

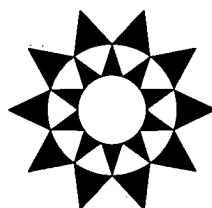
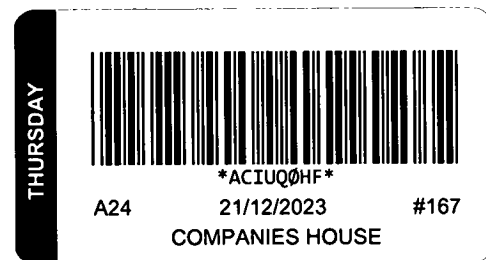
THE GREAT SCHOOLS TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023



**GREAT SCHOOLS
TRUST**



**WR
Partners**
Protecting your future.

<p>THE GREAT SCHOOLS TRUST (A company limited by guarantee)</p>

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	T Quinn J Spencer J Roberts M Wyss R Daniel (resigned 4 December 2022) S Maher (appointed 5 October 2023)
Trustees	J W Spencer, Chair of Trustees M Ireland J Rigby J Hornby M Aldred N Meikle G Lee J Mooney (appointed 1 September 2022) A Wright (appointed 5 March 2023) T Davies (appointed 15 May 2023) E Vitalis (appointed 3 July 2023) M Gorham (appointed 3 July 2023) T Patel (appointed 1 September 2023) E L Sharrad-Williams (resigned 22 May 2023) J Stiller (resigned 31 May 2023) D Kasmir (appointed 20 November 2023)
Company registered number	07641004
Company name	The Great Schools Trust
Registered office	Kings Leadership Academy Warrington Hillcock Lane Woolston Warrington Cheshire WA1 4PF
Principal operating office	Hillock Lane Woolston Warrington WA1 4PF
Company secretary	M L Jones
Chief executive officer	S Ierston

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

Independent auditors	WR Partners Chartered Accountants Statutory Auditors Drake House Gadbrook Park Northwich Cheshire CW9 7RA
Bankers	The Co-operative Bank 1 Balloon Street Manchester M60 4EP
Solicitors	Eversheds Bridgewater Place Water Lane Leeds LS11 5DR
Senior Management Team	S Ierston - CEO and Accounting Officer A Reay - Chief Strategic Officer S Hughes - Chief Finance Officer (from 1 January 2023) E Davidson - Chief Finance Officer (until 31 December 2022)

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Financial Statements have been prepared in accordance with the accounting policies on pages 53 to 77 of this document. They comply with the charitable company's Articles of Association, the Academies Accounts Direction 2022 to 2023 issued by the Education & Skills Funding Agency (ESFA), the Companies Act 2006, and the requirements of Charities SORP (FRS 102) applicable to charities preparing their accounts in accordance with FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Great Schools Trust (GST) took its origins from Great Schools for All Children (GSAC) which began in 2012 with one mainstream secondary free school (King's Leadership Academy [KLA] Warrington), 38 children and 4 staff. In 2022/23, there were 5 academies in the Great Schools Trust, operating across 4 local authorities. Our goal is to provide an education which has all the advantages of an independent school but free of fees and selection. At the heart of this education is a high expectations knowledge and vocabulary rich curriculum which leads to a well above average uptake of the English Baccalaureate (EBacc) suite of subjects and qualifications by the end of KS4. In 2022/23, 68% of all Year 11 students across the trust were entered for the EBacc versus a national average of 39%, this despite a pupil premium average more than 49%.

In October 2022 our 5 academies had a combined pupil roll of 2,816, in the school census of October 2023 that is now 3,243 (an increase of 427). The trust's expansion is moving forward rapidly, with a new academy expected to come online in 2024 and a range of primary and secondary schools exploring membership with the trust. GST also became a National Behaviour Hub in 2022 and has continued discussions regarding the support of and future sponsorship of further academies. In addition to this, the Trust's Initial Teacher Training programme is going well, GST Schools Direct and affiliated University Edge Hill University are now providing all GST schools with outstanding graduates.

Structure, governance and management

a. Constitution

Great Schools Trust ('the Company') is a company limited by guarantee with no share capital (registration no. 07641004) and is an exempt charity. The company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Articles of Association require members of the charitable company to appoint not fewer than three Trustees to be responsible for the statutory, constitutional affairs and management of the charitable Company.

The Trustees of The Great Schools Trust are also the Directors of the charitable company for the purposes of company law. Details of the trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details on page 1.

b. Members' liability

Each Member of the Charitable Company undertakes to contribute to the assets of the Charitable Company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a Member. This contribution would be for the payment of the Company's debts and liabilities before it ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of contributories amongst themselves.

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

Structure, governance and management (continued)

c. Trustees' indemnities

The trustees are trustees of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation. In accordance with normal commercial practice GST has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £500,000 on any one claim as shown in note 12 to the accounts.

d. Method of recruitment and appointment or election of Trustees

Members and Trustees are appointed in accordance with the Articles of Association.

The Members of Great Schools Trust are responsible for the appointment of up to four of the Trustees of the Trust Board, who in turn are responsible for appointments to their respective Local Academy Councils. The term of office for any Trustee is four years and thereafter they may be re-appointed.

To keep a balance of skills and expertise on each Trust Board, Trustees consider any skill gaps and may approach individuals (this may include parents) explaining the type of skills set or expertise the Trust is looking for. In selecting new Trustees, the Trust seeks to identify people who are willing to commit their time and skills for the advancement of the purposes of GST, adding value to the leadership of the Trust and ensuring good governance is secured. To find the people with the appropriate skills, there may be occasions where agencies, e.g. NuRole and other such organisations, are approached to see if they can help the Trust to find potential trustees with the required skill sets.

A short application form will be completed, or a CV/volunteer profile will be shared, and the individual will be invited to meet key members of the central team and non-executive team. In the case of parent governors, if more than one parent expresses an interest, then it may be necessary to hold an election within the parent body of the academy in question.

It is desirable for new Trustees to bring a track record of governance with them. The present make-up of the Board includes many experienced professionals, many of whom are senior Directors in large corporations and have a detailed understanding of the operational and legal requirements of running a large institution.

The board regularly reviews its make-up and seeks to strengthen its membership as gaps arise. To support with succession planning, any potential new Trustees may have the opportunity to sit on the Board as an observer pending mutual ratification of appointment.

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

Structure, governance and management (continued)

e. Policies and procedures adopted for the induction and training of Trustees

If an appointment is made, the successful individual will receive an induction appropriate to their new role which enables them to gain an understanding of the ethos, values, and strategic direction of the Company.

As part of the appointment process, all new Trustees receive an introduction to their role from the Chair of Trustees and Director of Governance. If the new appointment is taking over from another Trustee that oversees a particular area, the current Trustee will also be involved in the introduction meetings. New Trustees are inducted into the working of the Trust, including policies and procedures, at arranged meetings with the Director of Governance. All Trustees also have access to and are encouraged to participate in governance training programmes from external providers such as the National Governance Association, CST or the National College. The training and induction provided will depend on the individual Trustees' skill set and experience. Where appropriate, induction will include training on educational, charity, legal and financial matters (with copies of policies, procedures, minutes, budget plans, management accounts and other appropriate documentation where necessary).

This induction also includes the opportunity to visit school sites and meet members of the Trust's Central Executive Team and school's Senior Leadership Team. All Trustees are required to adopt and adhere to the Governance Code of Conduct implemented by the Trust.

All trustee meetings and the induction of new Trustees/Governors are managed by the 'Director of Governance'. This role maintains a level of independence from the Executive Team in order to facilitate challenge and continuous improvement from the Board.

Trustees are expected to complete annual statutory training covering safeguarding and data protection as a minimum. The Trust will also offer an annual training programme for all Trustees, ensuring that new Trustees in particular receive sufficient support and information to enable them to discharge their roles and responsibilities as well as challenge and hold the Executive Team (and other Senior Leaders) to account.

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

Structure, governance and management (continued)

f. Organisational structure

Great Schools Trust has established a unified governance structure to enable its efficient running and to achieve its overall vision. The governance structure consists of five levels: the Members, the Board of Trustees, Local Academy Councils, the Central Executive Team and the Senior Leadership Teams within each academy. The aim of the governance structure is to create a cohesive framework within which the group of academies can be led as part of one organisation and to also encourage involvement in decision making at all levels.

The aim of the governance structure is to devolve responsibility via the Scheme of Delegation and encourage involvement in decision making at all levels. Terms of Reference for these groups are reviewed and approved annually and are available on the Trust's governance platform, Governor Hub to ensure that at all levels are clear about their responsibilities.

Members

The Members of the Company are required to define the Object, Purpose and Ethos of the Company.

The Members meet at least annually to review the performance of the Trust and ensure that the Trustees are working within the articles of association. The Members are responsible for appointing up to four Trustees, appointing/re-appointing external auditors and accepting the annual accounts and trustee report.

Trustees

The Trustees, who form the Trust Board, have overall responsibility and ultimate decision-making authority for all the work of the Company, including the establishing and running of schools and, in particular, each academy as a school. The Trustees give their time freely and receive no remuneration in their role as Trustees or other financial benefits. This is largely exercised through strategic planning and the setting of policy. It is managed through the business planning, monitoring of budgets, performance appraisal, the setting and monitoring of standards and the implementation of quality assurance processes. The Trustees have the power to direct change where required to ensure that the Object, Purpose and Ethos of the Company are met.

The Trustees are responsible for making major decisions about the strategic direction of the Company, ensuring that its aims are met and its ethos is maintained. Specifically, this includes setting general policy, adopting a 3 year strategic plan and budget, monitoring the Company's financial performance and educational outcomes, making senior staff appointments and approving major investment programmes.

The Trustees meet half termly and are responsible for all decisions taken in relation to the activities provided by the Trust. The Trustees have established a Finance, Risk & Audit Committee that also meets each half term to ensure the independent checking of controls, systems, transactions, and risks. The Trust has delegated some decision making to this additional Trustee committee. The Trust has a clear scheme of delegation regarding the delegation of these decisions; this also details the decisions that have been delegated to management to ensure the day to day operational capacity of the Trust.

Following recommendations made in an external review of governance, there will be an Education and Welfare Committee constituted from academic year 2023/24.

Local Academy Councils

Each Local Academy Council (LAC) act as advisory bodies to the Board of Trustees. In each academy the LAC provides feedback and additional support and challenge to ensure that the organisation acts according to our ethos and represents the needs of our students, parents, and the communities we serve. The LAC is also involved in developing wider community programs in areas where our academies are located. This includes a specific focus on supporting our students and their families in their lives outside of the academy. At present 4 out of 5 LAC Chairs currently sit on the Trust Board; however, recruitment is underway to find replacement LAC Chairs to aid segregation of duty and no other LAC Chair will be appointed as a Trustee. Instead, regular Chairs

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

Structure, governance and management (continued)

meetings take place, and each LAC has been encouraged to appoint link governors in specific areas (Safeguarding, SEND, Pupil Premium and Careers). These link governors will also meet with the lead trustee for each area to improve communication between governance tiers. The principal and a member of SLT of each academy is an ex officio member of the LAC.

Executive Team

The Trust, as a multi-academy trust (MAT), has a central team to support its academies in relation to their education standards, school improvement, and business operations. The Trust chief executive officer is the accounting officer.

The Executive team is listed on page 2. The Executive Team, consisting of the CEO and Executive leaders, control the Trust/academies at an executive level by implementing the policies laid down by the Trustees and reporting back to them regularly. The central education directorate are responsible for overseeing the leadership of the local academies and offer strategic advice in respect of school improvement and the development and quality of education.

A comprehensive scheme of delegated authority laid down by the Trustees defines the limits of commitments that can be incurred by the Executive. It also sets out how detailed financial management should be carried out in each academy.

Academy Leadership Teams

The Academy Leadership Teams consist of the senior management at each academy. Individual academy Senior Leadership Teams (SLTs) include the Principal, Vice Principals, Assistant Principals and the Operations/Business Manager. These managers are responsible for the day-to-day operation of the academy, in particular organising teaching staff, facilities and students.

The above leaders and managers control the individual academies at an executive/principal level implementing the policies laid down by the Trustees of the Board and reporting back to them. The Principals across the Trust are responsible for the authorisation of spending within agreed budgets and the appointment of staff at their academy. Some spending control is devolved to members of their Senior Leadership Team with financial limits above which a Senior Manager must countersign - details of the levels of authority can be found in the Trust's Scheme of Delegation.

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

Structure, governance and management (continued)

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

None of the Members or Trustees of the company receive any remuneration for their services.

Remuneration is a key function of the Trust's Performance and Remuneration Committee. This Committee meets regularly to consider the pay of senior employees and to ensure that pay follows an evidence-based process and reflects individuals' roles and responsibilities. In considering executive pay, the committee benchmarks against external data available, including cost per pupil, cost per academy and ratio to lowest paid employee.

Executive Team

The pay of key management personnel noted on page 1 (Executive Group) is determined by a subgroup of the Board. The levels of pay are determined based on an externally moderated job evaluation. The Trust Board have a separate scheme of delegation in place related to human resource.

Academy Teams

The pay of academy Principals is based on the size of their academy and is consistent throughout GST. Vice Principals and other educational senior leaders are paid by reference to national leadership pay scales.

A Pay Committee consisting of the CEO, COSO, CFO and Human resource lead authorises any increments in this range. There are no bonus arrangements for senior leaders.

Performance management reviews are conducted by the Performance and Remuneration Committee for the CEO and COSO and then, through the Scheme of Delegation, by the CEO, or delegated person, as per the scheme of delegation, annually for the senior management personnel.

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

Structure, governance and management (continued)

h. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£
--	----------

Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

A trustee (E Vitalis) holds a senior executive position in an organisation that provides a service to one of the academies within The Great Schools Trust.

The wife of the Chair of Trustees is employed as a senior leader at King's Leadership Academy Hawthornes.

The wife of the Chief Executive is employed as a teaching scholar at King's leadership Academy Warrington

Please refer to note 27 for full details of all related party transactions.

j. Engagement with employees

Details of how we enable our people can be found in the people section of our objectives and activities.

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

Structure, governance and management (continued)

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

As a Trust, we aim to maintain the highest possible standards of integrity in business relationships with suppliers. Our ethos provides a framework that enables GST to form and maintain open, honest and compassionate relationships with our suppliers. Building strong, healthy supplier relationships can only gain better value for our organisation. The better we know, understand and respect our suppliers, the more likely we are to benefit from excellent service and preferential pricing. This is illustrated during the COVID-19 pandemic when we supported our key partners (through PPN 02/20) by continuing to pay costs in full, safeguarding employment; in return, our partners offered service flexibility, crucial at a time when our requirements were changing on a daily basis.

When selecting a partner, we not only evaluate cost and service but also social value – can this supplier help us to improve the communities around us, whether that be through direct support for our students' education, benevolence, creating employment opportunities or reducing carbon footprint.

Our aim is to form strong partnerships with a smaller number of suppliers. This offers better value for money and allows us to focus on quality and reliability of service.

Our regulatory funding partners

The Trust Board believes that constant engagement with the ESFA, Local Authorities and other government agencies is vital to our success. During the year, we have complied with all the financial and non-financial requirements of our donors and sponsors and submitted timely reports and returns. Our CEO and Executive Directors have ensured that our Trust adheres to all regulatory and legal requirements in delivering educational service and activities.

Objectives and activities

a. Objects and aims

The Four Pillars of the Great Schools Trust

As we further our mission of creating a family of world-class academies serving children from disadvantaged backgrounds, this part of the report summarises key areas that have direct implications on our Purpose, Performance, People and Partnerships, collectively known as the 4Ps.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Purpose: GST has a strong trust culture of empowerment. We are focused on achievement in aligning growth, leadership, staffing, and student outcomes with our mission of serving children from disadvantaged backgrounds. This goes beyond quantitative aspects to shaping a culture rooted in our ASPIRE values. In doing so, we're not just scaling our operations; we're also elevating the quality of education and character development we offer.

- i. GST has experienced notable growth and infrastructure expansion, with the number of academies increasing to four 11-16 academies, including the recently re-named King's Leadership Phoenix (an expanding AP provision), a new Wave 14 academy, and its first primary school. In addition, new clusters have been secured through collaboration with Liverpool Local Authority for the 2023-2024 academic year, with the possibility of more schools joining the trust and becoming part of a primary cluster hub.
- ii. Building on the success of the GST educational model, the area lead for the Regional Director has presented the executive team with various growth opportunities through brokerage. KLA Wavertree is set to open in September 2024, with land acquisition issues resolved, and temporary accommodation secured by the DfE to mitigate setbacks.
- iii. The organisation has witnessed robust growth, with a 35% increase in pupil numbers over two years and a projected 4000 students by September 2024. This growth is supported by academies being oversubscribed for 2023 and effective marketing strategies.
- iv. In terms of staffing and leadership, GST has implemented a robust recruitment and retention plan outlined in the Institute of Character and Leadership plan. Teaching vacancies, including shortage subjects, have been successfully filled for two consecutive years, ensuring quality instruction across the trust. Additionally, three schools within the trust have adopted new leadership structures, and three academies have either maintained or increased their OFSTED gradings to Good in recent inspections (2023). The implementation of Area Development Plans (ADP Model) has tightened accountability and fostered a culture of continuous improvement through People Centred Leadership.
- v. On the curriculum and efficiency front, a three-year plan has resulted in significant savings while maintaining quality, generating 2 million in reserves. This sets the stage for Workforce Review 2.0 in 2024, integrating talent mapping and succession planning. The organisation now utilises a single platform to track and deliver all statutory training, enhancing efficiency and ensuring compliance with statutory regulations.
- vi. In terms of student outcomes and development, the organisation has achieved academic success despite an increase in the level of disadvantaged children, surpassing the national average for the English Baccalaureate by a significant margin in entry standards and closing gaps in average point scores. The trust's Cadet Force and DofE programs exceed entry levels in the independent sector, ensuring holistic development and aligning with the mission of making every child a successful citizen.
- vii. Regarding external partnerships, GST holds a significant position as one of only 10 behaviour Hub Lead MATs nationally, supporting around 100 schools and MATs. This program has secured funding and had a valuable impact on the sector nationally, leading to the DfE commissioning GST to offer an additional behaviour-Hub contract to another Local Authority in the Northwest. Leveraging the trust's success in EdTech, collaboration with Professors and Google is underway to create a groundbreaking AI tutoring assistant, set to offer personalised learning experiences for all children.

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

Objectives and activities (continued)

The trust has also been invited to speak at the World Education Summit, attend national roundtable discussions, and be part of a leading Working Group in the sector. Strong relations with the DfE and Regional Directors continue to benefit capital projects and curricular initiatives, receiving substantive support.

People: The GST People Strategy doesn't merely tick boxes; it's an embodiment of our ethos and a roadmap towards fulfilling our mission of making every child and staff member successful. It is the outcome of three high level strategies which include:

Our approach to People centred leadership (PCL), which is about self-direction and motivation; our Workforce Review which aims to deliver capacity where needed and our Institute of Character and Leadership (IoCL) which is new for 2023 and seeks to ensure that our people are developed and trained to their potential.

The approach strongly reflects our cultural blueprint, which emphasising the relationship between intrinsic motivation / purpose and performance. The strategy aims to shape an environment aligned with our mission and ASPIRE values. It articulates a deliberate focus on staff well-being, inclusivity, and talent development which we feel is instrumental in achieving our objective of providing top-class education.

In line with Daniel Coyle's principles, our People-Centred Leadership approach further integrates these elements into daily leadership practices, ensuring that our staff don't merely exist on paper but contribute to success. In essence, this strategy serves as both a roadmap and a cultural compass, guiding us towards our mission.

Through these overarching strategies, we continue to build a trust where staff feel valued, supported, and motivated to achieve their full potential, underpinned by our commitment to creating a safe and purposeful working environment.

- i. **Effective Behaviour and Workload Management:** The implementation of our attendance management policy has been successful, supported by targeted training. Well-being remains a top priority, and we address it by introducing workload reduction strategies and an employee Mental Health service. This initiative was recognized by HMI in recent Ofsted inspections at Hawthorne and King's Liverpool.
- ii. **Employee Experience and Policies:** A revised Staff Experience Survey is scheduled for this term, designed to inform refinements to our well-being strategy and align with our new policies on Equality, Diversity & Inclusion, and support, etc. Learning from challenges in the previous survey—chiefly its length and poor timing coinciding with local academies conducting their own surveys—we've made improvements. Moving forward, staff will have dedicated time during the school day to participate, and the survey will be streamlined to boost engagement. This new approach aims to avoid the pitfalls of the initial survey, which was inappropriately directed.
- iii. **Flexibility in the Workplace:** An assessment of our flexible working policy and utilisation is underway, aiming to create a more inclusive and attractive environment for a wider range of people.
- iv. **Induction and Training:** This year, we have engaged our employees from day one through a comprehensive Induction and Statutory Training Programme aligned with our Trust ambitions. This includes the roll-out of the National College online suite of statutory training, an annual conference, and follow-up personalised training linked to areas identified in the People-Centred Leadership (PCL) strategy.
- v. **Expertise and Talent Management:** Setting us apart in the education sector, we've been selected to join the new National Institute of Teaching as a research partner. This partnership enables us to accredit Initial Teacher Training (ITT) programs to degree level by 2025, with the goal of achieving independent University status by 2027. Our involvement in this Department for Education-funded initiative places us at the forefront of addressing the recruitment and retention crisis in the sector. GST will also share expertise through our

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

Objectives and activities (continued)

cutting-edge PCL program, aligning with our initiatives at the Institute of Creative Learning (IoCL), poised to become a regional hub for developing talent. Together, these programs aim not only to reduce staff leaving teaching but to reverse it, making us a magnet for the sector's most gifted individuals.

- vi. **Communication and Outreach:** Our optimised online presence, with significantly improved social media and marketing materials over the last six months, aims to attract top talent. Targeted outreach activities establish us as an employer of choice. The employee ambassador program is designed to amplify our brand through new internships, which are also proving successful.
- vii. **Alignment and Recognition:** Our Trust Induction Programme ensures new starters are closely aligned with our values. We also plan to launch an employee recognition scheme this year, echoing our ethos and values.
- viii. **Talent Mapping and Succession Planning:** Under our Workforce 'Review 2.0', we will begin formulating a talent management strategy for 2023-2024, supporting both succession planning and Trust expansion for the coming year. This includes identifying training needs for each employee and offering wider trust opportunities for high-potential staff.
- ix. **People-Centred Leadership (PCL):** PCL serves as the backbone of our overarching People Strategy, synergizing leadership practices with our ASPIRE values. It ensures that line managers are not just administrators but facilitators of personal and professional development. This fosters a culture where staff well-being, talent mapping, and succession planning are integrated aspects of daily managerial roles. From staff induction to career progression, the PCL framework offers a comprehensive, values-driven approach that enhances staff retention, job satisfaction, and, ultimately, student outcomes. It's not just about meeting targets; it's about nurturing a workforce capable of exceeding them by connecting colleagues tightly with the mission.

Partnerships: Our approach to Partnership this is about developing a quality-focused environment where staff can excel, and students can thrive. Whether it's refining central structures for new academies like Lander Road or building civic partnerships with organisations like NIoT and IOCL, the strategy centres on creating a culture of excellence. It ensures that we don't merely grow in numbers but follow the mission of impacting more children whilst surrounding ourselves with providers and services that will add agency to GST and allow us to do that.

- i. **Growth and School Numbers:** Our goal for the academic year 2024/25 is to achieve 100% occupancy in all GST academies, meaning no spaces in our existing schools. The planned expansion to 3,500 students across five GST academies, along with the introduction of KLA Wavertree & Phoenix, ensures that our growth trajectory is set to exceed 4,000 pupils. These growth milestones are intricately coordinated with our staff training, induction, and well-being strategies, guaranteeing that each academy remains an environment where talent thrives.
- ii. **Central Operating Structure:** This year, the central team's structures are undergoing fine-tuning to accommodate new academies like Lander Road without compromising service quality or stretching our talent management capacities too thin. This balanced approach ensures that our academies remain well-staffed, well-supported, and well-aligned with our ASPIRE values.
- iii. **Membership Models:** The Federation of Great Schools Members now offers various scales of association tailored to meet the unique needs of start-ups, sponsored schools, and converters, aiming to attract a wider range of schools. The financial viability of this model is maintained through a clear charging strategy, overseen by the central executive, ensuring long-term sustainability through efficient budgeting and risk management.
- iv. **Service Excellence:** This year, GST service briefs are being developed and introduced to maximise resource

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

Objectives and activities (continued)

efficiency, providing more tailored central team support to academies based on their individual needs and risks. Compliance and impact assessment initiatives will free up leadership time at the academy level, allowing them to focus on educational quality, making it an attractive proposition for new schools.

- v. **Civic Partnerships:** Our collaboration with various stakeholders, including the NHS, housing, police force, and local Behaviour Hubs, exemplifies our civic partnership role. These relationships not only open new doors for trust growth but also underscore our commitment to serving the wider educational interests of each community.
- vi. **Financial Stability:** The trust operates a well-planned reserve policy aligned with our growth objectives and risk profiles. Strategies such as GAG pooling, SRMA, and ICFP benchmarking tools are being considered and leveraged to ensure a forward-thinking, financially sustainable model evolves that is fit for purpose, fulfilling our aspirations for staff and student success.
- vii. In sum, our Partnership Strategy goes beyond the simple metrics of growth and financial sustainability. It is a comprehensive blueprint that combines our mission and values into a cohesive, effective, and sustainable pathway that keeps the well-being and development of our staff central to our success.

c. Public benefit

The Trustees confirm that they have complied with the requirements of Section 17 of the Charities Act 2011 to have due regard to public benefit in determining the activities undertaken by the Trust and have complied with the guidance issued by the Charity Commission relating to public benefit. The principal activities and objectives of the Trust are the advancement of education for public benefit in the United Kingdom by establishing, maintaining and developing high performing schools.

Our schools are nationally recognised for offering a broad curriculum underpinned by our core values and a relentless focus on the highest standards of student achievement.

The Trust is keen to emphasise the public benefit provided by the Trust, which can be seen by the activities, and performance outlined within the Trustees' report.

The main public benefit delivered by the Trust is the provision of a high quality of education to its students. This has been evidenced through the results achieved and feedback from external assessments.

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

Objectives and activities (continued)

d. Equal opportunities policy

The Trustees recognise that equal opportunities must be an integral part of good practice within the workplace, and we are committed to ensuring equality of opportunity for all who learn and work here. We respect and value positive differences in race, gender, sexual orientation, ability, class, and age.

During employment, the Trust seeks to work with employees, considering their personal circumstances, to ensure appropriate training, development and advancement opportunities are available to enable them to reach their full potential.

The policy of the Trust is to support the employment of disabled persons both in recruitment and by retention of employees who become disabled whilst in its employment as well as generally through training and career development.

There are policies in place (Equality and Diversity policy, Health and Safety policy etc.) so that employees, who have been injured or disabled during the course of their employment can, where possible, continue with their employment. Development works to academy buildings to improve staff and pupil accessibility are carried out where identified such as lifts, ramps, toilets and door access to enable wheelchair access to all main areas of the academy buildings where possible.

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

Strategic report

Achievements and performance

Who we are

The Trust Board and leadership team are strongly committed to serving areas across the North West and to transform the life chances of children and their communities. We cater for children aged 11-16 in five academies in the inner-city communities of Liverpool, Warrington and Bolton.

What we do

Our Trust's mission is to challenge educational and social disadvantage and be a catalyst for social and geographical mobility. By the age of 18, we want every student to have the choice of university or a high-quality apprenticeship.

How we behave

We are a values-driven organisation, and our academies are communities with a strong sense of moral purpose. Our students are expected to make outstanding progress that will enable them to succeed in further or higher education and in the world of work. We spend more time in school than other Trusts through an extended school week which provides students with the equivalent of a 6-year key stage 3&4, as well as a plethora of leadership and character-building opportunities to broaden their horizons and engage in a wider range of co-curricular experiences.

Our unique educational model

The GST educational model emerged from a seven-year study of successful Charter Schools in the United States and the best practices found in the independent sector. The model was first introduced into King's Leadership Academy Warrington as the trust's first start up free school in 2012. It is currently the highest performing non-selective secondary school in Cheshire as well as the most oversubscribed. The GST blueprint however goes well beyond the offering of a broad and balanced curriculum, including a very high take up of the English Baccalaureate, in excess of 90% of all students in our start up free schools. It offers, from the important parent and child teacher conference prior to entry in to Y7 to post 16 transition:

- * An unswerving belief that all children can succeed given appropriate support and time.
- * A longer school day (8.00am-4.00pm) to allow additional time for this to happen.
- * A fierce concentration on the delivery of a values-based education based on our ASPIRE Code delivered in an ethos of high expectations.
- * A firm belief that structure liberates learning and routines such as silent student-led line ups, quiet transitions, agreed classroom entry strategies and habitual ways of working and behaving in class, which respect other learners and allow all to maximise achievement.
- * Continuous exposure to positive role models from the world of work to raise the aspirations of our young people.
- * A challenging 'vocabulary led – knowledge rich' curriculum delivered as a narrative over time through 24 Learning Cycles which have been reverse engineered to lead to success at external examinations.
- * A weekly enrichment afternoon to allow the curriculum to be personalised to student interests.
- * Well defined intervention strategies to help our young people overcome the barriers to learning which may impede their future success.
- * Character development to help them acquire the determination, resilience and tenacity to succeed.
- * Outdoor residential activities to help them develop as leaders.
- * Opportunities for public and civic service to encourage community participation and engagement.
- * Annual trips to universities to foster high aspirations.
- * A planned programme of activities and visits to improve each young person's cultural capital.
- * Exposure to highly qualified teachers who know their subject discipline well and are offered continuous training in improving their pedagogical practice and understanding the science of learning.
- * Excellent careers programmes designed to ensure that every young person transitions smoothly from Y11 to sixth form college, further education or a high-quality apprenticeship to reduce NEETs

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

- (Young people not in education, employment or training) is a prime driver for our academies
- * A sense of moral purpose when they leave our care.

This is a unique educational model designed to enable every young person, irrespective of their family circumstances or postcode, achieve our mission – the development of the academic skills, intellectual habits, strength of character and leadership traits on their journey to becoming a successful young citizen determined to play their part in helping forge a fairer society in their own community if not the wider world.

Our impact

The trust's first school, King's Leadership Academy Warrington, opened in 2012 as a non selective free school with a distinct 'leadership' specialism and with the vision of driving system change and enhancing the social and geographical mobility of its community. To make this vision a reality, systems and structures were adopted that provided the same educational standards of an independent/grammar school but were free of fees and the burden of selection to all children in the local catchment. The academy is one of the highest performing non-selective state school in Cheshire. Over 95% of its students have progressed onto their first-choice university in the last 3 years (compared to 8% HEI progression pre-2012 in the locality).

Our Trust has also applied this educational model with great success into existing schools. In 2016 the trust sponsored and re-brokered into the GST two schools that were in special measures and at risk of closure due to falling student rolls. In 2022 both King's Leadership Academy Liverpool and Hawthornes are oversubscribed. In 2019, King's Leadership Academy Bolton opened in Great Lever as the trust's second mainstream free school. It has been oversubscribed since its first year of opening and like King's Warrington offers an 8am-4pm core school day, class sizes of no greater than 26 and standards that match the best selective schools in the locality. All GST academies close early every Friday so that all teaching staff can undertake two hours of CPD/CPLD weekly, the equivalent of 20 Inset days per annum.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Performance: Our focus on performance extends beyond mere academic achievement, the trust has no desire to become an exam factory; our approach permeates the fabric of how we educate, enrich, and empower both students and staff. Our multifaceted approach hinges on a people-centred strategy that empowers staff to set and achieve performance targets autonomously. This coherent method enables leaders and teachers to take ownership of challenges and act decisively, while receiving support from the trust. Ofsted commended this unique strategy during their recent inspections of three academies, particularly noting its positive impact on staff well-being across all.

1. Curriculum: Building on insights from the 2023-2026 CLFP workforce review, the curriculum has undergone adaptation for 2024 to maintain a teacher-to-student contact ratio of 0.75 and a Pupil-Teacher Ratio (PTR) of 1:17. To enhance pedagogic efficiency, assessments are now component-led, focusing on targeted feedback for gap teaching and interventions. This adjustment has successfully reduced the assessment burden by 40%, specifically addressing what children need to know and remember.
2. Character Specialism & Enrichment: Each academy collaboratively sets extra-curricular targets with the Local Academy Council (LAC) and our central team. Utilising software in each academy allows us to gauge student participation rates in activities, promoting equal access to opportunities.
3. Trust Enrichment: A trust-wide enrichment calendar has been designed for 2023-2024, featuring a 20% increase in open-ended content for student parliament discussions. This can be tracked, including out-of-hours curriculum engagement, laying the groundwork for a more rounded education.
4. Curriculum Optimisation Strategies: Data-driven intervention strategies, shared last academic term between the academies, are now established and intrinsically linked to funding and insight data. Details will be displayed on our websites when each academy updates their pupil premium impact reports later this term.
5. Equality of Access: Achieving an EBacc entry rate of over 60% across the trust in the last 2 years ensures that disadvantaged and SEND students are not left behind and experience the same level of disciplinary inquiry that all children should access. National EBacc entry level is 39%, and locally within our trust regional school averages vary from 10%-25%, with all trust schools exceeding the national standard regarding the quality of their curriculum.
6. Literacy: Diagnostic assessment now identifies 95% of students with non-functional reading ages, targeting them for appropriate intervention. A blended approach to literacy, launched in January 2023, aims to reduce the gap in standardised reading scores by 15% annually. This was commended in both recent Ofsted reports.
7. Adaptive Teaching: NASEN and green paper recommendations are systematically integrated into staff training. The impact of this adaptive teaching is subsequently reviewed to inform future training, contributing to our ongoing development agenda. Training in support of this was provided at the annual cross-trust conference in September.
8. Inclusion: Audits and specialist training refine our curriculum delivery for SEND and

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Strategic report (continued)

Achievements and performance (continued)

disadvantaged students. Measures for 2024 include the implementation of academy SEND reviews and the wider use of student passports to enhance teacher understanding of specific needs.

9. **Student Attitudes:** Our PSHE programs, embodying our ASPIRE values, exceed national expectations. We harness student parliament feedback and annual student surveys to continually adapt our provisions, with the first round of surveys scheduled for after half-term.
10. **Destinations:** Our Careers Education, Information, Advice, and Guidance (CEIAG) programs are well-documented and consistent, supported by bespoke training and aspirational visits. The aim is to minimise NEET rates and maximise student readiness for subsequent educational phases.
11. **Metrics and Benchmarks:** Data verification against national and similar trust benchmarks provides evidence for our strategies. Metrics include Attainment 8, EBacc outcomes, and contextual information about disadvantaged pupils.

Evidence

1. **Quality Systems & Self-Evaluation:** Strengthening our internal Quality Assurance (QA) team is a strategic move to provide tailored expertise to schools, enhancing their self-evaluation of provision quality. This expansion encompasses broader Quality of Education (QoE) aspects such as SEND, Reading, and safeguarding. Leaders at various levels now receive support in designing intelligent, school-specific QA frameworks. Each academy is equipped with a dedicated toolkit and coaching. The entire process revolves around capacity building and empowering leaders, eliminating the need for top-down management.
2. **Ofsted Reports:** Feedback from the Regional Directors team and the Local Authority confirms our collaborative approach in critical areas such as SEND and safeguarding, reinforcing the findings identified by the inspectorate.
3. **Revised Trust Improvement Strategies for 2024:** Aligned with the newly established Institute of Character and Leadership (IoCL), our strategies channel leadership potential effectively across the trust. Staff will soon access the trust suite of National Professional Qualifications (NPQs) and talent mapping programs.
4. **Outcomes:** Attainment 8 data verifies the impact of our initiatives, with trajectories post-joining GST approximately matching pre-pandemic levels despite a two-year loss in education. Data analysis provides further insights into the effectiveness of our strategies.
5. **Expert Hubs:** Dedicated teams from the Quality Alliance work at both trust and school levels. These hubs convene regularly, share knowledge, and undergo tailored training to enhance attendance, behaviour, and safeguarding.
6. **Curriculum Implementation:** Subject teams update their Area Development Plans (ADPs) following systemic reviews. Intelligent monitoring and evaluation practices have improved lesson adaptation and student engagement. Formative assessments and walkthrough strategies are effective in influencing teacher ADP and informing associated training throughout 2023-2024.
7. **Pedagogy:** The focus on implementation has become significant for Ofsted, shared during our Autumn training. Fortunately, the GST pedagogical model aligns with People-Centred Leadership (PCL) and individual teacher targets. Senior trust leaders will undergo at least six hours of next-step curriculum training this term, while teaching staff will receive at least five Continuing Professional Development (CPD) inputs for

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

effective curriculum implementation.

8. CPD & Talent Management: The IoCL Lead and Department of Education (DoE) have created a comprehensive talent map and succession plan. The availability of NPQs and Chartered Management Institute (CMI) accreditation options for staff at various levels ensures a continuous growth pathway.
9. Outcomes & Insight: GST has a data strategy aligned with trust-wide decision-making. This strategy is calibrated by Academy and trust Local Academy Council (LAC) chairs, providing aspirational scoreboards based on agreed Key Performance Indicators (KPIs). Once complete, it will offer comprehensive tracking of a wide range of additional KPIs.
10. Attendance & behaviour: Our multifaceted attendance strategy supports local leaders, and standardised behaviour strategies aim to maintain uniformity in handling challenging behaviour, ultimately reducing exclusions.
11. Safeguarding: Diagnostic systems for safeguarding have been strengthened. The new cross-trust leader, based at King's Liverpool, has established network groups for sharing best practices. Annual external audits review the implementation across academies, with trustee guidance and feedback aiding strategy decisions.
12. Transformation: A key focus in the 2023 DfE strong trust quality descriptors, transformation is assessed through Ofsted ratings and other key performance indicators, demonstrating the impact on closing gaps in areas such as attendance and curriculum indicators, described by Ofsted as the 'Substance of education.' Notably, three of our schools have shown very positive inspection outcomes this year.
13. Tracking of Schools' Performance: Considering our unique operational contexts, our strategy builds on each academy's strengths, filling in gaps with targeted support and expertise from within and the central team. Through these strategies, we aim to create a family of world-class academies, each contributing effectively to the social mobility of their communities. Currently, three of our former pupils are pursuing undergraduate degrees at the University of Oxford, and others have secured scholarships at prestigious A-level colleges recognized at a national level.

Academic Outcomes

In terms of GCSE, all our academies reported an improvement in maths and English outcomes, increasing at a faster rate than the national picture.

Attainment 8 shows improvement over a significantly larger cohort. Increase in high grades 185 GP8-9 in 2019 vs 300 GP8-9 in 2023, against a national picture where top grades are reported to have declined.

The percentage of students taking the English Baccalaureate (Ebacc) qualification is significantly higher (68%) compared to the national average (39%). This suggests a strong interest and participation in a more academically rigorous set of subjects.

Standards in the Ebacc suite have increased, reflecting the number of students who can now access a strong curriculum. The share of students achieving the standard EBacc pass (32% to 38%) and strong EBacc (18.8 to 22.6%) have increased. Average Ebacc point score has increased from 4 to 4.22 with an increase in entry rate to 68% compared with the national figure of 39%, this reflects the trusts commitment to offer a strong curriculum to all its students.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Disadvantaged Students

The Attainment 8 score for disadvantaged students at GST (34.60) is comparable to the national average (34.9). This indicates that, on average, disadvantaged students are achieving similar attainment levels as their peers nationally.

The percentage of disadvantaged students entering the English Baccalaureate (Ebacc) (60%) is notably higher than the national average (28%). This suggests a positive engagement with academically rigorous subjects among disadvantaged students.

In terms of academic achievement, disadvantaged students demonstrate commendable performance in both Basics 9-5 and 9-4 in English and Mathematics. Notably, 19.7% of these students achieve Grades 9-5 in English and Mathematics, surpassing the national average of 7%. Furthermore, an impressive 39.7% of disadvantaged students attain Grades 9-4, a significantly higher proportion compared to the national average of 12%. These results underscore the effectiveness of the educational support and resources provided to disadvantaged students, showcasing a robust performance in core subjects and indicating the potential for continued academic success.

EAL Students

The Progress 8 score for EAL (English as an Additional Language) students at GST, standing at 0.60, surpasses the national average of 0.51. This discrepancy suggests that, overall, EAL students are demonstrating a higher level of advancement compared to their peers across the nation. This positive trend in progress underscores the effectiveness of the educational support and resources provided to EAL students, fostering an environment where they can excel academically and make notable strides in their educational journey.

Despite the impact of the pandemic and the trust's high proportion of pupil premium, gaps have closed against the national KPIs. Even with grade inflation this year, the trust results have risen faster than the national for the strong English and maths GP5, Ebacc entry / APS, attendance and behaviour.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the board of trustees continues to adopt the going concern basis in preparing accounts. In making this statement the trustees considered and have reviewed-

1. Background and Financial Information

Revenue reserves held by the Trust at the end of August 2023 were £2,021,902, an increase of £219,911 on the previous year, and the cash balance was £2,838,180.

2. Outlook

Student numbers are increasing in all our academies. Three out of the four are oversubscribed which gives the trust confidence in the continuance of the trust.

3. Forecasts

Like many trusts we are seeing a big increase in costs. Both teachers and support staff pay awards were higher than expected and this has been coupled with uncertainties surrounding energy prices. We have taken a very cautious view about our forecasts for the next few years and are using the reserves to support some of our academies as they grow.

4. Funding

Other than an increase in funding because of student numbers and an allocation from the school condition grant we are not expecting any changes to the key lines of finance available to the Trust over the next 12 to 18 months.

There are no current loans outstanding.

5. Sensitivity Analysis

All of our schools are on excellent student growth trajectories, any future risks are further mitigated by high primary school student numbers over the next few years. Trust student numbers will be further supported as the trust Wave 14 Free School moves into pre-opening.

6. Future MAT Expansion or joining an existing MAT

Members and Trustees support growth of the trust. The Executive has had some very positive discussions with the Regional Director's office concerning growth and is currently in discussions with both primary and secondary schools looking to join the trust. The trust board will review each potential addition to the trust to ensure that financial stability and sustainability is maintained

The trust has no plans to join an existing MAT.

Financial review

The Trust's ongoing income is predominantly from the ESFA in the form of recurrent grants. The use of these grants is restricted to the provision of education. In the year, total income increased to £23.88m, up £3.65m from 21/22. The increase is primarily driven by the continued growth of King's Leadership Academy Bolton and increase in funded pupils and higher levels of capital grants received which are funding extensive capital projects.

During the year ended 31 August 2023, total expenditure excluding depreciation and LGPS actuarial adjustments

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

Strategic report (continued)

of £23.26m was covered by recurrent grant funding together with other incoming resources. The excess of total income over total expenditure for the year was £0.62m (2022:£0.4m). £0.78m of cash reserves were generated in the Trust's operating activities (2022: utilised £0.58m). In future years operating cash is expected to remain positive as the Trust benefits from increasing pupil numbers and a continued focus on cost. The in-year surplus, net of transfers to fund capital projects of £0.39m (2022: £0.1m) was £0.20m (2022: £0.24m). This £0.2m represents the increase on restricted and unrestricted reserves excluding pension and fixed asset reserves.

The Trust is also continuing its extensive capital investment programme with the aim of maintaining and improving the quality of its estate for future students, particularly where this is necessary to address issues at academies that have transferred to GST in a condition that is not fit for purpose. On 31 August 2023, the net book value of tangible fixed assets was £20.81m, up £0.5m from 2022. This movement comprises £0.96m of net depreciation and £1.46m in net additions. The latter is primarily driven by expenditure on the following projects

CIF works at KLA Hawthornes to sum of £0.63m. The Trust has also continued its rolling programme of renewing 1-2-1 student devices, computer labs, phone systems, networks and servers.

The deficits in the Local Government Pension Schemes (LGPS) are recognised on the Balance Sheet in accordance with the provisions of FRS102. It is noted that the pension liability reduced from £1.18m to £0.1m. The £0.1m represents the liability to the Merseyside Pension Fund. Pension assets of £0.17m and £0.12m in respect of the Cheshire and Greater Manchester Pension Funds are not recognised in the financial statements at 31 August 2023 on the basis that there is no evidence that these pension assets are recoverable.

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

a. Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have reviewed the financial statements of the Trust. The review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves.

The current level of reserves will be held to potentially fund any/mix of the following potential areas of financial shortfalls as the need may arise.

- To have the potential to provide additional funding to an academy if an academy finds itself in an exceptionally difficult financial position due to significantly growing or falling student numbers in any one year. The Trust will consider providing funding for up to 5% of student numbers. (At current numbers and rates the trust should aim to notionally allocate approximately £1.1 million in reserves.)
- To underwrite the development of Phoenix as it moves into new premises to ensure teaching and culture is outstanding from the outset. (Forecasts for inspire indicate an initial 3 years of cumulative loss totalling approximately £500k.)
- To underwrite the cost of the central team until academy numbers in the trust grow to the point where the central recharge covers all central team cost.

The Trustees have determined that the appropriate level of reserves, excluding restricted fixed asset funding, should be equivalent to between 5%-7% of all income and an additional central contingency of up to £100k per academy. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The Trustees have taken the decision to centralise all reserves in respect of the Trust and carry forward a prudent level of resources designed to meet the long-term cyclical needs of facilities and equipment renewal and any other unforeseen contingencies.

Individual academies are expected to produce at least breakeven budgets each year, but the Trust also recognises that this is not feasible in some cases where academies have low pupil numbers, lower funding levels or have recently joined the Trust having been in difficult circumstances and require additional resources. In these cases, the Trust supports those academies in deficit and works with them to return the academy to a surplus position.

Reserves of the Trust are pooled for the benefit of the Trust as a whole and the consolidated Trust budget is set to at least break even. The Trust's level of free reserves (total funds less the amount held in fixed assets and general restricted funds), as at 31 August 2023, were £ million (2022 £ million).

Condition Improvement Fund will continue to be applied for to address our major building condition needs until we surpass the eligibility threshold and the trust begins to receive the School Condition Allocation grants.

ICT Refresh: The ICT provision, particularly in the form of a personal device (chrome book or iPad) for every student in our academies, is a key part of our EdTech strategy and students' learning. Each year funds are set aside to maintain the estate based on a detailed analysis of the age and condition of each academy's IT equipment and infrastructure. During the year ending August 2023 £k was spent on maintaining ICT provision. In-year allocations are automatically built into future budgets to ensure our ICT estate is maintained.

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FOR THE YEAR ENDED 31 AUGUST 2023

b. Investment policy

The general policy objective is to invest the surplus funds prudently and not expose the Trust to an inappropriate level of risk. The investment priorities are:

- Security of the invested capital;
- Liquidity of the invested capital; and, commensurate with security and liquidity
- An optimal return on those investments.

This prohibits the Trust taking on capital risk i.e., investing in equities, but does allow the Trust to make fixed term deposits with banks.

The Trust at present does not hold any long-term investments. Cash surpluses may be placed upon overnight or fixed term deposit with the Trust's bankers.

Key performance indicators

The Trustees use certain high-level key performance indicators to monitor the overall financial position of the trust. These key performance indicators for the past three years have been as follows:

- Staff costs remain within the target range, and net current assets remain at an appropriate level.
- In line with our reserves policy, our target funds/funding ratio is 5%-7% and this may fluctuate within these limits as we balance the need for financial sustainability with investing in school improvement and optimising outcomes for our pupils.
- The increase in staff costs year on year is partly attributable to continued growth of student numbers in all our academies, with circa 30% internal growth remaining.

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

c. Principal risks and uncertainties

Risk and Uncertainties Overview:

The Board of Trustees is actively involved in the ongoing evaluation of significant risks facing the Trust, with a particular emphasis on teaching, facility provision, operational areas, and financial matters. Their focus is on mitigating and eliminating these risks by developing comprehensive risk registers and seamlessly integrating risk management activities into the planning process. The members of the Executive team are responsible for managing risks within their respective disciplines and ensuring that the policy framework remains current. The internal audit process is a rigorous examination of these mitigating strategies.

The risk register will continue to develop year on year. Plans are in place for trustees to establish the risk appetite for each strategic risk, which will be reflected in the risk management strategy for the trust and its associated schools. The strategic risks identified include:

In terms of Growth and Financial Sustainability, the Trust recognizes the risk of financial challenges due to slower-than-estimated trust growth. The trust maintains an appetite to exploring new growth opportunities. Mitigations include expansion into the Primary sector and positive discussions for potential secondary academy sponsorships.

Regarding Central Team Consolidation, the departure of key personnel poses risks, albeit with a medium risk appetite as core structures remain steadfast. Strategies involve team-building opportunities, organisational blueprint refinement, optimised recruitment processes, clarified roles, and leadership development.

Concerning Behaviour and Climate for Learning, the risk of a variable learning climate, especially with newly implemented strategies, is recognized. The trust maintains a low-risk appetite here, emphasising the need to strengthen the embedding process for new strategies, closely monitor behavioural metrics, and invest in staff training.

Leadership Transitions pose risks, especially with a new principal addressing backlog issues, and the trust holds a low-risk appetite in this regard. Mitigations involve providing mentoring support, ensuring smooth transitions, and facilitating access to relevant trust systems.

Regulatory Scrutiny (Ofsted) is acknowledged as a risk with potential difficult repercussions. The trust maintains a low-risk appetite and addresses this by closely monitoring new gap-closing strategies, maintaining a focus on curriculum improvements, and implementing targeted interventions.

Special Provision (King's Phoenix) presents potential vulnerabilities until the new improvement plan is externally tested. The risk appetite is low, and mitigations involve continuous monitoring, EFSA-funded support, and mentoring for leaders at Phoenix.

Off-site Provisions for Groups of Students pose a risk of over-reliance impacting academic outcomes, and the trust maintains a low-risk appetite here. Strategies include reducing reliance on off-site provisions, introducing new sanctions, and prioritising split-site staffing provision.

Data Protection and Compliance is recognized as a risk due to evolving cyber threats and regulations. The trust exhibits a low-risk appetite and addresses this through sharpened compliance training, regular audits, and increased awareness campaigns.

Financial Planning Amid External Pressures, including unexpected changes, is acknowledged as a risk with a low-risk appetite. Strategies involve prudent financial forecasting, considering potential risks, and maintaining a healthy reserve.

Attendance and Engagement pose risks due to the pandemic-induced drop in attendance, and the trust exhibits

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a low-risk appetite. Mitigations include implementing compulsory catch-up sessions, focusing on staff attendance, and developing strategies for better engagement.

Quality of Classroom Practice is deemed a risk if not all students receive well-planned lessons, and the trust has a low-risk appetite in this area. Strategies include regular training, robust lesson planning, and continuous feedback mechanisms.

Effective management of safety and estates is deemed a risk if our safety and estate is not compliant with statutory and regulatory standards, and the trust has a no tolerance for risk in the area. Strategies to mitigate risk include the use of external consultant and employing a highly qualified and appropriately experience centralised estates team.

The Contextual Challenge: Navigating Unprecedented Student Intake Dynamics encompasses various risks related to unique student demographics and challenges. Mitigations include holistic assessment, tailored support, proactive communication, and ethical leadership.

Overall, the trust maintains a low-risk appetite, underscoring its commitment to providing quality education despite the intricacies posed by external evaluators and challenging circumstances.

Fundraising

The Trust only participates in low level fundraising. The purpose of this is not to fund the Trust's core provision of education but support related activities and charities. This fundraising does not involve any professional fundraisers and is only based on voluntary donations from the Trust's stakeholders.

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Streamlined energy and carbon reporting

The trust is committed to reducing its carbon footprint and reducing its impact on the environment. A team, led by the Director of Capital Programmes, Estates and Facilities has been formally established to identify and drive improvements across all areas of our operation. The data on page 17 on the accounts, presents the Greenhouse Gas and Energy use data for the trust.

Qualification and reporting methodology

We have followed the 2022 HM Government Environmental Reporting Guidelines.

We have also used GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

Measurement taken to improve energy efficiency

We have installed energy efficient lights and smart metering and monitoring systems across many of our sites and increased video conferencing technology through Teams for staff and LGB meetings in order to reduce the need for travel between sites. We have put plans in place to invest in energy efficient technology to reduce carbon emissions.

Our planet

The Trust Board is committed to reducing our carbon footprint. We are working with an energy consultant to improve the energy efficiency of our buildings where possible. This includes improving the insulation of our buildings and updating heating equipment to more energy efficient plant. We dispose of waste responsibly and recycle materials where possible.

Energy and Carbon Reporting

The trust is committed to reducing its carbon footprint and reducing its impact on the environment. The following data presents the Greenhouse Gas and Energy use data for the trust.

Quantification and reporting methodology

We have used the 2022 UK Government's Conversion Factors for Company Reporting. Business mileage – mileage taken directly from staff claims.

Gas and Electricity Usage – This has been extracted from supplier invoices and then the 2022 UK Government's Conversion Factors for Company Reporting were applied.

The following initiatives have and are being taken to improve energy efficiency:

The trust received condition improvement funding in 2022/23 in excess of £800k. The trust used the funding to replace all doors and windows to improve insulation and replaced the boiler and heating infrastructure to improve efficiency in Kings' Leadership Academy Hawthornes.

We are installing LED lighting in King's Leadership Academy Warrington and King's Leadership Academy Hawthornes.

The roll out of Zoom across the trust has enabled all central staff to reduce business travel.

We are exploring the installation of electric charging points to encourage the use of electric vehicles and once installed will lease electric minibuses.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

Plans for future periods

As a Trust, we shall continue to do all we can to serve areas of significant social and educational disadvantage effectively, transforming life chances and improving social mobility. Over the next five years, our Trust plans to more than double in size. We already have secured a further 11-16 free schools under Wave 14 of the Free Schools Programme. We anticipate pre-opening to commence 2022-23. At full capacity GST's academies will grow the trust's student cohort to over 5000 students and 600 staff.

School improvement is becoming strong across our Trust and there will be significant investment in this area from AY 2022/23. We continue to benefit from our work on curriculum standardisation and early anticipation of changes to national frameworks and standards.

Our priorities now are to refocus the whole Trust on developing our most valuable resource which is the talent management and progression of our people; the trust also wishes to expand the role of GSTs Institute of Character & Leadership (IOCL), not only providing Initial Teacher Training through GST Schools Direct which started September 2021 with its first cohort of 12 trainees, but also delivering teaching and leadership development, through the full suite of reformed National Professional Qualifications, and also through a unique partnership arrangement with a major HEI/ITE provider in the north west, a Research School, supporting school improvement within and beyond the trust; build capacity within our IT team given that every student across our academies is allocated a personal digital device

GST will seek to grow as a Multi-Academy Trust and continue to work with communities across the region within three geographical clusters (Liverpool/Sefton, Bolton/Greater Manchester, Warrington/Cheshire) to open further Free Schools and manage sponsor-led academies. Within these schools the Trust will work to ensure the high performance of its students and that the schools meet the needs of those communities. In delivering these plans GST is expected to open in September 2024 one its new Wave 14 Leadership Academies dependent upon the agreement of sites with the ESFA. The Trust has been approved to manage sponsor-led academy schools and is pursuing early-stage potential sponsorships.

Funds held as custodian on behalf of others

The Trust does not act as a custodian trustee on behalf of others.

Pension Reserve

The presence of a pension surplus or deficit does not constitute an immediate realisable asset or liability and does not mean the equivalent amount is already committed or no longer available.

The presence of a pension surplus or deficit will generally result in a cash flow effect for the Trust in the form of a decrease or increase in the employer's pension contributions over a period of years. The Trust is confident that it can meet the required pension contributions from projected future income without a significant impact on its planned level of activity.

The risk surrounding the Trust's pension liability has been taken into consideration when preparing the annual budgets and, therefore, the Trust's reserves requirement will continue to be calculated without setting aside a designated reserve to cover the pension liability.

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

The risk surrounding the Trust's pension liability has been taken into consideration when preparing the annual budgets and, therefore, the Trust's reserves requirement will continue to be calculated without setting aside a designated reserve to cover the pension liability.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, WR Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2023 and signed on its behalf by:



J W Spencer
Chair of Trustees

<p>THE GREAT SCHOOLS TRUST (A company limited by guarantee)</p>

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Great 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 The Great Schools Trust Ltd 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.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Governors' Responsibilities. The Trust Board has formally met six times during the year. The Finance, Risk and Audit Committee, which meets every half term, is a sub-committee of the main Trust Board. Its purpose is to assist the Trust Board in fulfilling its oversight responsibilities with regard to the financial management of the Trust. It does this through the review of financial projections, management accounts and balance sheet reconciliations and to make recommendations to the Trust Board. In addition, it reviews the financial statements and accounting policies, receives and reviews the internal and external auditors report and ensures that recommendations are actioned and risk managed.

Attendance during the year at meetings of the Trust Board and Finance Committee was as follows:

Trustee	Meetings attended	Out of a possible
J W Spencer, Chair of Trustees	7	7
M Ireland	5	7
J Rigby	6	7
J Hornby	2	7
M Aldred	5	7
N Meikle	5	7
G Lee	5	7
J Mooney	5	7
E Vitalis	1	1
A Wright	3	3
T Davies	1	2
M Gorham	1	1
J Stiller	1	6
E L Sharrard-Williams	2	5

There were significant changes to the composition of the Board during the year. There were two resignations during the year and six new trustees appointed.

The Board has hitherto conducted a self-evaluation every two years and this will move to annually from the current financial period. This includes reviewing the skill set of Board members, effectiveness of meetings and identifies any training needs.

Members, Trustees, Local Governors, Principals and Directors complete a declarations of interest form annually. There is a standing agenda item on each governance meeting agenda which discusses declarations of interests. This gives members, trustees and local governors the opportunity to declare any changes to their circumstances or whether they have any conflicts with regards to that specific agenda. Should a conflict be declared or identified a decision would be made as to how the conflict would be managed. For example, the person in question would leave the meeting whilst the agenda in question was discussed.

Third party transactions would be reported to the ESFA as appropriate.

Trustee recruitment took place towards the end of the academic year 2022/23 and 5 new trustees were appointed, filling the skill gaps identified in last year's trustee report (finance, SEND, primary education and MAT leadership). Appointments were also made to cover risk management and equality, diversity and inclusion which were highlighted as areas of need through risk register development and an external review of governance. The current lead HR trustee's term of office is due to expire in May 2024 and recruitment has taken place through Nurole to find a replacement.

The annual skills audit has taken place, and the responses are due to be shared in the December Board meeting for further discussion.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Board also evaluates its effectiveness regularly during board meetings, and with imminent trust growth on the horizon, discussions take place about specific areas of business for the Board to focus on, for example the streamlining of reporting to the board to aid efficiency, commentary to run alongside accounts to improve understanding, and more recently succession planning, should there be a need for change in the future. By introducing a structure to reporting, meetings now focus on the key headlines rather than the detail, enabling trustees to remain strategic and supporting the need for meeting efficiency. The Trust Board also has an annual strategic away day, where trustees come together for a face-to-face board meeting, followed by a strategic planning session involving Executive Leadership and trust Central Directors.

Finance, Risk and Audit Committee

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Spencer	6	6
N Meikle	5	6
G Lee	5	6
J Mooney	4	5

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

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

- The economic, efficient, and effective use of all resources including its estate to produce better educational results, including the use of ICFP, condition improvement funding and with due regard to good estate management guidelines.
- The avoidance of waste and extravagance.
- The prudent and economical administration of the organisation.
- The establishment and maintenance of a system of financial governance, including sound internal spending controls, keeping up to date financial records, continuous financial monitoring, and timely reporting.
- Ensuring all financial transactions represent value for money.

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 The Great Schools Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

The 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. In particular, it includes:

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

The Board of Trustees has decided to employ Mitchell Charlesworth as internal auditor.

Mitchell Charlesworth have been appointed to conduct internal audit visits at all of our schools and centrally within the Trust. The reports of these visits are received by the Trust Board and Local Governing Bodies as appropriate. The internal auditor reports comment on the operation of the systems of control and on the discharge of the financial responsibilities of each school's appropriate staff and Governing Bodies.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. The checks carried out in the current period included:

- Testing of payroll systems
- Testing purchases are correctly authorised and represent an appropriate use of school funds.
- Testing of employee expenses, credit card expenditure and petty cash
- Review of the analysis of receipts against funding documentation
- Investigation of the nature and analysis of miscellaneous income
- Review of bank reconciliations
- Testing of bank payments for correct authorisation
- Review of capital items purchased for more than £10,000 to ensure 3 quotes were obtained where appropriate.
- Confirmation that ESFA submissions are being made on a timely basis.

The internal auditor undertakes regular system tests under the direction of the audit committee as set out in the ESFA financial handbook. The audit committee meets regularly and receives detailed reports from the internal auditor. The finance committee meets once a month and receives detailed reports from the Chief Executive, the Chief Finance Officer (CFO) and the Chief Operations and Strategic Officer (COSO). In this way, trustees have full knowledge of how spend and income is matching the budget profile. Monthly reconciliations of accounts with the bank are reported.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the Chief Executive Officer of the Academy 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.

During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the executive managers within the 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 and a plan to ensure continuous improvement of the system is in place.

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



J W Spencer
Chair of Trustees



Mr S Ierston
Accounting Officer

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Great 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 received, including for estates safety and management, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook 2022, including responsibilities for estates safety and management.

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



Mr S Jerston
Accounting Officer
Date: 14 December 2023

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

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

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

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

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



J W Spencer
Chair of Trustees

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of The Great Schools Trust (the '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 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 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 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.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
GREAT 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 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.

<p style="text-align: center;">THE GREAT SCHOOLS TRUST (A company limited by guarantee)</p>

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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:

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Trust and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Trust awareness to carry out our work to the required standard.

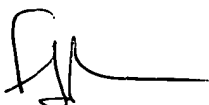
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

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

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Fran Johnson BSc BFP FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants
Statutory Auditors

Drake House

Gadbrook Park

Northwich

Cheshire

CW9 7RA

18 December 2023

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 7 December 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Great 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 The Great Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Great 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 The Great Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Great Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Great Schools Trust's funding agreement with the Secretary of State for Education dated 5 June 2019 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Conclusion

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

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

WR Partners

Reporting Accountant
WR Partners
Chartered Accountants
Statutory Auditors

Date: 18 December 2023

THE GREAT 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	-	-	1,085,609	1,085,609	1,802,399
Other trading activities		94,742	-	-	94,742	206,371
Investments	6	10,693	-	-	10,693	805
Charitable activities:						
Funding for educational operations		-	22,691,203	-	22,691,203	18,229,562
Other charitable activities		-	-	-	-	(3,487)
Total income		105,435	22,691,203	1,085,609	23,882,247	20,235,650
Expenditure on:						
Charitable activities	8	-	22,301,251	961,016	23,262,267	19,829,668
Total expenditure		-	22,301,251	961,016	23,262,267	19,829,668
Net income		105,435	389,952	124,593	619,980	405,982
Transfers between funds	19	-	(390,476)	390,476	-	-
Net movement in funds before other recognised gains		105,435	(524)	515,069	619,980	405,982
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	25	-	1,195,000	-	1,195,000	5,089,000
Net movement in funds		105,435	1,194,476	515,069	1,814,980	5,494,982

THE GREAT SCHOOLS TRUST
(A company limited by guarantee).

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Note					
Reconciliation of funds:					
Total funds brought forward	1,701,383	(1,083,392)	20,339,880	20,957,871	15,462,889
Net movement in funds	105,435	1,194,476	515,069	1,814,980	5,494,982
Total funds carried forward	1,806,818	111,084	20,854,949	22,772,851	20,957,871

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 49 to 76 form part of these financial statements.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07641004

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	15	20,814,419	20,313,580
		<u>20,814,419</u>	<u>20,313,580</u>
Current assets			
Stocks	16	33,687	26,172
Debtors	17	2,079,164	1,887,759
Cash at bank and in hand		2,838,180	2,428,542
		<u>4,951,031</u>	<u>4,342,473</u>
Creditors: amounts falling due within one year	18	(2,888,599)	(2,514,182)
Net current assets		<u>2,062,432</u>	<u>1,828,291</u>
Total assets less current liabilities		<u>22,876,851</u>	<u>22,141,871</u>
Net assets excluding pension liability		<u>22,876,851</u>	<u>22,141,871</u>
Defined benefit pension scheme liability	25	(104,000)	(1,184,000)
Total net assets		<u><u>22,772,851</u></u>	<u><u>20,957,871</u></u>
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	20,854,949	20,339,880
Restricted income funds	19	215,084	100,608
		<u>21,070,033</u>	<u>20,440,488</u>
Restricted funds excluding pension asset	19	21,070,033	20,440,488
Pension reserve	19	(104,000)	(1,184,000)
Total restricted funds	19	<u>20,966,033</u>	<u>19,256,488</u>
Unrestricted income funds	19	<u>1,806,818</u>	<u>1,701,383</u>
Total funds		<u><u>22,772,851</u></u>	<u><u>20,957,871</u></u>

The financial statements on pages 44 to 76 were approved by the Trustees, and authorised for issue on 14 December 2023 and are signed on their behalf, by:

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 07641004

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

OWS

J W Spencer
(Chair of Trustees)

The notes on pages 49 to 76 form part of these financial statements.

THE GREAT 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/(used in) operating activities	21	785,885	(584,520)
Cash flows from investing activities	22	(376,247)	(100,998)
Change in cash and cash equivalents in the year		409,638	(685,518)
Cash and cash equivalents at the beginning of the year		2,428,542	3,114,060
Cash and cash equivalents at the end of the year	23, 24	<u>2,838,180</u>	<u>2,428,542</u>

The notes on pages 49 to 76 form part of these financial statements

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

1.1 Basis of preparation of financial statements

The financial statements of the 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 charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Income

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

• **Grants**

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the Balance sheet in the restricted fixed asset fund. Capital grants are 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.

<p style="text-align: center;">THE GREAT SCHOOLS TRUST (A company limited by guarantee)</p>

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

- **Donated goods, facilities and services**

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

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

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

1.4 Expenditure

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

All resources expended are inclusive of irrecoverable VAT.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Tangible fixed assets

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

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

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

Depreciation is provided on the following basis:

Land and Buildings	-	2% on cost
Improvements to property	-	2% on cost
Fixtures, fittings & equipment	-	20% on cost
Computer equipment	-	33% on cost
Motor vehicles	-	20% on cost

Land is not depreciated.

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.

1.6 Stocks

Stocks are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.7 Leased Assets

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

1.8 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

<p>THE GREAT SCHOOLS TRUST (A company limited by guarantee)</p>

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

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 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. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. 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.

<p style="text-align: center;">THE GREAT SCHOOLS TRUST (A company limited by guarantee)</p>

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

1. Accounting policies (continued)

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 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.

Investment income, gains and losses are allocated to the appropriate fund.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	-	-	-	176,732
Grants	-	1,085,609	1,085,609	1,625,667
Total 2023	-	1,085,609	1,085,609	1,802,399
<i>Total 2022</i>	<i>2,915</i>	<i>1,799,484</i>	<i>1,802,399</i>	

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

4. Funding for the Trust's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	19,015,856	19,015,856	15,419,930
Other DfE/ESFA grants			
Pupil premium	1,187,371	1,187,371	982,502
Other EFA grants	948,433	948,433	672,703
Rates	78,716	78,716	47,528
	<u>21,230,376</u>	<u>21,230,376</u>	<u>17,122,663</u>
Other Government grants			
Local authority grants	366,933	366,933	182,673
Other government grants	53,628	53,628	187,905
	<u>420,561</u>	<u>420,561</u>	<u>370,578</u>
Other incoming resources	1,040,266	1,040,266	732,834
Total Educational operations	<u>22,691,203</u>	<u>22,691,203</u>	<u>18,226,075</u>
	<u>22,691,203</u>	<u>22,691,203</u>	<u>18,226,075</u>
<i>Total 2022</i>	<u><u>18,226,075</u></u>	<u><u>18,226,075</u></u>	

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Hire of facilities	31,963	31,963	30,248
Staff consultancy	28,604	28,604	65,500
Music services	3,139	3,139	3,487
Uniform sales	31,036	31,036	107,136
Total 2023	<u>94,742</u>	<u>94,742</u>	<u>206,371</u>
<i>Total 2022</i>	<u>206,371</u>	<u>206,371</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Interest received	10,693	10,693	805
<i>Total 2022</i>	<u>805</u>	<u>805</u>	

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total 2022 £</i>
Educational operations:					
Direct costs	13,515,203	768,813	2,273,285	16,557,301	10,509,887
Allocated support costs	2,551,957	192,203	3,960,806	6,704,966	5,000,643
Total 2023	<u>16,067,160</u>	<u>961,016</u>	<u>6,234,091</u>	<u>23,262,267</u>	<u>15,510,530</u>

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Educational operations	-	23,262,267	23,262,267	19,829,668
<i>Total 2022</i>	50,105	19,779,563	19,829,668	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	16,557,301	6,704,966	23,262,267	19,829,668
<i>Total 2022</i>	14,279,236	5,550,432	19,829,668	

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational operations 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	2,448,957	2,448,957	2,146,119
Depreciation	192,203	192,203	150,841
Technology costs	345,412	345,412	255,172
Staff expenses	25,059	25,059	14,570
Other staff costs	240,656	240,656	148,242
Other costs	1,469,229	1,469,229	1,346,313
Rates	79,986	79,986	86,110
Energy	304,499	304,499	262,234
Maintenance of premises	273,506	273,506	187,453
Cleaning and caretaking	35,921	35,921	41,662
Security	11,364	11,364	11,192
Transport	61,577	61,577	33,262
Catering	710,496	710,496	529,722
Legal and professional	475,345	475,345	311,339
Governance costs	30,756	30,756	26,201
Total 2023	<u>6,704,966</u>	<u>6,704,966</u>	<u>5,550,432</u>
<i>Total 2022</i>	<u>5,550,432</u>	<u>5,550,432</u>	

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

10. Net income

Net income for the year includes:

	2023 £	2022 £
Operating lease rentals	1,234,426	1,131,090
Depreciation of tangible fixed assets	961,016	756,204
Profit on disposal of fixed assets	-	(2,000)
Net interest on defined benefit pension liability	45,000	92,000
Fees paid to auditors for:		
- audit	15,240	12,000
- other services	3,130	5,090
	<u>15,240</u>	<u>12,000</u>
	<u>3,130</u>	<u>5,090</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	11,456,811	9,673,299
Social security costs	1,201,784	998,679
Pension costs	2,630,976	3,037,853
	<u>15,289,571</u>	<u>13,709,831</u>
Agency staff costs	539,669	282,916
Staff restructuring and development costs	249,920	186,826
	<u>16,079,160</u>	<u>14,179,573</u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	-	20,246
Other restructuring and development costs	249,920	166,580
	<u>249,920</u>	<u>186,826</u>

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

11. Staff (continued)

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	192	137
Administration and support	143	138
Management	32	37
	367	312

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	11	4
In the band £70,001 - £80,000	4	6
In the band £80,001 - £90,000	3	2
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	-

d. Key management personnel

The key management personnel of the 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 Trust was £413,628 (2022 - £398,050).

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

12. Central services

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

- During the year the academy trust provided educational, financial, legal and human resource support services to its academies.

The Trust charges for these services on the following basis:

The academy trust charged for these services on a flat 6.75% (2022: 4.5%) of income basis.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
King's Leadership Academy Warrington	271,499	254,031
King's Leadership Academy Liverpool	410,650	338,673
King's Leadership Academy Hawthornes	234,093	193,325
The Aspire Centre	20,250	13,500
King's Leadership Academy Bolton	299,014	227,916
Total	1,235,506	1,027,445

13. Trustees' remuneration and expenses

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

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

14. Trustees' and Officers' insurance

The 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.

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

15. Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	22,027,221	1,738,146	1,872,787	22,152	25,660,306
Additions	258,526	638,562	564,767	-	1,461,855
At 31 August 2023	22,285,747	2,376,708	2,437,554	22,152	27,122,161
Depreciation					
At 1 September 2022	2,819,476	1,073,112	1,434,986	19,152	5,346,726
Charge for the year	433,131	242,059	282,826	3,000	961,016
At 31 August 2023	3,252,607	1,315,171	1,717,812	22,152	6,307,742
Net book value					
At 31 August 2023	19,033,140	1,061,537	719,742	-	20,814,419
At 31 August 2022	19,207,745	665,034	437,801	3,000	20,313,580

16. Stocks

	2023 £	2022 £
Finished goods and goods for resale	33,687	26,172

17. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	120,313	163,829
Other debtors	487,417	154,255
Prepayments and accrued income	1,471,434	1,569,675
	2,079,164	1,887,759

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,683,013	1,697,358
Other taxation and social security	297,900	264,387
Other creditors	286,638	234,477
Accruals and deferred income	621,048	317,960
	<u>2,888,599</u>	<u>2,514,182</u>
	2023 £	2022 £
Deferred income at 1 September 2022	78,410	368,415
Resources deferred during the year	348,404	78,410
Amounts released from previous periods	(78,410)	(368,415)
	<u>348,404</u>	<u>78,410</u>

The main elements of deferred income are Liverpool Council Growth for September and Mainstream Schools Additional Grant (MSAG)

THE GREAT SCHOOLS TRUST
(A company limited by guarantee)

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

19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	1,701,383	105,435	-	-	-	1,806,818
Restricted general funds						
General Annual Grant (GAG)	-	18,705,944	(18,705,944)	-	-	-
Pupil premium	-	1,187,371	(1,187,371)	-	-	-
Other DfE / ESFA grants	-	1,337,061	(1,337,061)	-	-	-
Other government grants	-	420,561	(420,561)	-	-	-
Other restricted funds	100,608	1,040,266	(535,314)	(390,476)	-	215,084
Pension reserve	(1,184,000)	-	(115,000)	-	1,195,000	(104,000)
	(1,083,392)	22,691,203	(22,301,251)	(390,476)	1,195,000	111,084
Restricted fixed asset funds						
DfE group capital	20,339,880	1,085,609	(961,016)	390,476	-	20,854,949
Total Restricted funds	19,256,488	23,776,812	(23,262,267)	-	1,195,000	20,966,033
Total funds	20,957,871	23,882,247	(23,262,267)	-	1,195,000	22,772,851

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

General fund

Represents amounts derived from the hire of facilities, other trading activities and investment income.

General Annual Grant

This represents the balance remaining from core funding provided by the ESFA for the schools core educational activities.

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19. Statement of funds (continued)

Other Restricted General Funds

This represents the balance remaining from other funding provided by the ESFA/DfE and local authorities for the academy trust's educational activities.

Pupil Premium

Pupil premium is funding to improve education outcomes for disadvantaged pupils.

Pension Reserve

This is the Local Government Pension Scheme deficit attributable to the school and is derived from the report of the actuary produced as at 31 August 2023.

Fixed Asset Restricted Funds

This represents the value of fixed assets shown on the balance sheet plus any other assets and liabilities (including cash) relating to the Trust's capital projects. Transfers between restricted and fixed asset funds represent authorised purchases of fixed assets from revenue funds.

Under the funding agreement with the Secretary of State, the 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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19. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	1,362,474	389,014	(50,105)	-	-	1,701,383
Restricted general funds						
General Annual Grant (GAG)	196,441	15,419,930	(15,616,371)	-	-	-
Pupil premium	-	982,502	(982,502)	-	-	-
Other DfE / ESFA grants	-	908,136	(908,136)	-	-	-
Other government grants	-	182,673	(182,673)	-	-	-
Other restricted funds	-	553,911	(346,677)	(106,626)	-	100,608
Pension reserve	(5,284,000)	-	(995,000)	-	5,095,000	(1,184,000)
	<u>(5,087,559)</u>	<u>18,047,152</u>	<u>(19,031,359)</u>	<u>(106,626)</u>	<u>5,095,000</u>	<u>(1,083,392)</u>
Restricted fixed asset funds						
DfE group capital	19,187,974	1,799,484	(754,204)	106,626	-	20,339,880
Total Restricted funds	<u>14,100,415</u>	<u>19,846,636</u>	<u>(19,785,563)</u>	<u>-</u>	<u>5,095,000</u>	<u>19,256,488</u>
Total funds	<u><u>15,462,889</u></u>	<u><u>20,235,650</u></u>	<u><u>(19,835,668)</u></u>	<u><u>-</u></u>	<u><u>5,095,000</u></u>	<u><u>20,957,871</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
King's Leadership Academy Warrington	66,880	324,172
King's Leadership Academy Liverpool	474,699	478,372
King's Leadership Academy Hawthornes	(822,190)	(583,736)
The Aspire Centre	502,131	262,922
King's Leadership Academy Bolton	1,774,466	1,381,686
Central services	25,916	(61,425)
Total before fixed asset funds and pension reserve	2,021,902	1,801,991
Restricted fixed asset fund	20,854,949	20,339,880
Pension reserve	(104,000)	(1,184,000)
Total	22,772,851	20,957,871

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 £
King's Leadership Academy Warrington	3,134,417	401,368	499,418	647,615	4,682,818	4,606,537
King's Leadership Academy Liverpool	3,984,660	337,911	742,615	1,672,255	6,737,441	5,520,659
King's Leadership Academy Hawthornes	2,569,267	395,698	451,394	779,536	4,195,895	3,833,252
The Aspire Centre	225,824	18,029	26,537	65,455	335,845	339,486

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19. Statement of funds (continued)

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
King's Leadership Academy Bolton	2,965,550	470,969	416,144	665,905	4,518,568	3,264,523
Central services	750,485	824,982	22,177	233,040	1,830,684	1,511,007
Trust	13,630,203	2,448,957	2,158,285	4,063,806	22,301,251	19,075,464

20. 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	-	-	20,814,419	20,814,419
Current assets	1,806,818	3,103,683	40,530	4,951,031
Creditors due within one year	-	(2,888,599)	-	(2,888,599)
Provisions for liabilities and charges	-	(104,000)	-	(104,000)
Total	1,806,818	111,084	20,854,949	22,772,851

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	20,313,580	20,313,580
Current assets	4,215,565	100,608	26,300	4,342,473
Creditors due within one year	(2,514,182)	-	-	(2,514,182)
Provisions for liabilities and charges	-	(1,184,000)	-	(1,184,000)
Total	1,701,383	(1,083,392)	20,339,880	20,957,871

21. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of financial activities)	619,980	405,982
Adjustments for:		
Profit on disposal of fixed assets	-	(2,000)
Depreciation	961,016	756,204
Capital grants from DfE and other capital income	(1,085,609)	(1,799,484)
Defined benefit pension scheme cost less contributions payable	70,000	897,000
Defined benefit pension scheme finance cost	45,000	92,000
Decrease/(increase) in stocks	(7,515)	69,451
(Increase)/decrease in debtors	(47,277)	(1,131,487)
Increase in creditors	230,290	127,814
Net cash provided by/(used in) operating activities	785,885	(584,520)

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22. Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(1,461,856)	(1,728,665)
Proceeds from the sale of tangible fixed assets	-	2,000
Capital grants from DfE Group	1,085,609	1,625,667
Net cash used in investing activities	(376,247)	(100,998)

23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	2,838,180	2,428,542
Total cash and cash equivalents	2,838,180	2,428,542

24. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,428,542	409,638	2,838,180
	2,428,542	409,638	2,838,180

25. Pension commitments

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% 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 £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £1,820,445 (2022 - £1,493,977).

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

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

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

25. 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 £848,000 (2022 - £724,000), of which employer's contributions totalled £645,000 (2022 - £555,000) and employees' contributions totalled £ 203,000 (2022 - £169,000). The agreed contribution rates for future years are 18.1-21.8 per cent for employers and 5.5-12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the 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 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

	2023	2022
	%	%
Rate of increase in salaries	4.0	4.1
Rate of increase for pensions in payment/inflation	3.0	3.0
Discount rate for scheme liabilities	4.8	4.3
Inflation assumption (CPI)	2.9	3.0

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
<i>Retiring today</i>		
Males	20.3	20.8
Females	23.5	23.8
<i>Retiring in 20 years</i>		
Males	21.5	21.6
Females	24.9	25.6

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25. Pension commitments (continued)

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(150)	(167)
Discount rate -0.1%	151	169
Mortality assumption - 1 year increase	193	199
Mortality assumption - 1 year decrease	(174)	(197)
CPI rate +0.1%	150	164
CPI rate -0.1%	(134)	(162)

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Share of scheme assets

The Trust's share of the assets in the scheme was:

	At 31 August 2023 £	At 31 August 2022 £
Equities	3,784,620	2,962,670
Property	876,220	683,190
Cash and other liquid assets	113,490	217,870
Other	1,160,000	987,000
Bonds	1,159,670	1,153,270
Total market value of assets	7,094,000	6,004,000

The actual return on scheme assets was £197,751 (2022 - £311,023).

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

	2023 £	2022 £
Current service cost	703,000	1,445,000
Interest income	(271,000)	(101,000)
Interest cost	316,000	193,000
Administrative expenses	6,000	6,000
Total amount recognised in the Statement of financial activities	754,000	1,543,000

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	7,194,000	11,059,000
Interest cost	316,000	193,000
Employee contributions	203,000	169,000
Benefits paid	(242,000)	(167,000)
Current Service Cost	703,000	1,445,000
Actuarial (gains)/losses	(1,272,000)	(5,505,000)
Pension asset ceiling adjustment	296,000	-
At 31 August	7,198,000	7,194,000

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

	2023 £	2022 £
At 1 September	6,004,000	5,775,000
Interest income	271,000	101,000
Employee contributions	203,000	169,000
Benefits paid	(242,000)	(167,000)
Actuarial gains	219,000	(416,000)
Employer contributions	645,000	548,000
Administration expenses	(6,000)	(6,000)
At 31 August	7,094,000	6,004,000

26. Members' liability

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

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27. Related party transactions

Owing to the nature of the 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Close family members of a Trustee and the CEO of the Trust are employed by the academy. The salaries of these employees are determined in line with the Trust's remuneration policy which follow the appropriate pay scales for the relevant roles.