the Board of Trustees. It does this by giving more detailed consideration to fulfilling the Board of Trustees responsibility on all operational matters. It will lead on issues with regards to the financial management of the schools within the Trust, to enable detailed consideration to be given to the best means of ensuring sound management of the Trust's finances and resources, including proper planning, monitoring and probity. The Health and Safety committee is a subcommittee of the Operations committee focusing on Health and Safety issues in the schools.

During the year Hedley Rowlands left the committee. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr. Collin Bird	6	6
Mrs. Emma Jane Daley	3	6
Mrs. Sarah Everett-Cox	6	6
Mr. Steve French	6	6
Mr. Alistair Hill	5	6
Mr. David Hedley Rowlands	1	2

The audit and risk committee is also a sub-committee of the main board of trustees. Its purpose is to assist the Board in the fulfilment of its corporate governance duties in relation to risk management, internal control, General Data Protection Regulations and financial reporting:

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs. Sarah Everett-Cox	3	3
Mr. Simon Coulson	3	3
Mr. David Hedley Rowlands	3	3
Mr. Martin Smith	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the chief executive 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 educational and wider societal outcomes, as well as estates safety and management, achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the academy trust has delivered improved value for money recently by moving to one ICT provider for the Trust and consolidating maintenance contracts.

**ELMLEA SCHOOLS' TRUST
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**GOVERNANCE STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023**

Deploying Staff Effectively

The staffing structures of the Trust are under constant review by the CEO with opportunities for reshaping taken so that the Trust is well placed to deliver improvement plans and efficiencies. A leadership and support programme is in place across the Trust to enable school leadership to have more flexibility in deploying staff resources across the two schools.

Value for Money Purchasing

The Trust Financial management policy is reviewed annually to ensure that it reflects the Academies Trust Handbook. In the value for money purchasing setting out procedures for accepting best value quotes, it is noted that this is not necessarily the cheapest quote.

Following the formation of the MAT in September 2019, the large value contracts have been reviewed and retendered to ensure the best value by using the DfE recommended frameworks which provide opportunities for efficiency, group procurement and best practice, contract renewals in the Academic year including Cleaning and Photocopiers.

Robust Financial Governance and Budget Management

Robust financial management and budget management including ongoing review and improvements of controls and management risk. Annually the Trust identifies the areas of focus of internal audits which are followed up by increasing control measures where improvement is recommended.

The Trust Board reviews the annual Fire and Health and Safety audits and actioned plans from Judicium on a termly basis through the relevant committees and invests in areas highlighted that need improvement.

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. The system of internal control has been in place in Elmlea Schools Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating, and managing.

The Academy Trust's significant risks that have been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

THE RISK AND CONTROL FRAMEWORK

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. It includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- regular reviews by the finance and general purposes committee of reports, which indicate financial.
- performance against the forecasts and of major purchase plans, capital works and expenditure programs
- setting targets to measure financial and other performance.
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks.

The Board of Trustees has decided:

- to buy-in an internal audit service from Audit West as there is not a need for a specific internal audit function due to the size of the Trust and their Internal Scrutiny work has satisfied the Board of Trustees.

Audit West's role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular, the checks carried out in the current period included:

- Budgetary Control
- Governance
- HR & Payroll
- Pupil Premium
- Inventory

On a bi-termly basis, the internal scrutiny auditor from Audit West reports to the board of trustees, through the audit and risk committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The Audit & Risk committee reviews the detailed work carried out along with the strengths and weaknesses identified along with the management comments that accompany the action plan.

On an annual basis the internal scrutiny auditor prepares a summary report for the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

Audit West has delivered the agreed schedule of works as planned and no material control issues were identified.

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

REVIEW OF EFFECTIVENESS

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

- the work of the internal reviewer, Audit West
- the financial management and governance self-assessment process
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework
- the work of the external auditor

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

Approved by order of the members of the board of trustees on 06/12/2021 and signed on its behalf by:



S Coulson
Trustee



L Wright
Accounting Officer

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 06/12/23 and signed on its behalf by:



S Coulson
Co-Chair of Trustees

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Elmlea Schools' Trust, I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

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

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



L Wright
Accounting Officer
Date: 06/12/2023

ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

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

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

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

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

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

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

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



S Coulson
Co-Chair of Trustees

Date: 06/12/2023

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ELMLEA SCHOOLS' TRUST

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

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

ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

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

Our procedures to respond to risks identified included the following:

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

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

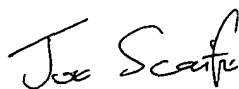
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

USE OF OUR REPORT

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



Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 15/12/2023

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 30 May 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Elmlea Schools' Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Elmlea Schools' Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Elmlea Schools' Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Elmlea Schools' Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF ELMLEA SCHOOLS' TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of Elmlea Schools' Trust's funding agreement with the Secretary of State for Education dated 23 November 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

APPROACH

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

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

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

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

The work undertaken to draw our conclusion includes:

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

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 15/12/2023

ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	19,128	61,523	27,854	108,505	404,823
Other trading activities		51,849	-	-	51,849	59,952
Investments	6	2,826	-	-	2,826	161
Charitable activities		24,262	3,112,172	-	3,136,434	3,031,825
Total income		98,065	3,173,695	27,854	3,299,614	3,496,761
Expenditure on:						
Charitable activities		87,549	3,084,371	167,894	3,339,814	3,293,908
Total expenditure		87,549	3,084,371	167,894	3,339,814	3,293,908
NET (EXPENDITURE) / INCOME		10,516	89,324	(140,040)	(40,200)	202,853
Transfers between funds	18	-	(75,958)	75,958	-	-
Net movement in funds before other recognised gains/(losses)		10,516	13,366	(64,082)	(40,200)	202,853
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	381,000	-	381,000	1,439,000
Net movement in funds		10,516	394,366	(64,082)	340,800	1,641,853
Reconciliation of funds:						
Total funds brought forward		392,929	(559,630)	4,984,913	4,818,212	3,176,359
Total funds carried forward		403,445	(165,264)	4,920,831	5,159,012	4,818,212

The notes on pages 29 to 55 form part of these financial statements.

ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07626956

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	4,920,831	4,840,720
Current assets			
Debtors	15	102,304	160,143
Cash at bank and in hand		740,448	915,127
		<u>842,752</u>	<u>1,075,270</u>
Creditors: amounts falling due within one year	16	(226,571)	(384,419)
Net current assets		<u>616,181</u>	<u>690,851</u>
Total assets less current liabilities		<u>5,537,012</u>	<u>5,531,571</u>
Creditors: amounts falling due after more than one year	17	-	(1,359)
Defined benefit pension scheme liability	26	(378,000)	(712,000)
Total net assets		<u><u>5,159,012</u></u>	<u><u>4,818,212</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	18	4,920,831	4,984,913
Restricted income funds	18	212,934	152,370
		<u>5,133,765</u>	<u>5,137,283</u>
Restricted funds excluding pension asset	18	5,133,765	5,137,283
Pension reserve	18	(378,000)	(712,000)
Total restricted funds	18	<u>4,755,765</u>	<u>4,425,283</u>
Unrestricted income funds	18	<u>403,247</u>	<u>392,929</u>
Total funds		<u><u>5,159,012</u></u>	<u><u>4,818,212</u></u>

The financial statements on pages 26 to 55 were approved by the Trustees, and authorised for issue on 06/12/2023 and are signed on their behalf, by:



S Coulson
Co-Chair of Trustees

The notes on pages 29 to 55 form part of these financial statements.

ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	20	42,646	404,501
Cash flows from investing activities	22	(215,966)	38,649
Cash flows from financing activities	21	(1,359)	(1,359)
Change in cash and cash equivalents in the year		(174,679)	441,791
Cash and cash equivalents at the beginning of the year		915,127	473,336
Cash and cash equivalents at the end of the year	23, 24	740,448	915,127

The notes on pages 29 to 55 form part of these financial statements

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 FUND ACCOUNTING

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

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

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

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

**ELMLEA SCHOOLS' TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

1. ACCOUNTING POLICIES (continued)

1.4 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**

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

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

1.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

- **Charitable activities**

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

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

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

On conversion the Academy was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the local authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset, over its expected useful life, on the following bases:

Long term leasehold land	- Over the term of the lease
Long term leasehold property	- 2% Straight Line
Leasehold property improvements	- 5% Straight Line
Office equipment	- 15% Straight Line
Computer equipment	- 25% Straight Line

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.

1.7 DEBTORS

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

1.8 CASH AT BANK AND IN HAND

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.9 LIABILITIES

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

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 15. Prepayments are not financial instruments. Amounts due to the academy trust'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.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 16 and 17. 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 the academy trust's wholly owned subsidiary are held at face value less any impairment.

1.11 TAXATION

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

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

1.12 OPERATING LEASES

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

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.13 PENSIONS

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

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

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

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

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

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	19,128	61,523	-	80,651	80,900
Capital Grants	-	-	27,854	27,854	323,923
TOTAL 2023	19,128	61,523	27,854	108,505	404,823
Total 2022	25,983	54,917	323,923	404,823	

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

4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
EDUCATION				
DFE/ESFA GRANTS				
General Annual Grant	-	2,691,215	2,691,215	2,641,760
OTHER DFE/ESFA GRANTS				
Pupil Premium	-	54,887	54,887	51,819
UIFSM	-	117,910	117,910	109,460
Other grants	-	80,807	80,807	76,459
	-	2,944,819	2,944,819	2,879,498
OTHER GOVERNMENT GRANTS				
Local authority grants	-	90,406	90,406	93,267
	-	90,406	90,406	93,267
Other income from the academy trust's educational operations	24,262	-	24,262	49,617
COVID-19 ADDITIONAL FUNDING (DFE/ESFA)				
Catch-up Premium	-	5,997	5,997	9,443
School Supplementary Grant	-	70,950	70,950	-
	-	76,947	76,947	9,443
TOTAL 2023	24,262	3,112,172	3,136,434	3,031,825
TOTAL 2022	49,617	2,982,208	3,031,825	

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NOTES TO THE FINANCIAL STATEMENTS
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5. INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings	47,273	47,273	42,090
Other	4,576	4,576	17,862
TOTAL 2023	51,849	51,849	59,952
TOTAL 2022	59,952	59,952	

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest	2,826	2,826	161
TOTAL 2022	161	161	

7. EXPENDITURE

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
EDUCATION:					
Direct costs	1,991,383	159,864	379,333	2,530,580	2,529,150
Allocated support costs	352,082	177,119	280,033	809,234	764,758
TOTAL 2023	2,343,465	336,983	659,366	3,339,814	3,293,908
Total 2022	2,467,390	311,849	514,669	3,293,908	

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

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Education	2,530,580	809,234	3,339,814	3,293,908
TOTAL 2022	2,529,150	764,758	3,293,908	

ANALYSIS OF DIRECT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	17,000	23,000
Staff costs	2,000,383	2,105,795
Depreciation	167,894	144,627
Educational supplies	135,087	108,432
Staff development	8,341	13,583
Trips and other costs	79,079	54,923
Supply teachers	44,274	18,055
Educational Support	24,968	20,803
Pupil premium bursaries	13,636	1,279
Technology costs	39,918	38,653
	<u>2,530,580</u>	<u>2,529,150</u>

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NOTES TO THE FINANCIAL STATEMENTS
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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	14,000	12,000
Staff costs	355,967	361,595
Other costs	37,688	28,980
Recruitment and support	2,986	4,104
Maintenance of premises and equipment	61,735	71,880
Cleaning	40,138	38,269
Rates	3,838	8,151
Energy costs	63,378	49,342
Insurance	24,041	13,541
Security and transport	9,943	8,824
Catering	123,069	115,497
Technology costs	35,027	11,875
Office overheads	16,565	17,551
Bank interest and charges	57	57
Governance	20,802	23,092
	<u>809,234</u>	<u>764,758</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	4,454	4,454
Depreciation of tangible fixed assets	167,894	144,627
Fees paid to auditors for:		
- audit	12,925	11,750
- other services	1,640	3,050
	<u>177,813</u>	<u>159,431</u>

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

10. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,775,877	1,755,801
Social security costs	156,720	155,427
Pension costs	423,753	556,162
	<u>2,356,350</u>	<u>2,467,390</u>
Agency staff costs	44,274	18,055
	<u>2,400,624</u>	<u>2,485,445</u>

b. STAFF NUMBERS

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

	2023 No.	2022 No.
Teachers	26	28
Educational support	30	29
Administration and other support	6	8
Management	10	9
	<u>72</u>	<u>74</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teachers	21	24
Educational Support	15	17
Administration and other support	4	4
Management	9	6
	<u>49</u>	<u>51</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2023 No.	2022 No.
In the band £70,001 - £80,000	1	1

d. KEY MANAGEMENT PERSONNEL

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £630,458 (2022: £495,341).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in Note 12 has not been included in the total benefits received by key management personnel above.

11. CENTRAL SERVICES

No central services were provided by the academy trust to its academies during the year and no central charges arose.

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £NIL were reimbursed or paid directly to Trustee (2022 - £Nil).

13. TRUSTEES' AND OFFICERS' INSURANCE

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

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NOTES TO THE FINANCIAL STATEMENTS
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14. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Leasehold property improvements £	Furniture and equipment £	Computer equipment £	Total £
COST OR VALUATION					
At 1 September 2022	5,149,892	388,383	132,500	243,323	5,914,098
Additions	175,645	38,556	3,900	29,904	248,005
At 31 August 2023	5,325,537	426,939	136,400	273,227	6,162,103
DEPRECIATION					
At 1 September 2022	729,461	72,469	84,442	187,006	1,073,378
Charge for the year	104,169	19,580	15,037	29,108	167,894
At 31 August 2023	833,630	92,049	99,479	216,114	1,241,272
NET BOOK VALUE					
At 31 August 2023	4,491,907	334,890	36,921	57,113	4,920,831
At 31 August 2022	4,420,431	315,914	48,058	56,317	4,840,720

15. DEBTORS

	2023 £	2022 £
DUE WITHIN ONE YEAR		
Trade debtors	7,305	210
VAT Recoverable	37,121	15,723
Prepayments and accrued income	57,878	144,210
	102,304	160,143

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NOTES TO THE FINANCIAL STATEMENTS
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16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Other loans	1,359	1,359
Trade creditors	35,532	62,390
Other taxation and social security	37,032	37,661
Accruals and deferred income	152,648	283,009
	<u>226,571</u>	<u>384,419</u>
	2023 £	2022 £
DEFERRED INCOME		
Deferred income at 1 September 2022	73,715	74,779
Resources deferred during the year	81,014	73,715
Amounts released from previous periods	(73,715)	(74,779)
Deferred income at 31 August 2023	<u>81,014</u>	<u>73,715</u>

At the balance sheet date the Academy Trust was holding funds received in relation to grants from the ESFA, for the 23/24 financial year.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023 £	2022 £
Other loans	-	1,359

Other loans represents a loan from Salix Limited under the Schools Energy Efficiency Loans Programme. At the year end £nil (2022: £1,359) remains outstanding. The loan is unsecured and interest free. It is repayable by instalments following final completion of works including retention with 1 year remaining at the year end.

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

18. STATEMENT OF FUNDS

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
UNRESTRICTED FUNDS						
General Funds	392,929	98,065	(87,747)	-	-	403,247
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	152,370	2,691,215	(2,554,693)	(75,958)	-	212,934
Pupil premium	-	54,887	(54,887)	-	-	-
UIFSM	-	117,910	(117,910)	-	-	-
Other ESFA grants	-	80,807	(80,807)	-	-	-
Local authority grants	-	90,406	(90,406)	-	-	-
Catch - up Premium	-	5,997	(5,997)	-	-	-
Donations	-	61,523	(61,523)	-	-	-
School Supplementary Grant	-	70,950	(70,950)	-	-	-
Pension reserve	(712,000)	-	(47,000)	-	381,000	(378,000)
	(559,630)	3,173,695	(3,084,173)	(75,958)	381,000	(165,066)

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	3,952,821	-	(92,051)	-	-	3,860,770
Fixed assets purchased from GAG and DFC	876,943	47,756	(70,530)	200,249	-	1,054,418
Fixed asset donations	10,956	-	(5,313)	-	-	5,643
Condition improvement fund	144,193	(19,902)	-	(124,291)	-	-
	<u>4,984,913</u>	<u>27,854</u>	<u>(167,894)</u>	<u>75,958</u>	<u>-</u>	<u>4,920,831</u>
TOTAL RESTRICTED FUNDS	<u>4,425,283</u>	<u>3,201,549</u>	<u>(3,252,067)</u>	<u>-</u>	<u>381,000</u>	<u>4,755,765</u>
TOTAL FUNDS	<u>4,818,212</u>	<u>3,299,614</u>	<u>(3,339,814)</u>	<u>-</u>	<u>381,000</u>	<u>5,159,012</u>

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

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

The General Annual Grant (GAG) - This represents funding received from the ESFA during the period in order to fund the continuing activities of the school.

Teachers pay and pension grant - funding from the ESFA to cover addition teacher salary and pension costs

Pupil Premium - This represents funding received from the ESFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

UIFSM (Universal Infant Free School Meals) - This represents funding from the ESFA to cover the cost of providing free school meals to all pupils in reception, year 1 and year 2.

Other ESFA grants - this represents grant funding from the ESFA in relation to PE and sports premium and rates relief. PE and sports premium is to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils to encourage them to develop healthier lifestyles. Rates relief is the reimbursement of the cost of business rates by the ESFA.

Local authority grants - represents high needs funding which represents funding received from the local authority to cater for the children with statements of special educational needs. Also represents pupil premium received from the local authority.

Covid catch-up premium - represents funding from the ESFA to support children and young people to catch up on missed learning caused by Covid-19.

Donations largely represent income received from the Junior School Parent Teacher Association to spend on specific educational resources and income contributed towards educational trips.

School Supplementary Funding - funding from the ESFA to provide support for the costs of the Health and Social Care Levy and wider costs.

The pension fund represents the Local Government Pension Scheme deficit.

FIXED ASSET FUNDS

Fixed assets transferred on conversion represent the building and equipment donated to the school from Bristol City Council on conversion to an Academy.

Fixed assets purchased from GAG (General Annual Grant) and DFC (Devolved Formula Capital) represents amounts spent on fixed assets from GAG and DFC funding received from the ESFA.

Fixed assets purchased from donations represent amounts donated to be spent on specific fixed asset additions.

Condition Improvement Funds represents amounts received from the ESFA to be spent on capital projects.

OTHER INFORMATION

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

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

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfer s in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
UNRESTRICTED FUNDS						
General Funds	313,012	135,713	(55,796)	-	-	392,929
RESTRICTED GENERAL FUNDS						
General Annual Grant (GAG)	11,824	2,641,760	(2,457,277)	(43,937)	-	152,370
Teachers pay and pension grant	-	29,563	(29,563)	-	-	-
Pupil premium	-	51,819	(51,819)	-	-	-
UFSM	-	109,460	(109,460)	-	-	-
Other ESFA grants	6,649	46,896	(53,545)	-	-	-
Local authority grants	-	93,267	(93,267)	-	-	-
Covid catch-up premium	22,194	9,443	(31,637)	-	-	-
Donations	-	54,917	(54,917)	-	-	-
Pension reserve	(1,939,000)	-	(212,000)	-	1,439,000	(712,000)
	(1,898,333)	3,037,125	(3,093,485)	(43,937)	1,439,000	(559,630)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	4,038,615	-	(85,794)	-	-	3,952,821
Fixed assets purchased from GAG and DFC	710,343	15,085	(57,067)	208,582	-	876,943
Fixed asset donations	12,722	-	(1,766)	-	-	10,956
Condition improvement fund	-	308,838	-	(164,645)	-	144,193
	4,761,680	323,923	(144,627)	43,937	-	4,984,913
TOTAL RESTRICTED FUNDS	2,863,347	3,361,048	(3,238,112)	-	1,439,000	4,425,283
TOTAL FUNDS	3,176,359	3,496,761	(3,293,908)	-	1,439,000	4,818,212

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18. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Elmlea Junior School	432,737	365,835
Elmlea Infant School	183,434	179,464
Total before fixed asset funds and pension reserve	616,171	545,299
Restricted fixed asset fund	4,920,831	4,984,913
Pension reserve	(378,000)	(712,000)
TOTAL	5,159,002	4,818,212

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Elmlea Junior School	1,130,193	209,652	76,778	307,991	1,724,614	1,715,177
Elmlea Infant School	935,464	159,430	69,855	282,557	1,447,306	1,434,104
ACADEMY TRUST	2,065,657	369,082	146,633	590,548	3,171,920	3,149,281

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	4,920,831	4,920,831
Current assets	404,606	438,146	-	842,752
Creditors due within one year	(1,359)	(225,212)	-	(226,571)
Provisions for liabilities and charges	-	(378,000)	-	(378,000)
TOTAL	403,247	(165,066)	4,920,831	5,159,012

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	4,840,720	4,840,720
Current assets	395,647	397,484	282,139	1,075,270
Creditors due within one year	(1,359)	(245,114)	(137,946)	(384,419)
Creditors due in more than one year	(1,359)	-	-	(1,359)
Provisions for liabilities and charges	-	(712,000)	-	(712,000)
TOTAL	392,929	(559,630)	4,984,913	4,818,212

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

	2023 £	2022 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(40,200)	202,853
ADJUSTMENTS FOR:		
Depreciation	167,894	144,627
Capital grants from DfE and other capital income	(27,854)	(323,923)
Interest receivable	(2,826)	(161)
Defined benefit pension scheme cost less contributions payable	20,000	177,000
Defined benefit pension scheme finance cost	27,000	35,000
Decrease/(increase) in debtors	57,839	(19,865)
(Decrease)/increase in creditors	(159,207)	188,970
NET CASH PROVIDED BY OPERATING ACTIVITIES	42,646	404,501

21. CASH FLOWS FROM FINANCING ACTIVITIES

	2023 £	2022 £
Repayments of borrowing	(1,359)	(1,359)
NET CASH USED IN FINANCING ACTIVITIES	(1,359)	(1,359)

22. CASH FLOWS FROM INVESTING ACTIVITIES

	2023 £	2022 £
Interest received	2,826	161
Purchase of tangible fixed assets	(246,646)	(223,667)
Capital grants from DfE/ESFA	27,854	262,155
NET CASH (USED IN)/PROVIDED BY INVESTING ACTIVITIES	(215,966)	38,649

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NOTES TO THE FINANCIAL STATEMENTS
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23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash in hand and at bank	730,280	765,440
Notice deposits (less than 3 months)	10,168	149,687
TOTAL CASH AND CASH EQUIVALENTS	740,448	915,127

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	915,127	(174,679)	740,448
Debt due within 1 year	(1,359)	-	(1,359)
Debt due after 1 year	(1,359)	1,359	-
	912,409	(173,320)	739,089

25. CAPITAL COMMITMENTS

	2023 £	2022 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS		
Acquisition of tangible fixed assets	-	157,723

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26. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

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

TEACHERS' PENSION SCHEME

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

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

VALUATION OF THE TEACHERS' PENSION SCHEME

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

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

The 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the year amounted to £272,844 (2022 - £235,162).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>) for 2016 and www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx for 2020.

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

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26. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £166,000 (2022 - £144,000), of which employer's contributions totalled £130,000 (2022 - £109,000) and employees' contributions totalled £ 36,000 (2022 - £35,000). The agreed contribution rates for future years are 20.8 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in Note 1.13 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

PRINCIPAL ACTUARIAL ASSUMPTIONS

Avon Pension Fund

	2023	2022
	%	%
Rate of increase in salaries	4.3	4.3
Rate of increase for pensions in payment/inflation	2.9	2.9
Discount rate for scheme liabilities	5.4	4.3
Inflation assumption (CPI)	2.8	2.8

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

	2023	2022
	Years	Years
RETIRING TODAY		
Males	22	23.1
Females	24	25.3
RETIRING IN 20 YEARS		
Males	23.2	24.6
Females	25.7	27.3

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26. PENSION COMMITMENTS (CONTINUED)

SENSITIVITY ANALYSIS

Avon Pension Fund

	2023	2022
	£000	£000
Discount rate +0.1%	(38)	(47)
Discount rate -0.1%	39	48
Mortality assumption - 1 year increase	42	45
Mortality assumption - 1 year decrease	(41)	(44)
CPI rate +0.1%	39	49
CPI rate -0.1%	(38)	(48)

SHARE OF SCHEME ASSETS

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

	At 31	At 31 August
	August 2023	2022
	£	£
Equities	607,000	641,000
Gilts	376,000	154,000
Corporate bonds	161,000	114,000
Property	115,000	114,000
Cash and other liquid assets	19,000	5,000
Other	574,000	527,000
TOTAL MARKET VALUE OF ASSETS	1,852,000	1,555,000

The actual return on scheme assets was £(35,000) (2022 - £30,000).

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

	2023	2022
	£	£
Current service cost	(146,000)	(286,000)
Interest income	66,000	26,000
Interest cost	(97,000)	(57,000)
Administrative expenses	(4,000)	(4,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(181,000)	(321,000)

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26. PENSION COMMITMENTS (CONTINUED)

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

	2023 £	2022 £
AT 1 SEPTEMBER	2,267,000	3,402,000
Current service cost	146,000	286,000
Interest cost	97,000	57,000
Employee contributions	36,000	35,000
Actuarial gains	(287,000)	(1,496,000)
Benefits paid	(29,000)	(17,000)
AT 31 AUGUST	2,230,000	2,267,000

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

	2023 £	2022 £
AT 1 SEPTEMBER	1,555,000	1,463,000
Interest income	70,000	26,000
Actuarial gains/(losses)	94,000	(57,000)
Employer contributions	130,000	109,000
Employee contributions	36,000	35,000
Benefits paid	(29,000)	(17,000)
Administrative expenses	(4,000)	(4,000)
AT 31 AUGUST	1,852,000	1,555,000

27. OPERATING LEASE COMMITMENTS

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

	2023 £	2022 £
Not later than 1 year	4,723	4,454
Later than 1 year and not later than 5 years	12,595	-
	17,318	4,454

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**NOTES TO THE FINANCIAL STATEMENTS
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28. MEMBERS' LIABILITY

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

29. GENERAL INFORMATION

Elmlea Schools' Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is The Dell, Westbury-On-Trym, Bristol, BS9 3UF and the registered company number is 07626956.

30. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account.