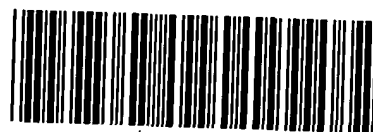


REGISTERED COMPANY NUMBER: 07681857 (England and Wales)

Report of the Trustees and  
Financial Statements for the Year Ended 31 August 2023  
for  
KINGSTONE ACADEMY TRUST

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KINGSTONE ACADEMY TRUST

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for the year ended 31 August 2023

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**KINGSTONE ACADEMY TRUST**

**Reference and Administrative Details**  
**for the year ended 31 August 2023**

<b>Members</b>	Mr S Thomas Mr P Metcalfe (appointed 16/12/21) Mrs A Taylor (appointed 16/12/21) Miss L Wallace (appointed 16/12/21) Mr L Batstone (resigned 29/07/23) Mrs A Johnson (appointed 12/12/22)
<b>Trustees</b>	Mr J D C Wright (Chair of Trustees) Mr A P Coates (Vice Chair of Trustees) Dr J D Hanks Ms Maureen Douglas Mrs C Lambeth (appointed 10/03/22) Mr Andrew Robertson (appointed 23/03/23) Mr Ian Davies (appointed 23/03/23) Mrs Rachel Metcalfe (appointed 23/03/23) Mrs Deborah McCauley (appointed 23/03/23) Mrs A L Jordan (resigned 10/07/22) Mr R M Pinches (resigned 03/2023) Mr S Harris (resigned 03/10/22) Mr D Bennett (resigned 31/08/2023)
<b>Clerk to the Trustees</b>	Mrs V Seymour
<b>Company secretary</b>	Mrs K Bayliss
<b>Senior Leadership</b>	Mr D Bennett (Executive Headteacher) Mr L Butler (Head of School - Secondary) Mr M Morris (Deputy Headteacher – Secondary) Mr D Cook (Assistant Headteacher - Secondary) Mrs R Finch (Assistant Headteacher - Secondary) Mrs R Ruvino (Assistant Headteacher - Secondary) Mrs K Bayliss (Finance Director) Mrs E Vigus (Head of School - Primary) Miss P Nicholas (Assistant Headteacher – Primary appointed 25/04/22) Mrs A Preece (Assistant Headteacher – Primary appointed 25/04/22)
<b>Registered office</b>	Kingstone High School Hereford HR2 9HJ
<b>Registered company number</b>	07681857
<b>Auditors</b>	Cooper Parry Group Limited Cubo Birmingham Two Chamberlain Square B3 3AX
<b>Bankers</b>	Lloyds Bank Plc 6-8 High Street Hereford HR1 2AE

## KINGSTONE ACADEMY TRUST

### Report of the Trustees for the year ended 31 August 2023

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

#### **Structure, governance and management**

##### **Constitution**

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

Kingstone Academy Trust is a Multi-Academy Trust formed between Kingstone High School and Kingstone & Thruxton Primary School. The Company was incorporated on the 24 June 2011 and converted from a Local Authority School to an Academy Trust on the 1 August 2011 (High School) and 1 September 2011 (Primary School).

The Trustees of Kingstone Academy Trust Limited are also the Directors of the charitable company for the purposes of company law. The Charitable Company is known as Kingstone Academy Trust.

Details of the Trustees who served throughout the year and up to the date of sign-off, are included in the Reference and Administrative Details on page 1.

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

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

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

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust.

The liability insurance is provided by Zurich Plc and provides cover up to £5,000,000 (2021: £5,000,000) on any one claim.

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

This is defined in the Articles of Association:

The Members may appoint up to 12 Trustees.

The Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Executive Headteacher) who are employees of the Academy Trust does not exceed one-third of the total number of Trustees. Further details can be found in the Articles of Association.

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

The Academy has a Trustee Recruitment and Induction policy.

The training and induction provided for new Trustees includes a tour of the Academy and a chance to meet staff and pupils. The Herefordshire Governors Association provide external training including financial matters. They provide regular updates on practice, legislation and guidance. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees.

##### **Organisational structure**

The Academy Trust has a leadership structure which consists of the Trustees, the Executive Headteacher, the Finance Director and two Heads of School (one for the Primary and one for the Secondary) as well as their respective senior leadership teams; one Deputy Head and three Assistant Heads in the Secondary and two Assistant Heads in the Primary. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels. The Executive Head is the Accounting Officer.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academy by the use of budgets and other data, and making major decisions about the strategic direction of the Academy, capital expenditure and key staff appointments.

## KINGSTONE ACADEMY TRUST

### Report of the Trustees for the year ended 31 August 2023

#### **Organisational structure – continued**

The Senior Leadership directs the Academy Trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. The Senior Leaders are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for Heads of School and the Executive Headteacher always contain a Trustee.

Heads of Faculty and Phase leads are responsible for the day-to-day operation of curriculum subject areas and accordingly organise their teaching staff, capitation resources, facilities and students.

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

The Academy Trust uses career stage expectations and a rigorous performance management process to ensure that the human resources of the school provide good value for money. The Finance, Personnel & Audit Committee meets to review the Executive Headteacher's recommendations and to review that the pay ranges employed are still appropriate to the size of school and range of responsibility expected by an employee.

The Executive Head teacher's performance is reviewed annually by the Finance, Personnel & Audit Committee of the Board of Trustees and with the advice of a suitably qualified external advisor.

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

During this period the Academy did not pay union facility time in advance, instead paying as and when required by the unions within school.

#### **Objectives and activities**

##### **Objectives and aims**

##### **Achieving Success Together**

Our overall aim is to produce confident, self-assured and successful young adults who have the learning skills and track record of success in a variety of experiences that will allow them to make a positive contribution to their society.

Our vision is developed through the use of our Strategic Intent document.

The Academy Trust uses the motto of: 'Achieving Success Together'.

Our pledge is that we shall endeavour to provide opportunities for all in the following areas.

##### **Achievement:**

Whatever their ability:-

- Every child will make the expected progress at all stages of their schooling and the majority will have done even better than this by the time they leave.

##### **Community:**

We aim:-

- to embrace the wider community to provide opportunities for our pupils.
- to have all members of the Trust to feel part of one organisation.
- to maximise the role of parents in the wider community.
- to involve all partners of all kinds in the community to work with the Trust.

Through these aims Kingstone Academy Trust is seen as a central part of our local community.

##### **Experiences:**

All of our pupils will:-

- Have a rich, innovative and varied curriculum experience that meets their needs.
- Have access to opportunities and challenges outside the classroom that build on their talents and interests.
- Be safe in our caring and learning community.
- Be introduced to new experiences which will provide them with challenge in which to develop the skills needed to create a 'habit of success'.

## KINGSTONE ACADEMY TRUST

### Report of the Trustees for the year ended 31 August 2023

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

The Company's object is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum (Memorandum of Association).

The High School continues its commitment to provide a broad curriculum with a very wide-ranging curriculum of GCSE and BTEC courses designed to meet the needs of our students. The Primary School curriculum is broad and diverse enough to meet the needs of all pupils.

The High School continues to augment its teaching by focusing on the wider world so that some students will be actively involved in qualifications that require them to research and investigate foreign countries, traditions and cultures. The High School has increased its language provision so that Spanish and French are taught throughout KS3 with German introduced for selected students in Y9. The Trust has utilised specialist language teaching to teach Spanish in KTPS from Y3 to Y6 and in Y6 at three other local feeder primaries.

Our objectives are to use the aims laid out previously as the driving force to deliver a top-quality education experience to all of the young people who come to our schools. To achieve this aim we engage in a continual process of monitoring, self-review and actions to ensure we meet the needs of our pupils. This is common practice across both schools and there is much individual intervention and support to ensure this is the case.

Through this process we provide opportunities to our pupils to meet the aims as laid out previously. We provide a wide range of subject based academic experiences in both schools and a large range of wider experiential opportunities including; residential trips in this country and abroad; the opportunity to represent the schools in sporting fixtures at all ages in a wide variety of sports; the opportunity to represent the school in a school musical, drama performance or debating competition.

#### **Public benefit**

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. All our charitable activities are undertaken to further our charitable purposes for the public benefit.

#### **Risk management**

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas, and its finances. The Finance, Personnel and Audit Committee receives a copy of the Risk Register at each meeting, providing assurance to the Full Board that all risks are documented and an action plan to mitigate each risk is in place. The Risk Register assesses risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school trips) and in relation to the control of finance. Trustees have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

#### **Strategic report**

##### **Achievement and performance**

##### **Charitable activities**

In Kingstone & Thruxton Primary School, KS2 results at the last validated data point of summer 2023:

##### KS2:

% achieving level EXS: writing 85%; reading 92%; maths 92%

% achieving level GDS: writing 19%; reading 62%; maths 15%

Reading Writing & Maths 77%

##### KS1:

% Expected Standard + - reading 83%; writing 83%; maths 91%

% Greater Depth + - reading 19%; writing 15%; maths 19%

##### Phonics:

Y1 % achieving threshold: 87%

##### EYFS:

% achieving GLD: 70%

**KINGSTONE ACADEMY TRUST**

**Report of the Trustees**  
**for the year ended 31 August 2023**

**Achievement and performance - continued**

**BASICS**

**Achievement and performance - continued**

**BASICS**

In Kingstone High School, GCSE results including English Literature (taken in Year 10) which gives a true record of achievement:

Attainment 8: 45.9 (4.59)

English & Maths at Grade 5+: 56%

English and Maths at Grade 4+:75%

Grade 5+ English: 75%

Grade 4+ English: 85%

Grade 5+ Maths: 67%

Grade 4+ Maths: 77%

**EBACC**

Students entered for EBACC: 12% (this is a legacy as a result of former option choices and has now been rectified). In both year 10 and 11, the number of students entered for EBACC is above 40%.

**School Improvement Planning**

Both schools have a comprehensive School Improvement Plan in place, informed by a SEF, to further develop both schools. In each case the plan is developed around the latest OFSTED framework and its areas of judgement. The Primary School was judged Good by OFSTED following an inspection in July 2022; and in the secondary the report of a short Ofsted inspection published in January 2019 stated that the school remains Good. The secondary has also had a no notice monitoring visit due to malicious complaints. The focus in July 2022 was safe guarding which the inspectors found to be effective.

The school improvement plans have to focus on closing gaps between highlighted groups such as gender or SEND status but there is particular emphasis on ensuring disadvantaged students close the gap on their non-disadvantaged peers.

<b><u>Pupils on roll</u></b> <b><u>(Census)</u></b>	<b><u>High School</u></b>	<b><u>Primary School</u></b>	<b><u>Total</u></b>
October 2016	335	154	489
October 2017	387	171	558
October 2018	440	194	634
October 2019	503	185	688
October 2020	571	188	759
October 2021	607	186	793
October 2022	642	194	836
October 2023	610	199	809

Like the vast majority of schools across the county of Herefordshire, both the high school and primary have suffered in the past from declining numbers due to demographic changes. However, both schools have experienced a trend of improving numbers over recent years. The two schools are now oversubscribed in a number of year groups. The High school has been oversubscribed in Year 7 for each of the last four years.

There is significant building currently close to the schools and this will likely see both schools oversubscribed for the foreseeable future. The monies that will come from these developments will be used to increase basic need capacity.

## KINGSTONE ACADEMY TRUST

### Report of the Trustees for the year ended 31 August 2023

#### **Key financial performance indicators**

A key financial performance indicator for the Trust is actual performance compared to budget.

A revised budget of £165k spend over income was approved by the Board of Trustees for the year ended 31 August 2023. The final outturn for the year was a surplus of £142k representing a budget variance of £307k. This can be broken down as follows:

	£000s
New Mainstream Schools' Additional Grant (MSAG)	71
Pupil Premium & Recovery Premium	31
CIF funding and additional capital grants	307
Additional other income: SEN and other	199
Staff cost savings	85
Capital expenditure including CIF project	-395
Other cost underspends	9
Total budget variance	307

For the reporting year, teachers' pay as a % of GAG was 63.9% (2022: 61.7%) and overall staffing as a % of GAG was 88% (2022: 87.5%).

#### **Financial review**

The majority of the Academy Trust's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy Trust also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the useful life of the assets concerned as defined in the Academy Trust's accounting policies.

During the year ended 31 August 2023, total expenditure of £5,247,597 (2022: £4,772,206) was covered by recurrent grant funding from the DfE together with other incoming resources. The total net income before other gains and losses for the period was £509,758 (2022: net income of £78,726)

At 31 August 2023, the net book value of fixed assets was £4,749,765 (2022: £4,471,869) and movements in tangible fixed assets are shown in Note 12 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy Trust.



## KINGSTONE ACADEMY TRUST

### Report of the Trustees for the year ended 31 August 2023

#### **Reserves policy**

The Trustees review the reserve levels of the Academy 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 Academy Trust's level of reserves, unrestricted funds, (total funds less the amount held in restricted funds) at 31 August 2023 was £Nil (2022: £89). At the year end, the Academy Trust's level of General Restricted Funds stood at £1,127,425 (2022: £974,489).

#### **Going concern**

After making appropriate enquires, the Board of Trustees have a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### **Investment policy and objectives**

Should funds become available to invest, the chosen investment vehicle will be short term Money Market deposits. The Finance Director will liaise with the Executive Headteacher regarding the amounts involved and the duration of the investment. Every effort will be made to maximise interest on surplus funds ensuring at the same time that full protection of funds is guaranteed.

#### **Principal risks and uncertainties**

The Trustees consider that the principal risks and uncertainties facing the Academy Trust are:

- The trust is at risk of falling pupil numbers at KHS and therefore it is a priority to ensure that this is not a long term problem in order to achieve and maintain a robust financial status.
- Financial risk - not operating within its budget and running a deficit, changes in funding, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation.
- Operational risks resulting from changes in staffing or inappropriate staff being employed.
- Staff morale falling due to failure to deliver IT resources to staff and students.
- A failure to take advantage of any opportunities arising from potential MAT expansion
- Estate Management is a priority for the trust to ensure that the trust is not vulnerable area a result of non-compliance; regular strategic oversight used to ensure that the safe, well maintained and complies with relevant regulations.

The key controls used by the Academy include:

- Detailed terms of reference for all committees.
- Formal agendas for the Academy board and committees.
- Schemes of delegation and formal financial regulations.
- Formal written policies.
- Clear authorisation and approval levels.
- Policies and procedures required by law to protect the vulnerable.

#### **Financial and risk management objectives and policies**

The School has agreed a Risk Management strategy, a Risk register and a risk management plan. These have been discussed by Trustees and include the financial risks to the school. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

#### **Fundraising**

The School has fundraising done on its behalf by the Friends of Kingstone High School. They keep a separate account and their accounts are audited independently of the school. Friends of Kingstone High School is a registered charity.

## **KINGSTONE ACADEMY TRUST**

### **Report of the Trustees** **for the year ended 31 August 2023**

#### **Plans for future periods**

Kingstone Academy Trust will continue its relentless progress towards fulfilling the pledges contained in our Strategic Intent document - these are developed around the educational achievement of all of our young people from age 3 - 16, our further involvement in our wider community and through providing our young people with a range of opportunities that will provide them with the skills to be successful adults.

The Trust has set ambitious academic targets for Key Stages 1, 2, 3 and 4 as well as stretching targets for improving attendance. Continuous Professional Development for all staff is at the heart of our operations to continually seek improvement in the service we provide. The Academy Trust will continue to benchmark itself against national academic measures and also areas of specific interest and expertise.

It will measure itself against internal annual School Improvement Plans and against the Aims and Objectives as outlined in both the Funding Agreement and the Memorandum of Association. The School Improvement Plans are developed around the 4 Ofsted themes and have a number of specific and measurable objectives.

As an outward facing school we will where appropriate continue to both share our expertise with others and to learn from them as we jointly seek to enhance the life opportunities of the young people we work with on a daily basis.

#### **Principal activities**

This is defined in the Articles of Association:

The Academy Trust's objects ("the Objects") are specifically restricted to the following to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum.

Promoting for the benefit of the inhabitants of Kingstone and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

#### **Connected organisations, including related party relationships**

Kingstone Academy Trust is a Multi-Academy Trust formed between Kingstone High School and Kingstone & Thruxton Primary School.

Kingstone Academy Trust continues to have proactive and mutually beneficial relationships with a number of county and nationwide groups such as the Local authority, the Schools Network, National College for School Leadership, Schools, Students and Teachers (SSAT), local post 16 providers, employers and training organisations. These links are maintained in the interests of supporting good practice and information sharing to enhance the school operations at all age groups.

#### **Auditors**


Insofar as the trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The audit business of Haines Watts Birmingham LLP was acquired by Cooper Parry Group Limited on 14 November 2023. Haines Watts Birmingham LLP has resigned as auditor and Cooper Parry Group Limited has been appointed in its place.

The auditors, Cooper Parry Group Limited, will be proposed for reappointment.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 14 December 2023 and signed on the board's behalf by:

  
.....  
Mr J D C Wright - Trustee

## KINGSTONE ACADEMY TRUST

### Governance Statement for the year ended 31 August 2023

#### **Scope of Responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Kingstone Academy 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 of 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 the Trustees has delegated the day-to-day responsibility to the Executive Headteacher, 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 Kingstone Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

#### **Governance**

The information on governance included here supplements that described in the Report of the Trustees and in the Statement of Trustees Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

<b>Trustee</b>	<b>Category of Membership</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mr David Bennett	Executive Headteacher (ex-officio)	3	4
Ms Maureen Douglas	Trustee	2	4
Mrs Catriona Lambeth	Trustee	4	4
Mr James Wright	Chair of Trustees	4	4
Mr Andrew Coates	Trustee	3	4
Mr James Hanks	Trustee	1	4
Mr Robert Pinches	Trustee	0	2
Mr Andrew Robertson	Trustee	2	2
Mr Ian Davies	Trustee	2	2
Mrs Rachel Metcalfe	Trustee	2	2
Mrs Deborah McCauley	Trustee	2	2

The Board maintains oversight by virtue of the fact that the Board and its committees together met 12 times during the year.

The board has, over the course of the year 2022-23 had one resignations and four new starters.

The Trustees have two main committees. The Quality and Standards Committee(Q&S) and the Finance, Pay and Audit Committee (F,P&A). There is an additional one-off Risk Committee (see below in capacity to handle risk) and the members attend the AGM full board in December. There are five members taken from business and education backgrounds.

#### **Governance reviews**

The Trustees have, in order to better hold senior leadership to account, undertaken additional training as individuals and collectively. The collective training was led by an ex-HMI and has invigorated and empowered the Trustees to be more pro-active in the quality assurance. There are plans to implement an independent external review of governance in the academic year 2022-23.

The trustees assess its own effectiveness by one to one meetings in key areas such as SEND, PP and Safeguarding. Learning walks, policy reviews, outcomes and reporting evidence are regularly undertaken. As are review of different aspects such as attendance and exclusion data and use of pupil premium and sports premium as well as the National Tutoring Programme.

#### **Conflicts of interest**

The Academy Trust manages potential conflicts of interest by requiring trustees and key management personnel to complete an annual register of interest form. This information is used to maintain a register of interests. At the start of each board meeting, trustees are asked to declare any potential conflicts of interest. Where a conflict exists, the relevant trustee(s) will be asked to leave the meeting and will not be able to vote on any decision.

## KINGSTONE ACADEMY TRUST

### Governance Statement for the year ended 31 August 2023

#### **The Quality and Standards Committee**

Its purpose is to support a broad and balanced curriculum and review policies and actions related to curriculum and assessment, safeguarding, behaviour, attendance, SEND and pupil premium. The focus is ensure high standards in the quality of education, personal development, and behaviour and attitudes

The Finance, Personnel and Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to consider and advise the governing body on standards and other matters relating to the school's finance and resources, including statutory requirements and the school's financial policy. Attendance at meetings in the year was as follows:

Trustee	Category of Membership	Meetings attended	Out of a possible
Mr Andrew Coates	Chair of Committee	2	3
Mr David Bennett	Executive Headteacher	2	3
Mr Rob Pinches	Trustee, Vice Chair of Committee	0	1
Mr James Wright	Trustee	3	3
Mr Ian Davies	Trustee	1	1

#### **Evidence of effectiveness**

Regular budget monitoring and cash flow analysis, disposal of assets, best value, review of internal and external audits.

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

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

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

- All of the school's work continues to focus essentially on improving the quality of its provision in order to enable all students to achieve the highest possible standards of attainment and progress.
- The Finance, Personnel and Audit committee receives monthly budget monitoring reports and information relating to any tendering/procurement in accordance with the Trust's policies.
- The budget is presented to the full Board of Trustees annually for approval. It also receives the Annual Audited Accounts and External Auditors' Management Report.
- The Academy Trust undertakes tendering exercises for significant contracts to ensure that they are competitive. For higher value contracts, three quotes are required
- The Academy Trust explores opportunities to increase revenues through the hire of facilities, grants and donations.
- A risk register is maintained with high risks reviewed and updated as necessary.
- There is an annual externally recruited internal audit review with the report delivered to Trustees.

#### **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 Kingstone Academy Trust for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements.

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

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 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. In addition, there is an additional annual meeting, held in October, that looks solely at risk for the Trust. This is a separate committee made up of the F,P & A attendees and the chair of the Q&S committee; it has a separate chairman from either standard committee.

## KINGSTONE ACADEMY TRUST

### Governance Statement for the year ended 31 August 2023

#### **The Risk and Control Framework**

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. 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, Personnel and Audit 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Devon Audit Partnership as internal auditor. This option has been chosen because the partnership came highly recommended for their professional and effective delivery.

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

- Governance and Scheme of delegation
- Bank account management
- Fraud framework
- Income, debtors and debt Management
- Purchasing and payments
- Payroll and expenses

The audit took place in May 2023 and the auditor reported to the board of trustees through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. The auditor prepared a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

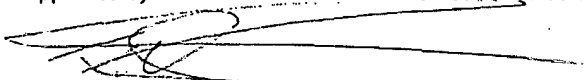
#### **Review of Effectiveness**

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

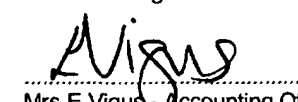
- the work of internal auditor;
- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Personnel and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



Mr J D C Wright - Chair of Trustees



Mrs E Vigus - Accounting Officer

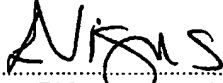
KINGSTONE ACADEMY TRUST

Statement on Regularity, Propriety and Compliance  
for the year ended 31 August 2023

As Accounting Officer of Kingstone Academy Trust I have considered my responsibility to notify the charitable company Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Trust Handbook, including responsibilities for estates safety and management.

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

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



Mrs E Vigus Accounting Officer

14 December 2023

## KINGSTONE ACADEMY TRUST

### Statement of Trustees' Responsibilities for the year ended 31 August 2023

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

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

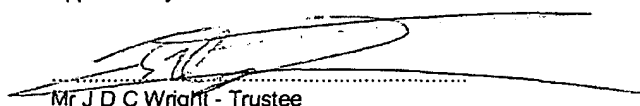
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the Education and Skills Funding Agency and Department for Education 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 Board of Trustees on 14 December 2023 and signed on its behalf by:



Mr J D C Wright - Trustee

Report of the Independent Auditors to the Members of  
Kingstone Academy Trust

**Opinion**

We have audited the financial statements of Kingstone Academy Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2023 and of its 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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

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

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

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

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

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

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



Report of the Independent Auditors to the Members of  
Kingstone Academy Trust

**Responsibilities of Trustees**

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

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

**Our 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 a Report of the Independent Auditors 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 obtained an understanding of the legal and regulatory framework applicable to both the charitable company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011, the Charities SORP (FRS102) and the Accounts Direction and Academy Trust Handbook issued by the ESFA.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

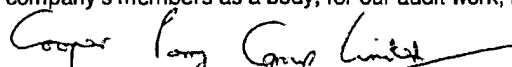
- making enquires of management and Trustees as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nichola Venables (Senior Statutory Auditor)  
for and on behalf of Cooper Parry Group Limited  
Cubo Birmingham  
Two Chamberlain Square  
B3 3AX

19 December 2023

Independent Reporting Accountant's Assurance Report on Regularity to Kingstone Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement 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 Kingstone Academy Trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of Kingstone Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Kingstone Academy Trust's funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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.

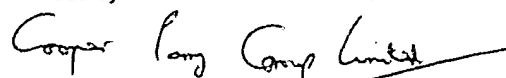
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the academy trust's activities;
- A review of governance procedures;
- A review of financial budgeting and monitoring procedures;
- A review of related/ connected party transactions in accordance with internal processes and the Academy Trust Handbook;
- A review and sample testing of internal financial controls; and
- A review and sample testing of procurement procedures.

**Conclusion**

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



Cooper Parry Group Limited  
Reporting Accountant  
Cubo Birmingham  
Two Chamberlain Square  
B3 3AX

19 December 2023

**Kingstone Academy Trust**

**Statement of Financial Activities  
For the year ended 31 August 2023**

		Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds 2021/22
	Note	£	£	£	£	£
<b>Income and endowments from</b>						
Donations and capital grants	2	83	-	374,032	374,115	70,836
<b>Charitable activities</b>						
Funding for the academy trust's educational operations	3	94,549	5,261,245	-	5,355,794	4,760,104
Other trading activities	4	27,333	-	-	27,333	19,903
Investment income		112	-	-	112	89
<b>Total income</b>		<b>122,077</b>	<b>5,261,245</b>	<b>374,032</b>	<b>5,757,354</b>	<b>4,850,932</b>
<b>Expenditure on</b>						
Raising funds	5	22,331	-	-	22,331	21,510
<b>Charitable activities</b>						
Academy trust's educational operations	5	99,835	4,822,065	303,365	5,225,265	4,750,696
Other expenditure						
<b>Total expenditure</b>		<b>122,166</b>	<b>4,822,065</b>	<b>303,365</b>	<b>5,247,596</b>	<b>4,772,206</b>
<b>Net income/(expenditure)</b>		<b>(89)</b>	<b>439,180</b>	<b>70,667</b>	<b>509,758</b>	<b>78,726</b>
Transfers between funds		-	(197,244)	197,244	-	-
<b>Other recognised gains / (losses):</b>						
Actuarial gains / (losses) on defined benefit pension schemes		-	646,000	-	646,000	1,658,000
<b>Net movement in funds</b>		<b>(89)</b>	<b>887,936</b>	<b>267,911</b>	<b>1,155,758</b>	<b>1,736,726</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>		<b>89</b>	<b>86,489</b>	<b>4,522,901</b>	<b>4,609,479</b>	<b>2,872,753</b>
<b>Total funds carried forward</b>		<b>-</b>	<b>974,425</b>	<b>4,790,812</b>	<b>5,765,237</b>	<b>4,609,479</b>

*The notes form part of these financial statements.*

**Kingstone Academy Trust**  
**Balance Sheet**  
**For the year ended 31 August 2023**

		2023	2022
	Note	£	£
<b>Fixed assets</b>			
Tangible fixed assets	12	4,749,765	4,471,869
<b>Current assets</b>			
Debtors	13	341,160	311,404
Cash at bank		1,343,832	1,044,125
		<u>1,684,992</u>	<u>1,355,529</u>
<b>Creditors</b>			
Amounts falling due within one year	14	(516,520)	(329,919)
		<u>1,168,472</u>	<u>1,025,610</u>
<b>New current assets</b>			
		<u>1,168,472</u>	<u>1,025,610</u>
<b>Total assets less current liabilities</b>		<u>5,918,237</u>	<u>5,497,479</u>
Creditors: amounts falling due after more than one year		-	-
<b>Net assets excluding pensional liability</b>		<u>5,918,237</u>	<u>5,497,479</u>
<b>Pension liability</b>	19	(153,000)	(888,000)
<b>Total Net assets</b>		<u>5,765,237</u>	<u>4,609,479</u>
<b>Funds</b>			
Unrestricted funds:			
General fund	18	-	89
Restricted funds:			
General restricted funds	18	1,127,425	974,489
Restricted fixed asset funds	18	4,790,812	4,522,901
Pension reserve	18	(153,000)	(888,000)
<b>Total funds carried forward</b>		<u>5,765,237</u>	<u>4,609,479</u>

The financial statements were approved by the Board of Trustees on 14 December 2023 and were signed on its behalf:

  
**Mr J D C Wright - Chair of Trustees**

Company Registration Number - 07681857

*The notes form part of these financial statements.*

**Kingstone Academy Trust**

**Statement of Cash Flows**  
**For the year ended 31 August 2023**

		2023	2022
	Note	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	22	450,519	385,001
<b>Net cash provided by (used in) operating activities</b>		<u>450,519</u>	<u>385,001</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(581,261)	(104,161)
Capital grants from DfE/ESFA		374,032	70,836
<b>Net cash provided by (used in) investing activities</b>		<u>(207,229)</u>	<u>(33,325)</u>
<b>Cash flows from financing activities</b>			
New loans		56,417	-
Repayments of borrowing		-	-
<b>Net cash provided by (used in) financing activities</b>		<u>56,417</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		299,707	351,676
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,044,125</u>	<u>692,449</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>1,343,832</u>	<u>1,044,125</u>

*The notes form part of these financial statements.*

**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**1 Accounting policies**

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

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Going concern**

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

**Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

**Grants**

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

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

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are 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 it is probable that the income will be received and the amount can be measured reliably.

**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'.

**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.

**Raising funds**

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

**Charitable activities**

Costs of charitable activities are 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.

## **Kingstone Academy Trust**

### **Notes to the Financial Statements** **For the year ended 31 August 2023**

#### **1 Accounting policies**

##### **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

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

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

Long leasehold buildings	- 2%-20% straight line method
Long leasehold land	- 125 years straight line
Furniture, fittings and equipment	- 15%-20% straight line method
Computer equipment	- 33% straight line method

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

##### **Liabilities**

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

##### **Provisions**

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

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

##### **Leased Assets**

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

##### **Financial Instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. 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.

##### **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 funders where the asset acquired or created is held for a specific purpose.

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

##### **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.

**Kingstone Academy Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**1 Accounting policies**

**Pension benefits**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) 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.

**Critical accounting judgements and key sources of estimation uncertainty**

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

**Critical accounting estimates and assumptions**

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact upon the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgment:**

The judgements that have had a significant effect on amounts recognised into the financial statements are those concerning depreciation policies and asset lives.

**2 Donations and capital grants**

	Unrestricted	Restricted	2023	2022
	funds	funds	Total	Total
	£'000	£'000	£'000	£'000
Donations and contributions from other organisations	83	-	83	-
Capital grants	-	374,032	374,032	70,836
	83	374,032	374,115	70,836



**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**3 Funding for the academy's educational operations**

			2023	2022
	Unrestricted	Restricted	Total	Total
	funds	funds	funds	funds
	£'000	£'000	£'000	£'000
<b>DfE/ ESFA grants</b>				
General annual grant	-	4,307,958	4,307,958	4,002,265
Other DfE/ESFA grants				
UIFSM	-	23,353	23,353	22,058
Pupil Premium	-	265,865	265,865	242,989
Supplementary grant	-	202,198	202,198	-
Rates relief	-	17,938	17,938	-
Others	-	32,871	32,871	121,262
	-	4,850,183	4,850,183	4,388,574
<b>Other Government grants</b>				
Local authority grants	-	195,173	195,173	168,575
Special education projects	-	215,889	215,889	177,260
	-	411,062	411,062	345,835
Other income from the academy trust's educational operations	94,549	-	94,549	25,695
	94,549	5,261,245	5,355,794	4,760,104

**4 Income from trading activities**

			2023	2022
	Unrestricted	Restricted	Total	Total
	funds	funds	funds	funds
	£'000	£'000	£'000	£'000
Hire of facilities	19,260	-	19,260	15,158
Catering income	1,355	-	1,355	1,245
Other income	6,718	-	6,718	3,500
	27,333	-	27,333	19,903

**5 Expenditure**

				2023	2022
	Staff costs	Premises	Other costs	Total	Total
	£'000	£'000	£'000	£'000	£'000
Raising funds					
Direct costs	3,500	13,205	5,626	22,331	21,510
Allocated support costs	-	-	-	-	-
Academy's educational operations:					
Direct costs	3,491,954	-	676,812	4,168,766	3,563,701
Allocated support costs	377,055	313,378	366,066	1,056,499	1,186,995
	3,872,509	326,583	1,048,504	5,247,596	4,772,206

**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**5 Expenditure - continued**

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£'000	£'000
Auditors' remuneration	11,575	10,500
Auditors' remuneration for non audit work	8,750	8,000
Depreciation - owned assets	303,365	240,764
Operating lease rentals	13,366	24,343
Interest of defined benefit pension scheme cost	32,000	40,000
	<u>32,000</u>	<u>40,000</u>

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

	2023	2022
	Total	Total
	funds	funds
	£'000	£'000
Direct costs	4,168,766	3,563,702
Support costs	1,056,499	1,186,995
	<u>5,225,265</u>	<u>4,750,697</u>

	2023	2022
	£'000	£'000
<b>Analysis of support costs</b>		
Support staff costs	377,055	547,292
Technology costs	86,122	106,566
Premises costs	313,378	289,545
Other support costs	256,905	106,488
Governance costs	23,039	137,104
	<u>1,056,499</u>	<u>1,186,995</u>

**7 Trustees' remuneration and benefits**

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of trustees' remuneration and other benefits was as follows:

	2023	2022
	£'000	£'000
D Bennett (Principal and Trustee) - resigned 31.08.23		
Remuneration	90-95	80-85
Employer's pension	20-25	15-20

During the year ended 31 August 2023 no Trustee expenses have been incurred (2022: £Nil)

**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**8 Staff costs**

	2023	2022
	£'000	£'000
Wages and salaries	2,883,887	2,545,600
Social security costs	285,118	253,196
Operating costs of defined benefit pension schemes	587,341	760,974
	<u>3,756,346</u>	<u>3,559,770</u>
Supply staff costs	87,163	75,555
Staff restructuring costs	29,000	-
	<u>3,872,509</u>	<u>3,635,325</u>
Staff restructuring costs comprise:		
Severance payments	29,000	-
	<u>29,000</u>	<u>-</u>

**Severance payments**

The academy trust paid 1 severance payment in the year, disclosed in the following bands:

£25,001 - £50,000	1	-
	<u>1</u>	<u>-</u>

**Special staff severance payments**

Included in staff restructuring costs are special staff severance payments totalling £29,000 (2022: £nil). Individually the payments were: £29,000.

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

	2023	2023	2022	2022
	Average	FTE	Average	FTE
Teachers	47	43	45	41
Admin	44	32	40	30
Management	4	4	5	5
	<u>95</u>	<u>79</u>	<u>90</u>	<u>76</u>

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

	2023	2022
	No.	No.
£60,001 - £70,000	2	2
£70,001 - £80,000	2	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>5</u>	<u>3</u>

**Key management personnel**

The key management personnel of the trust is the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance) received by key management personnel for their services to the academy trust was £404,776 (2022: £420,029).

**Kingstone Academy Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**9 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 Trust 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.

**10 Comparatives for the statement of financial activities 31 August 2022**

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Total funds £'000
<b>Income and endowments from</b>				
Donations and capital grants	-	-	70,836	70,836
<b>Charitable activities</b>				
Funding for the academy trust's educational operations	21,940	4,738,164	-	4,760,104
<b>Other trading activities</b>	19,903	-	-	19,903
<b>Investment income</b>	89	-	-	89
<b>Total income</b>	<u>41,932</u>	<u>4,738,164</u>	<u>70,836</u>	<u>4,850,932</u>
<b>Expenditure on</b>				
Raising funds	21,510	-	-	21,510
<b>Charitable activities</b>				
Academy trust educational operations	20,333	4,489,599	240,764	4,750,696
<b>Other expenditure</b>				
<b>Total expenditure</b>	<u>41,843</u>	<u>4,489,599</u>	<u>240,764</u>	<u>4,772,206</u>
<b>Net income/(expenditure)</b>	89	248,565	(169,928)	78,726
Transfers between funds	-	(84,357)	84,357	-
<b>Other recognised gains (losses)/ gains:</b>				
Revaluation of fixed assets	-	-	-	-
Actuarial (losses) / gains on defined benefit pension schemes	-	1,658,000	-	1,658,000
<b>Net movement in funds</b>	89	1,822,208	(85,571)	1,736,726
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>	-	(1,735,719)	4,608,472	2,872,753
<b>Total funds carried forward</b>	<u>89</u>	<u>86,489</u>	<u>4,522,901</u>	<u>4,609,479</u>

**Kingstone Academy Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**11 Central services**

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

- \* Human resources
- \* Financial services
- \* Education support services

The trust charges for these services on a flat % of budgeted total income as follows:

	2023	2022
KHS	7.5%	8.5%
KTPS	6.5%	7.5%

The actual amounts charged during the year were as follows:

	2023	2022
	Total	Total
	funds	funds
	£'000	£'000
Kingstone & Thruxton Primary Academy	63,000	65,005
Kingstone High School	293,000	265,200
	<u>356,000</u>	<u>330,205</u>

**12 Tangible fixed assets**

	Long term leasehold £'000	Furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost or valuation</b>					
At the 1 September 2022	5,505,013	167,571	200,996	-	5,873,580
Additions	100,352	451,857	15,195	13,857	581,261
Transfer	-	-	-	-	-
At 31 August 2023	<u>5,605,365</u>	<u>619,428</u>	<u>216,191</u>	<u>13,857</u>	<u>6,454,841</u>
<b>Depreciation</b>					
At the 1 September 2022	1,165,432	81,482	154,797	-	1,401,711
Charge for the year	149,534	116,755	33,612	3,464	303,365
At 31 August 2023	<u>1,314,966</u>	<u>198,237</u>	<u>188,409</u>	<u>3,464</u>	<u>1,705,076</u>
<b>NBV</b>					
At 31 August 2023	<u>4,290,399</u>	<u>421,191</u>	<u>27,782</u>	<u>10,393</u>	<u>4,749,765</u>
At 31 August 2022	<u>4,339,581</u>	<u>86,089</u>	<u>46,199</u>	<u>-</u>	<u>4,471,869</u>

Leasehold land and buildings are subject to a 125 year lease with the local authority.  
Included in cost or valuation of land and buildings is leasehold land of £652,000.

**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

<b>13 Debtors</b>	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	11,113	10,694
Prepayments and accrued income	300,342	54,298
VAT recoverable	29,705	246,412
	<b>341,160</b>	<b>311,404</b>

<b>14 Creditors: falling due within one year</b>	<b>2023</b>	<b>2022</b>
	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	110,097	109,333
CIF loan	56,417	-
Other taxation and social security	138,899	127,642
Other creditors	11,600	-
Accruals and deferred Income	199,507	92,944
	<b>516,520</b>	<b>329,919</b>

Included within creditors is a CIF loan of £56,417 from the Education and Skills Funding Agency. Trustees have agreed that this will be repaid in full during the 2023-24 academic year. No interest will be payable on the loan.

	<b>2023</b>	<b>2022</b>
<b>Deferred income</b>	<b>£'000</b>	<b>£'000</b>
At 1 September	28,904	27,495
Resources deferred	88,361	28,904
Amounts released from previous periods	(28,904)	(27,495)
	<b>88,361</b>	<b>28,904</b>

At the balance sheet date the academy was holding funds received in advance for Free School Meals, school trips and rates funding and for the 2023/24 academic year.

**Kingstone Academy Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**15 Leasing agreements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	Total	Total
	funds	funds
	£'000	£'000
Within one year	10,858	23,146
Between one and five years	17,350	27,521
	<u>28,208</u>	<u>50,667</u>

**16 Members' liability**

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

**17 Analysis of net assets between funds**

	Unrestricted	Restricted	Restricted	Total
	fund	fund	fixed assets	funds
	£'000	£'000	£'000	£'000
Fixed assets	-	-	4,749,765	4,749,765
Current assets	-	1,543,305	141,687	1,684,992
Current liabilities	-	(415,880)	(100,640)	(516,520)
Non-current liabilities	-	-	-	-
Pension liability	-	(153,000)	-	(153,000)
	<u>-</u>	<u>974,425</u>	<u>4,790,812</u>	<u>5,765,237</u>

	Unrestricted	Restricted	Restricted	Total
	fund	fund	fixed assets	funds
	£'000	£'000	£'000	£'000
Fixed assets	-	-	4,471,869	4,471,869
Current assets	89	1,281,767	73,673	1,355,529
Current liabilities	-	(307,278)	(22,641)	(329,919)
Non-current liabilities	-	-	-	-
Pension liability	-	(888,000)	-	(888,000)
	<u>89</u>	<u>86,489</u>	<u>4,522,901</u>	<u>4,609,479</u>

**Kingstone Academy Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**18 Movement in funds**

	Balance at 1 September 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	974,489	4,307,958	(3,957,778)	(197,244)	1,127,425
UIFSM	-	23,353	(23,353)	-	-
Pupil Premium	-	265,865	(265,865)	-	-
Supplementary grant	-	202,198	(202,198)	-	-
Rates relief	-	17,938	(17,938)	-	-
Other DfE/ESFA grants	-	32,871	(32,871)	-	-
Other Government grants	-	-	-	-	-
Local authority grants	-	411,062	(411,062)	-	-
Other restricted funds	-	-	-	-	-
	<u>974,489</u>	<u>5,261,245</u>	<u>(4,911,065)</u>	<u>(197,244)</u>	<u>1,127,425</u>
<b>Restricted pension fund</b>	<u>(888,000)</u>	<u>-</u>	<u>89,000</u>	<u>646,000</u>	<u>(153,000)</u>
	<u>86,489</u>	<u>5,261,245</u>	<u>(4,822,065)</u>	<u>448,756</u>	<u>974,425</u>
<b>Restricted fixed asset funds</b>					
Fixed asset fund	4,522,901	374,032	(303,365)	197,244	4,790,812
	<u>4,522,901</u>	<u>374,032</u>	<u>(303,365)</u>	<u>197,244</u>	<u>4,790,812</u>
<b>Total restricted funds</b>	<u>4,609,390</u>	<u>5,635,277</u>	<u>(5,125,430)</u>	<u>646,000</u>	<u>5,765,237</u>
<b>Unrestricted funds</b>	<u>89</u>	<u>122,077</u>	<u>(122,166)</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u>4,609,479</u>	<u>5,757,354</u>	<u>(5,247,596)</u>	<u>646,000</u>	<u>5,765,237</u>

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

General Annual Grant (GAG): must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.

Other Restricted General Funds: include payments made towards Academy trips.

The Pension Fund: is the (deficit)/ surplus in the Local Government Pension Scheme.

Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and depreciation.

Unrestricted Funds: are all those income and expenses for general use in the Academy.



**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**18 Movement in funds - continued**

	Balance at 1 September 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	627,926	4,002,265	(3,571,345)	(84,357)	974,489
Pupil premium	-	22,058	(22,058)	-	-
UIFSM	-	242,989	(242,989)	-	-
Rates relief	-	23,711	(23,711)	-	-
PE & sports grant	-	17,600	(17,600)	-	-
Others	-	79,951	(79,951)	-	-
Local authority	-	345,835	(345,835)	-	-
COVID catch up	31,355	-	(31,355)	-	-
Other restricted funds	-	3,755	(3,755)	-	-
	<u>659,281</u>	<u>4,738,164</u>	<u>(4,338,599)</u>	<u>(84,357)</u>	<u>974,489</u>
<b>Restricted pension fund</b>	<u>(2,395,000)</u>	<u>-</u>	<u>(151,000)</u>	<u>1,658,000</u>	<u>(888,000)</u>
	<u>(1,735,719)</u>	<u>4,738,164</u>	<u>(4,489,599)</u>	<u>1,573,643</u>	<u>86,489</u>
<b>Restricted fixed asset funds</b>					
Fixed asset fund	4,608,472	70,836	(240,764)	84,357	4,522,901
	<u>4,608,472</u>	<u>70,836</u>	<u>(240,764)</u>	<u>84,357</u>	<u>4,522,901</u>
<b>Total restricted funds</b>	<u>2,872,753</u>	<u>4,809,000</u>	<u>(4,730,363)</u>	<u>1,658,000</u>	<u>4,609,390</u>
<b>Unrestricted funds</b>	<u>-</u>	<u>41,932</u>	<u>(41,843)</u>	<u>-</u>	<u>89</u>
<b>Total funds</b>	<u>2,872,753</u>	<u>4,850,932</u>	<u>(4,772,206)</u>	<u>1,658,000</u>	<u>4,609,479</u>

**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**18 Movement in funds - continued**

**Analysis by Fund balance**

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£'000	£'000
Kingstone High School	672,847	540,714
Kingstone & Thruxton Primary School	421,847	397,487
Kingstone Academy Trust	32,731	36,377
	<hr/>	<hr/>
Total before fixed assets and pension reserve	1,127,425	974,578
Restricted fixed asset fund	4,790,812	4,522,901
Pension reserve	(153,000)	(888,000)
	<hr/>	<hr/>
<b>Total</b>	<b>5,765,237</b>	<b>4,609,479</b>
	<hr/>	<hr/>

**Analysis of academies by cost**

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2023 £'000
Kingstone High School	2,521,562	220,978	69,163	884,363	3,696,066
Kingstone & Thruxton Primary School	693,305	101,854	13,490	182,687	991,336
Kingstone Academy Trust	126,705	120,943	-	9,181	256,829
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	3,341,572	443,775	82,653	1,076,231	4,944,231
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

**Analysis of academies by cost**

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2022 £'000
Kingstone High School	2,214,762	156,302	65,807	707,550	3,144,421
Kingstone & Thruxton Primary School	648,965	95,267	8,999	188,955	942,187
Kingstone Academy Trust	114,598	329,877	-	360	444,835
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,978,325	581,446	74,806	896,864	4,531,442
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**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**19 Pension and similar obligations**

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Staffordshire County Council. Both are Multi-employer Defined Benefit Pension Schemes.

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

Contributions amounting to £72,201 were payable to the schemes at 31 August 2023 (2022: £68,224) and are included within creditors.

**Teachers' pension scheme**  
**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2023. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

**Valuation of the teachers' pension scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury. 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 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation 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 2.4 % above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth

The valuation result is due to be implemented from 1 April 2024.

The pension costs paid to TPS in the period amounted to £474,300 (2022: £424,157).

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

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

**Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2023 was £229,211 (2022: £151,081), of which employer's contributions totalled £185,020 (2022: £115,268), and employees' contributions totalled £44,191 (2022: £35,813). The agreed contribution rates for future years are 20.1% for employers and a range of 5.5% to 9.9% for employees.

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

**Kingstone Academy Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**19 Pension and similar obligations - continued**

The amounts recognised in the Balance Sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	£	£
<b>Present value of obligations</b>	<b>(2,705,000)</b>	<b>(3,141,000)</b>
<b>Fair value of plan assets</b>	<b>2,552,000</b>	<b>2,253,000</b>
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	<b>(153,000)</b>	<b>(888,000)</b>
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The amounts recognised in the statement of financial activities are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	£	£
Current service costs	181,000	290,000
Net interest from net defined benefit asset/liability	32,000	40,000
Admin expenses	3,000	2,000
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	<b>216,000</b>	<b>332,000</b>
	<hr/>	<hr/>
Actual return on plan assets	<b>(53,000)</b>	<b>(50,000)</b>
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Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	£	£
Defined benefit obligation - brought forward	3,141,000	4,543,000
Current service cost	181,000	290,000
Contributions by scheme participants	137,000	36,000
Interest cost	44,000	78,000
Actuarial (gains)/ losses	(763,000)	(2,063,000)
Benefits/ transfers paid	45,000	(60,000)
Experience gain/(loss)	(80,000)	317,000
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	<b>2,705,000</b>	<b>3,141,000</b>
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	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	£'000	£'000
Fair value of scheme assets - brought forward	2,253,000	2,148,000
Interest income	105,000	38,000
Employer contributions	305,000	181,000
Employee contributions	44,000	36,000
Benefits/ transfers paid	45,000	(60,000)
Admin expenses	(3,000)	(2,000)
Assets other remeasurement	(197,000)	(88,000)
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	<b>2,552,000</b>	<b>2,253,000</b>
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**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**19 Pension and similar obligations - continued**

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial gains from:		
Changes in demographic assumptions	86,000	-
Changes in financial assumptions	677,000	2,063,000
Experience gain/(loss)	80,000	(317,000)
Return on fund assets in excess of interest	(197,000)	(88,000)
	<b>646,000</b>	<b>1,658,000</b>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
Equities	73.2%	73.4%
Other bonds	2.3%	2.7%
Property	8.2%	8.3%
Cash/liquidity	0.9%	1.8%
Other	15.4%	13.8%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	<b>2023</b>	<b>2022</b>
Discount rate	5.40%	4.30%
Future salary increases	4.30%	4.40%
Future pension increases	4.30%	4.40%
Inflation assumption	2.80%	2.90%

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

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
<b>Retiring today</b>		
Males	21.4	22.6
Females	24.0	25.0
<b>Retiring in 20 years</b>		
Males	22.5	24.1
Females	25.7	27.0

**Kingstone Academy Trust**  
**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**19 Pension and similar obligations - continued**

**Sensitivity analysis as at 31 August 2023**

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as follows:

	2023	2022
	£'000	£'000
Discount rate -0.1%	197	66
Salary increase rate +0.1%	12	-
Pension increase rate (CPI) +0.1%	188	66
1 year increase in member life expectancy	302	62

**20 Related party disclosures**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest.

All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations, the Academies Financial Handbook and normal procurement procedures.

There were no other related party transactions for the year ended 31 August 2023 other than certain Trustees' remuneration and expenses already disclosed in note 7.

<b>21 Capital commitments</b>	2023	2022
	£'000	£'000
Contracted for, but not provided in the financial statements	67,690	251,081

**22 Reconciliation of net income to net cash flow from operating activities**

	2023	2022
	£'000	£'000
<b>Net income for the reporting period (as per the Statement of Financial Activities):</b>	<b>509,758</b>	<b>78,726</b>
<b>Adjustments for:</b>		
Depreciation charge	303,365	240,764
Capital grants from DfE/ESFA	(374,032)	(70,836)
(Increase) in debtors	(29,756)	(186,283)
Increase in creditors	130,184	171,630
Defined benefit pension scheme cost less contributions payable	(124,000)	109,000
Defined benefit pension scheme finance cost	35,000	42,000
<b>Net cash (used in)/provided by operations</b>	<b>450,519</b>	<b>385,001</b>

**Kingstone Academy Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**23 Analysis of changes in net funds**

	At 1/9/22	Cash flow	Non cash	At 31/8/23
	£'000	£'000	changes	£'000
			£'000	
Cash and cash equivalents	1,044,125	299,707	-	1,343,832
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	1,044,125	299,707	-	1,343,832
Loans falling due within one year	-	56,417	-	56,417
Loans falling due after more than one year	-	-	-	-
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	1,044,125	356,124	-	1,400,249
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