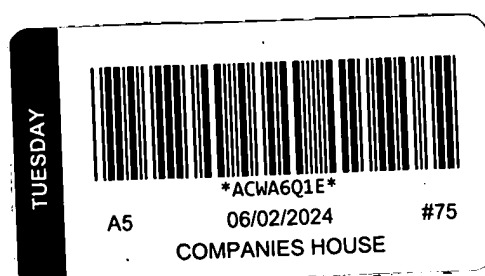


Company registration number 08698831 (England and Wales)

M20 LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2023



M20 LEARNING TRUST

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 9
Governance statement	10 - 13
Statement on regularity, propriety and compliance	14
Statement of trustees' responsibilities	15
Independent auditor's report on the accounts	16 - 18
Independent reporting accountant's report on regularity	19 - 20
Statement of financial activities including income and expenditure account	21 - 22
Balance sheet	23
Statement of cash flows	24
Notes to the accounts including accounting policies	25 - 45

M20 LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

David Allan (Chair) #
Katharine Allsup
Beverley Hughes (resigned 18/11/2022)
Mark O'Keefe #
Karen Walkden
Nicolas Brown #
Emma Forrester (appointed 13/12/2022)

members of the financial oversight, audit and risk committee

Members

David Allan
Gunjit Bandesha
Fayaz Hammond
Lucy Powell

Executive and senior leadership team

- Executive Headteacher/CEO	Elizabeth Hardy
- Chief Finance and Operations Officer	Tina Smith
- Deputy Headteacher	Mike Davenport
- Deputy Headteacher	Ruth Byrne

Company registration number

08698831 (England and Wales)

Principal and registered office

Beaver Road Primary School, Beaver Road, Didsbury,
Manchester, M20 6SX

Independent auditors

DJH Mitten Clarke Audit Limited, Bridge House, Ashley Road, Hale,
Altrincham, WA14 2UT

Bankers

Lloyds Bank Plc, 42 – 46 Market Street, Deansgate, Manchester, M1
1PW

Solicitors

Browne Jacobson, 1 Hardman Square, Manchester M3 3EB

M20 LEARNING TRUST

TRUSTEES' REPORT

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 1 September 2022 to 31 August 2023. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 3 to 11 serving a catchment area in Didsbury. It has a pupil capacity of 1008, which includes a 78 FTE place nursery and had a roll of 971 in the school's census on 19 January 2023.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee (company number: 08698831) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of M20 Learning Trust are also directors of the charitable company for the purposes of company law. The charitable company is known as both the M20 Learning Trust and Beaver Road Primary School.

Details of the trustees who served during the year and to the date these accounts are approved are included in the reference and administrative details on page 1.

The accounting officer for the trust is the executive headteacher/chief executive officer who is supported in the role by the chief finance and operations officer.

Members' liability

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

Trustees' indemnities

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

Method of recruitment and appointment or election of trustees

The management of the trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association. The articles of association require members of the charitable company to appoint at least three trustees to be responsible for the statutory and constitutional affairs and the management of the academy trust. Trustee appointments are subject to approval of the members and the full board of trustees.

Trustees are appointed for a term of four years and retire on the expiration of their office but may be eligible for re-election at the meeting at which they retire. Trustees are recruited through the existing board of trustees, taking into account the skills and experience, which the board of trustees feel, are most useful at the time of recruitment to ensure there is breadth of skill and knowledge necessary to advance the trust in all areas.

Policies and procedures adopted for the induction and training of trustees

The trustees are appointed based on the skills that they will bring to the board of trustees or based on a proposal to the board of trustees by representative groups. On appointment, trustees receive information relating to M20 Learning Trust, meet with the chief executive officer and receive an induction pack on the role and responsibilities of trustees. During this year, trustees were offered all necessary training.

Organisational structure

The management structure of the trust consists of the board of trustees, the local governing body, specific committees, the central executive team and the senior leadership team of the school. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees fulfil a strategic role and are responsible for setting general policy, adopting a strategic school development plan and setting the budget. They also monitor M20 Learning Trust by the use of financial reports and examination results and make major decisions about the direction of M20 Learning Trust, capital expenditure and senior staff appointments.

The trust central executive team is the executive headteacher/chief executive officer and the chief finance and operations officer. These leaders control M20 Learning Trust at an executive level implementing the policies laid down by the trustees and are accountable to them for the performance of the trust. The chief executive officer is also the accounting officer.

The board of trustees has six committees. Each committee has its own terms of reference detailing the responsibilities discharged to the committee. The terms of reference and meeting frequency for each committee is reviewed and approved by the trustees annually.

The committees of the board of trustees are:

- School improvement and standards
- Financial oversight, audit and risk
- CEO's performance management
- Remuneration
- Remuneration appeals
- Disciplinary

Arrangements for setting pay and remuneration of key management personnel

Key management personnel are defined as being those who have 'authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise'. M20 Learning Trust defines this as the trust central executive team. The trust has a remuneration committee which is responsible for setting the pay and remuneration of the trust's central executive team and reviewing benchmarks, parameters or criteria used in setting their pay. The committee consists of three trustees.

Trade union facility time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

Relevant union officials

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

Percentage of time spent on facility time

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

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£0
Provide the total pay bill	n/a
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / Total paid facility time hours) x 100	0%
--	----

Related parties and other connected charities and organisations

In March 2021, the trust entered into a formal memorandum of agreement with Martenscroft Nursery School and Children's Centre to provide the school with strategic leadership and deliver a financial recovery plan. The memorandum of agreement is currently in place until 31 August 2024 and is expected to be a long-term partnership arrangement for the foreseeable future. The trust has no other related parties, connected charities or organisations.

Objectives and activities

Objects and aims

The principal object and activity of the trust is the operation of an academy to advance, for the public benefit, education for pupils in the trust, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing an academy, offering a broad and balanced curriculum

M20 Learning Trust's vision is to deliver excellent education for all the children in the M20 Learning Trust within the framework of our core values.

M20 Learning trust believes in the transformational and life-enhancing power of education, in children's rights and the values of respect, dignity and non-discrimination, respect for all faiths and non-faith, honesty and respect for the law and service to our communities and a commitment to sustainability.

Our aim is to:

- To promote a rich and exciting curriculum that enables our pupils to develop and thrive in a safe environment.
- To achieve strong progress in educational and life outcomes regardless of background.
- To encourage creativity, participation in the performing arts and other enrichment activities.
- To have strong and strategic leadership at all levels.
- To aim for and achieve excellence in professional learning and development.
- To promote mental and physical health.
- To grow the trust so that it becomes a thriving collaboration of schools which create opportunities for our students and staff, raise aspirations and inspire excellence.

Objectives, strategies and activities

The wider aims of M20 Learning Trust are:

- To play our part in raising national standards in education through sharing good practice with other schools and teachers across Manchester.
- To take a leading role in national initiatives.

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

M20 Learning Trust's priorities for the year ending 31 August 2023 were:

- Progress the Trust Board strategies and identity to ensure they reflect our values and aims and are easily accessible to our current school community and others who may wish to work with us.
- Develop further our capacity to support other schools locally and within Greater Manchester, as well as increasing our partnerships and networks to support professional development and experience of all staff.
- Explore trust expansion opportunities, working with the DFE and Manchester City Council.

Our progress against these objectives is described in the achievements and performance section below.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on the public benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees considered how planned activities will contribute to the aims and objectives they have set.

M20 Learning Trust's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

Overview

For the academic year 2022/23 all of the agreed trust priorities and school priorities were successfully progressed. The main achievements of the trust were:

- Supporting other schools through NLE and LLME deployments.
- Formal partnership agreement with Martenscroft Nursery School and Children's Centre to provide the school with strategic leadership extended to 31 August 2024.
- Successful development of staff professionally at all levels through qualifications, partnerships and networks, which has led to increased capacity as well as improved provision within our schools

The trust has signed up to the governments National Free School Meals Voucher Scheme for pupils in receipt of Free School Meals. The school distributed the vouchers to the relevant families.

Beaver Road Primary School

The school continues to grow from three forms of entry to five forms of entry. This year, in line with the agreed improvement priorities, the school has successfully:

- Continued to enhance the provision for children with SEND across the whole school, ensuring individual holistic needs are met and accelerated progress has been made from their starting points.
- Continued to improve and embed maths progress and attainment in KS2, in particularly for disadvantaged children.
- Continued to improve the assessment of curriculum foundation subjects in order for the impact of the teaching and learning to be tracked and monitored accurately.
- Continued to provide extended learning opportunities and challenges to pupils to pursue learning in their own areas of interest or develop new skills.
- Continued to improve quality of extended school care offered to support parents and carers.
- Improved the attainment of all pupils in writing and reading.
- Developed provision and practice to support increasing numbers of children with EAL across the school.
- Ensured the highest quality approaches to teaching and learning are embedded and consistent across the whole school.

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The schools overall summary is as follows:

School Context:	School			Manchester	National
	2019	2022	2023	2023	2023
Number on roll	747	893	971		
% FSM	5.8%	10.6%	11.9%	42.2%	23.8%
% EAL	17.5%	19.6%	23.2%	44.0%	20.2%
% non-White British	46.1%	47.9%	50.1%	69.4%	37.4%
% SEND	9.0%	10.8%	11.4%	17.6%	17.1%
% EHC Plan	1.3%	2.2%	2.5%	3.1%	4.2%

Early Years Foundation Stage:

	School			Manchester	National
	2019	2022	2023	2023	2023
Good Level of Development	75.8%	60.7%	73.6%	58.5%	67%
Prime Early Learning Goals	86.3%	73.8%	83.3%	65.5%	75%
Specific Learning Goals	75.0%	61.4%	75.0%	56.4%	67%
Average Point Score	36.5	31.0	31.8	29.6	0.0

Year 1 Phonics:

	School			Manchester	National
	2019	2022	2023	2023	2023
Expected Standard	87.8%	75.3%	82.9%	73.9%	79%

KS1:

	School			Manchester	National
	2019	2022	2023	2023	2023
Reading	80.9%	68.7%	72.8%	61.4%	68%
Writing	75.3%	55.1%	60.5%	52.0%	60%
Maths	84.3%	72.1%	70.7%	64.1%	70%
Science	91.0%	77.6%	74.8%	69.3%	79%

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

KS2:

	School			Manchester	National
	2019	2022	2023	2023	2023
Reading	79.5%	79.8%	85.2%	67.5%	73%
Writing	86.4%	71.9%	72.1%	60.6%	71%
Maths	78.4%	78.7%	90.9%	68.2%	73%
RWM	70.5%	66.3%	69.8%	51.0%	59%

Ofsted 'outstanding' in all measures:

The school was last inspected in 2011 when the academy trust was deemed 'outstanding'. The academy trust constantly reviews and monitors its own progress through self-evaluation and against other academies nationally and locally to ensure that the academy trust continues to be 'outstanding'.

Attendance

The trust's overall attendance for 2022/2023 was 95.2% an increase of 0.5% from 2021/2022. Persistence absence (absence over 10%) was 12.62%, a decrease of 2.17% from 14.79% in 2021/2022.

Key performance indicators

The senior leadership team considers the following to be the key performance indicators for the trust:

- Attendance
- Attainment and achievement
- Ofsted 'outstanding' in all measures

The results achieved in the year for these key performance indicators are included above.

Going concern

The trustees have taken steps to ensure that the M20 Learning Trust is a going concern by ensuring that any material impact on the trust is addressed and monitored as soon as it is realised.

After making appropriate enquiries, the board of trustees has a reasonable expectation that the M20 Learning Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The trust's financial position for the period to 31 August 2023 demonstrates total income of £5,629,000 and total expenditure of £5,793,000, excluding the pension valuation. This left total funds carried forward balance as at 31 August 2023 of £4,829,000. Of this amount, £4,629,000 relates to the restricted fixed assets fund, £15,000 pension surplus, leaving £185,000 of funds available to meet school expenditure.

The pension value as at 31 August 2023 has been determined by the actuary which is now showing the academy trust as having a pension asset as at 31 August 2023. In accordance with applicable accounting standards, the asset value has been deemed to be recognisable on the basis that the academy trust has expectations of reduced future employer contributions at some point during the life of the plan. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Most of the M20 Learning Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, some of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the unrestricted fund. This resulted in the pension fund showing a surplus of £15,000 which has been carried forward to 2023/2024.

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves policy

The level of reserves held at 31 August 2023 total £4,829,000, of which £185,000 are free reserves. A proportion of the reserves will be allocated as part of the School Development Plan, to update, improve and maintain facilities and resources. A capital-spending plan has been completed detailing the short, medium and long-term needs and plans of M20 Learning Trust for which reserves will be allocated and determined in order of priority to meet the needs of the school. The trustees will continue to review the reserve levels annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trusts reserves policy states that the trust aims hold 5% of the trusts general annual grant (GAG) as reserves, with the minimum of 2% being held. The current level of reserves is 5% of the GAG; this falls within the expected level of reserves held and is in line with the trusts reserves policy.

Investment policy

M20 Learning Trust aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. M20 Learning Trust does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

Principal risks and uncertainties

M20 Learning Trust has a risk management policy. The main risks identified include both strategic and operational risks and have been assessed under the following categories:

Professional – achieving strategic aims, management structures, educational priorities, conduct, and liability beyond classroom and staff and pupil procedures.

Physical – injury to staff and pupils, property, financial, legal, environmental, contractual, technological and disaster recovery.

The trustees are aware of their responsibility of the major risks to which the M20 Learning Trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the M20 Learning Trust and its finances. The trustees have implemented a number of systems to assess risks that the academy trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety and school visits) and in relation to the control of finances. The trustees will introduce further systems, including refinements of internal financial controls in order to minimise risks so that they are satisfied that systems are in place to mitigate any exposure to major risks. They have ensured they have adequate insurance cover. M20 Learning Trust has an effective system of internal financial controls.

A formal review of M20 Learning Trust's risk management process is undertaken on an annual basis and key controls in place will include:

- Formal agendas for all committee activity
- Terms of reference for all board of trustees and delegated committees under the direction of the board of trustees
- Pecuniary interests of trustees reviewed at each meeting
- Comprehensive budgeting and management reporting
- Established organisational structure and clear lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for protection for the vulnerable

Fundraising

The parent teacher association undertakes fundraising activities for M20 Learning Trust. The parent teacher association is a separate charity and is accountable for all funds that are raised for the trust.

M20 LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Plans for future periods

M20 Learning Trust will continue striving to improve and develop its provisions for pupils and will continue its efforts to ensure all pupils reach their full potential.

M20 Learning Trust aims to expand the number of schools within the trust; this may include a new free school or existing schools wanting to join the trust. The trust has also developed a long-term partnership arrangement with Martenscroft Nursery School and Children's Centre to provide the school with long-term strategic leadership support.

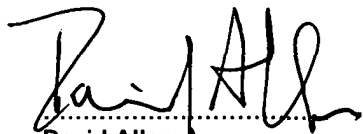
M20 Learning Trust has a secure understanding of its current strengths and areas for development based on ongoing self-evaluation and analysis of student data. The academy trust development plan has set clear priorities for the year ahead and has been agreed by the board of trustees. Progress towards the development plan targets are regularly monitored and are amended annually by the executive team and trustees. It is underpinned by appropriate budget links.

Auditor

In so far as the trustees are aware:

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

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



David Allan
Chair of trustees

M20 LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that M20 Learning Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The board of trustees has delegated the day-to-day responsibility to the chief executive officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between M20 Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities.

The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
David Allan	6	6
Katherine Allsup	6	6
Beverley Hughes (resigned 18/11/2022)	2	2
Mark O'Keefe	6	6
Karen Walkden	6	6
Nicolas Brown	5	6
Emma Forrester (appointed 13/12/2022)	4	4

The board of trustees have met the minimum requirement of meeting at least three times a year. The board of trustees maintained effective oversight of funds by meeting six times in the year as well as discharging responsibility to the financial oversight, audit and risk committee who met 4 times in this year.

As at the 31 August 2023 there were six serving trustees. The trustees review their skills annually, which informs their decision on whether any additional trustees are required to strengthen the board.

Conflicts of interest

M20 Learning Trust has a conflict of interest policy. The policy applies to all M20 Learning Trust (M20LT) members, trustees and local governors and sets out the minimum requirements that must be met. Individual declaration of interest forms are collated to form a register of interests which is compiled annually. The register of interests is used to identify any potential, actual or perceived conflicts of interest in order to enable the trust to avoid or appropriately manage them. Members, trustees and local governors have pecuniary interests as a standard agenda item at the beginning of each meeting to declare any actual or potential conflict of interests.

Governance reviews

The trust board of the academy has reviewed its systems and processes and carried out a skills audit of existing trustees. Annual agenda plans for both the full board and for the financial oversight, audit and risk committee have been put in place and the chair has attended relevant training during the year.

The financial oversight, audit and risk committee is a sub-committee of the main board of trustees. Its purpose is to maintain an oversight of the academy trust's governance, risk management, internal control and value for money framework. It also assists the decision making of the board of trustees by enabling more detailed consideration to be given to the best means of fulfilling the board of trustees' responsibility to ensure sound management of the M20 Learning Trust's finances and resources, including proper planning, monitoring and probability. This committee will make appropriate comments and recommendations on such matters to the board of trustees on a regular basis. Major issues will be referred to the board of trustees for ratification.

M20 LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The financial oversight, audit and risk committee will also report its audit findings annually to the board of trustees and the accounting officer as a critical element of the audit annual reporting requirements.

The financial oversight, audit and risk committee has formally met 4 times during the year. Attendance during the year at meetings of the financial oversight, audit and risk committee was as follows:

Trustee/Governor	Meetings attended	Out of a possible
Mark O'Keefe	4	4
Nicolas Brown	3	4
David Allan	4	4

Review of value for money

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

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

- Keeping staffing structures and level of resources continually under review to ensure the most appropriate provision for our pupils. This ensures that value for money is maximised in terms of quality of teaching and learning, curriculum management and ensuring the correct adult-pupil ratios.
- The continued use of the pupil asset system enabling all teachers and the senior leadership team to track progress and attainment at a more detailed level to ensure all pupils make accelerated progress throughout each year and so that interventions can be planned and implemented where necessary. This also directs any school improvements required in year and what the school needs to focus on in future, this in turn ensures that the budget is allocated to specific areas that require additional resources, improving value for money.
- Having in place robust governance and financial controls validated by the internal audit reports.
- Having robust procedures in place for placing of contracts and purchasing of goods and services to ensure best value for money. These include undertaking tendering exercises for major items of spending, obtaining three quotes for orders over £10,000. Any orders over £10,000 are reviewed by the trust's chief finance and operations officer to ensure that value for money is being utilised and allocated wisely.
- Ensuring the M20 Learning Trust's board of trustees approves the budget each year and is mindful of the need to balance expenditure against income to ensure that the academy trust remains a 'going concern'. The board of trustees also receives and approves the annual accounts and the external auditor's management report.
- The trust targets its use of the Pupil Premium so that the trust's most deprived pupils have the opportunity to raise their individual levels of attainment resulting in improved educational outcomes for all.
- Sharing good practice with a number of local schools, which helps to drive up standards and keep costs to a minimum.
- Benchmarking financial performance against other academy trusts to demonstrate that the academy trust provides good value for money.
- The trust runs before and after school care for pupils, as well as wraparound nursery care. This provides the trust with a reliable revenue stream whilst maximising income generation for the trust.

The trust is always mindful that minor improvements or savings are not cost effective if the administration involves substantial time or costs. Time wasted on these minor improvements and savings can also distract management from more important or valuable areas. The trust therefore uses well known suppliers for small orders (e.g. stationery, small equipment).

The trust has an asset register, which manages the allocation of resources in terms of costing, effectiveness and depreciation.

The executive headteacher was awarded National Leaders of Education (NLE) status in 2015. As CEO and legacy NLE she is commissioned by both local authority and the DFE to support other schools experiencing difficulties or challenges.

M20 LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the M20 Learning Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The 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 financial oversight, audit and risk committee of reports which indicate financial performance against the forecast 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; and
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has appointed internal auditors. The internal auditors for 2022-2023 was Tridan Business Concepts, Computeam Cyberservices and Global Policing.

Following the newly revised FRC Ethical Standard for auditors, the M20 Learning Trust has appointed an internal auditor to carry out the academy trust's internal scrutiny checks from 1 September 2022 to 31 August 2023.

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

- A review and retest of the recommendations from the previous audits carried out.
- A review of the monthly financial closedown procedures.
- A review of the cyber security systems and processes.
- A review of the data protection procedures and compliance.

The internal auditor has delivered their schedule of work as planned and provided details of any material control issues arising as a result of the review. There were no material control issues arising from the review.

Review of effectiveness

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

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

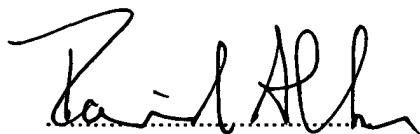
M20 LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the financial oversight, audit and risk committee and ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 12 December 2023 and signed on its behalf by:



David Allan
Chair of trustees



Liz Hardy
Accounting officer

M20 LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of M20 Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement 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 Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of 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.



David Allan
Accounting officer

Date: 12 December 2023

M20 LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of M20 Learning Trust for the purposes of company law) are responsible for preparing the trustees' report and the accounts in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

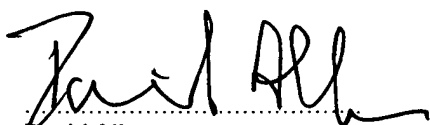
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 12 December 2023 and signed on its behalf by:



David Allan
Chair of trustees

M20 LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF M20 LEARNING TRUST FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of M20 Learning Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- 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 the Academies Accounts Direction 2022 to 2023.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the accounts or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

M20 LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF M20 LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the trustees' report including the incorporated strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error. In preparing the accounts, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

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

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

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

M20 LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF M20 LEARNING TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Identify and test journal entries, in particular any journal entries posting with unusual account combinations.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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



Candice Beynon FCCA (Senior Statutory Auditor)
for and on behalf of DJH Mitten Clarke Audit Limited
Chartered Accountants

Statutory Auditor

Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Date: 12/12/2023.....

M20 LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO M20 LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 2 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by M20 Learning 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 M20 Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the M20 Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than M20 Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of M20 Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of M20 Learning Trust's funding agreement with the Secretary of State for Education dated 29 October 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

M20 LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO M20 LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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.



DJH Mitten Clarke Audit Limited
Reporting Accountant

Date: 12/12/23

M20 LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2023 £000	Total 2022 £000
Income and endowments from:						
Donations and capital grants	3	-	34	170	204	145
Charitable activities:						
- Funding for educational operations	4	-	4,813	-	4,813	4,307
Other trading activities	5	612	-	-	612	500
Total		<u>612</u>	<u>4,847</u>	<u>170</u>	<u>5,629</u>	<u>4,952</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	277	5,332	184	5,793	5,326
Total	6	<u>277</u>	<u>5,332</u>	<u>184</u>	<u>5,793</u>	<u>5,326</u>
Net income/(expenditure)		335	(485)	(14)	(164)	(374)
Transfers between funds	16	(249)	415	(166)	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	18	-	28	-	28	2,762
Net movement in funds		86	(42)	(180)	(136)	2,388
Reconciliation of funds						
Total funds brought forward		99	57	4,809	4,965	2,577
Total funds carried forward		<u>185</u>	<u>15</u>	<u>4,629</u>	<u>4,829</u>	<u>4,965</u>

M20 LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2022 £000
Income and endowments from:					
Donations and capital grants	3	-	31	114	145
Charitable activities:					
- Funding for educational operations	4	-	4,307	-	4,307
Other trading activities	5	500	-	-	500
Total		<u>500</u>	<u>4,338</u>	<u>114</u>	<u>4,952</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	348	4,707	271	5,326
Total	6	<u>348</u>	<u>4,707</u>	<u>271</u>	<u>5,326</u>
Net income/(expenditure)		152	(369)	(157)	(374)
Transfers between funds	16	(135)	(52)	187	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	18	-	2,762	-	2,762
Net movement in funds		17	2,341	30	2,388
Reconciliation of funds					
Total funds brought forward		82	(2,284)	4,779	2,577
Total funds carried forward		<u>99</u>	<u>57</u>	<u>4,809</u>	<u>4,965</u>

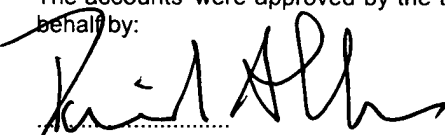
M20 LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£000	£000	£000	£000
Fixed assets					
Tangible assets	11		4,629		4,708
Current assets					
Debtors	12	395		373	
Cash at bank and in hand		346		209	
		<u>741</u>		<u>582</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(536)		(353)	
Net current assets			205		229
Total assets less current liabilities			4,834		4,937
Creditors: amounts falling due after more than one year	14		(20)		(29)
Net assets excluding pension asset			4,814		4,908
Defined benefit pension scheme asset	18		15		57
Total net assets			<u>4,829</u>		<u>4,965</u>
Funds of the academy trust:					
Restricted funds	16				
- Fixed asset funds			4,629		4,809
- Pension reserve			15		57
Total restricted funds			4,644		4,866
Unrestricted income funds	16		185		99
Total funds			<u>4,829</u>		<u>4,965</u>

The accounts were approved by the trustees and authorised for issue on 12 December 2023 and are signed on their behalf by:


 David Allan
 Chair of trustees

Company registration number 08698831 (England and Wales)

M20 LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £000	£000	2022 £000	£000
Cash flows from operating activities					
Net cash provided by operating activities	19		85		204
Cash flows from investing activities					
Capital grants from DfE Group		148		114	
Capital funding received from sponsors and others		22		-	
Purchase of tangible fixed assets		(105)		(200)	
Net cash provided by/(used in) investing activities			65		(86)
Cash flows from financing activities					
Repayment of long term bank loan		(13)		(16)	
Net cash used in financing activities			(13)		(16)
Net increase in cash and cash equivalents in the reporting period			137		102
Cash and cash equivalents at beginning of the year			209		107
Cash and cash equivalents at end of the year			346		209

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M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

M20 Learning Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations is set out in the trustees' report.

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of an asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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

Leasehold buildings	Land - 125 years, Buildings -50 years
Computer equipment	3 years
Fixtures, fittings & equipment	7 years
Motor vehicles	5 years

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

1.6 Liabilities

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

1.7 Leased assets

Rentals payable under operating leases are charged on a straight line basis over the period of the lease.

1.8 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. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.9 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.

1.10 Pensions benefits

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

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

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. The 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 are 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 or 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.

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education and Skills Funding Agency/Department for Education.

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

2 Critical accounting estimates and areas of judgement

(Continued)

Critical areas of judgement

The trustees have considered the apportionment of depreciation between direct and support costs. The majority of fixed assets are almost entirely used for the provision of education and only a small part for support services. Therefore a 90% direct cost and 10% support cost apportionment is considered appropriate.

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Insurance claims	-	28	28	31
Capital grants	-	148	148	114
Other donations	-	28	28	-
	<u>-</u>	<u>204</u>	<u>204</u>	<u>145</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
DfE/ESFA grants				
General annual grant (GAG)	-	3,531	3,531	3,250
Other DfE/ESFA grants:				
- UIFSM	-	174	174	163
- Pupil premium	-	155	155	130
- Teachers pension grant	-	6	6	10
- Supplementary grant	-	142	142	38
- Others	-	93	93	115
	<u>-</u>	<u>4,101</u>	<u>4,101</u>	<u>3,706</u>
Other government grants				
Local authority grants	-	712	712	601
	<u>-</u>	<u>712</u>	<u>712</u>	<u>601</u>
Total funding	<u>-</u>	<u>4,813</u>	<u>4,813</u>	<u>4,307</u>

The academy received £712,000 from the local authority (2022: £601,000) being early years funding of £346,000 (2022: £319,000), high needs funding of £209,000 (2022: £159,000), music grant funding of £6,000 (2022: £7,000) and other funding of £151,000 (2022: £116,000).

There were no unfulfilled conditions or other contingencies attached to grants.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Lettings income	5	-	5	6
Catering income	122	-	122	99
Music tuition	20	-	20	21
Trips	94	-	94	65
Nursery income	64	-	64	36
Other income	307	-	307	273
	<u>612</u>	<u>-</u>	<u>612</u>	<u>500</u>

6 Expenditure

	Staff costs £000	Non-pay Premises £000	expenditure Other £000	Total 2023 £000	Total 2022 £000
Academy's educational operations					
- Direct costs	3,412	166	358	3,936	3,722
- Allocated support costs	824	705	328	1,857	1,604
	<u>4,236</u>	<u>871</u>	<u>686</u>	<u>5,793</u>	<u>5,326</u>

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	10	6
Depreciation of tangible fixed assets	184	271
Fees payable to auditor for:		
- Audit	7	6
- Other services	7	6
Net interest on defined benefit pension liability	(1)	41
	<u></u>	<u></u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Direct costs				
Educational operations	121	3,815	3,936	3,722
Support costs				
Educational operations	156	1,701	1,857	1,604
	<u>277</u>	<u>5,516</u>	<u>5,793</u>	<u>5,326</u>
Analysis of costs			2023 £000	2022 £000
Direct costs				
Teaching and educational support staff costs			3,412	3,187
Staff development			23	9
Depreciation			166	244
Technology costs			17	9
Educational supplies and services			197	209
Other direct costs			121	64
			<u>3,936</u>	<u>3,722</u>
Support costs				
Support staff costs			853	922
Depreciation			18	27
Technology costs			55	46
Maintenance of premises and equipment			361	64
Cleaning			108	104
Energy costs			167	97
Rent, rates and other occupancy costs			49	58
Insurance			2	16
Catering			156	144
Interest on defined benefit pension scheme			(1)	41
Legal costs			26	35
Other support costs			52	36
Governance costs			11	14
			<u>1,857</u>	<u>1,604</u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Staff

Staff costs

Staff costs during the year were:

	2023 £000	2022 £000
Wages and salaries	2,851	2,686
Social security costs	264	250
Pension costs	609	896
	<u>3,724</u>	<u>3,832</u>
Staff costs - employees	3,724	3,832
Agency staff costs	502	245
Staff restructuring costs	10	-
	<u>4,236</u>	<u>4,077</u>
Staff development and other staff costs	52	41
	<u>4,288</u>	<u>4,118</u>

Staff restructuring costs comprise:

Severance payments	10	-
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Severance payments

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

£0 - £25,000	1
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Staff numbers

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

	2023 Number	2022 Number
Teachers	45	45
Administration and support	72	63
Management	4	4
	<u>121</u>	<u>112</u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

8 Staff

(Continued)

Higher paid staff

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

	2023 Number	2022 Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £405,000 (2022: £375,000).

9 Trustees' remuneration and expenses

None of the trustees have been paid remuneration or have received other benefits from an employment with the academy trust.

During the year ended 31 August 2023, no travel and subsistence payments were made (2022: £nil).

Other related party transactions involving the trustees are set out within the related parties note.

10 Trustees' and officers' insurance

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

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

11 Tangible fixed assets

	Leasehold buildings £000	Computer equipment £000	Fixtures, fittings & equipment £000	Motor vehicles £000	Total £000
Cost					
At 1 September 2022	4,835	337	588	26	5,786
Additions	-	34	71	-	105
	<u>4,835</u>	<u>371</u>	<u>659</u>	<u>26</u>	<u>5,891</u>
At 31 August 2023	4,835	371	659	26	5,891
Depreciation					
At 1 September 2022	546	288	221	23	1,078
Charge for the year	80	29	73	2	184
	<u>626</u>	<u>317</u>	<u>294</u>	<u>25</u>	<u>1,262</u>
At 31 August 2023	626	317	294	25	1,262
Net book value					
At 31 August 2023	<u>4,209</u>	<u>54</u>	<u>365</u>	<u>1</u>	<u>4,629</u>
At 31 August 2022	<u>4,289</u>	<u>49</u>	<u>367</u>	<u>3</u>	<u>4,708</u>

The net book value of land and buildings comprises:

	2023 £000	2022 £000
Long leaseholds (over 50 years)	<u>4,209</u>	<u>4,289</u>

12 Debtors

	2023 £000	2022 £000
Trade debtors	-	9
VAT recoverable	54	52
Prepayments and accrued income	<u>341</u>	<u>312</u>
	<u>395</u>	<u>373</u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

13 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Government loans	11	15
Trade creditors	4	20
Other creditors	122	120
Accruals and deferred income	399	198
	<u>536</u>	<u>353</u>

14 Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Government loans	20	29
	<u>20</u>	<u>29</u>
Analysis of loans	2023 £000	2022 £000
Wholly repayable within five years	31	44
Less: included in current liabilities	(11)	(15)
	<u>20</u>	<u>29</u>
Amounts included above	<u>20</u>	<u>29</u>
Loan maturity		
Debt due in one year or less	11	15
Due in more than one year but not more than two years	6	10
Due in more than two years but not more than five years	11	16
Due in more than five years	3	3
	<u>31</u>	<u>44</u>

The government loans are part of funding approved by the ESFA. The funding was delivered as a combination of capital grant and a 0% Salix loan. Bi-annual payments are made throughout the year.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

15 Deferred income

	2023 £000	2022 £000
Deferred income is included within:		
Creditors due within one year	131	124
	<u>131</u>	<u>124</u>
Deferred income at 1 September 2022	124	134
Released from previous years	(124)	(134)
Resources deferred in the year	131	124
	<u>131</u>	<u>124</u>
Deferred income at 31 August 2023	131	124

At the balance sheet date, the academy trust was holding funds received in advance for:

Universal infant free school meals funding	£106,000	(2022: £97,000)
Local authority income	£12,000	(2022: £nil)
British council income	£5,000	(2022: £5,000)
Other income	£8,000	(2022: £22,000)

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	-	3,531	(3,946)	415	-
UIFSM	-	174	(174)	-	-
Pupil premium	-	155	(155)	-	-
Other DfE/ESFA grants	-	241	(241)	-	-
Other government grants	-	712	(712)	-	-
Other restricted funds	-	34	(34)	-	-
Pension reserve	57	-	(70)	28	15
	<u>57</u>	<u>4,847</u>	<u>(5,332)</u>	<u>443</u>	<u>15</u>
Restricted fixed asset funds					
Inherited on conversion	3,128	-	(58)	-	3,070
DfE group capital grants	410	148	(103)	(166)	289
Private sector / LA capital grants	1,271	22	(23)	-	1,270
	<u>4,809</u>	<u>170</u>	<u>(184)</u>	<u>(166)</u>	<u>4,629</u>
Total restricted funds	<u>4,866</u>	<u>5,017</u>	<u>(5,516)</u>	<u>277</u>	<u>4,644</u>
Unrestricted funds					
General funds	99	612	(277)	(249)	185
Total funds	<u>4,965</u>	<u>5,629</u>	<u>(5,793)</u>	<u>28</u>	<u>4,829</u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

16 Funds

(Continued)

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objectives of the academy.

The pension value as at 31 August 2023 has been determined by the actuary which is showing the academy trust as having a pension asset as at 31 August 2023. In accordance with applicable accounting standards, the asset value has been capped at an asset ceiling value of £15,000 on the basis that the academy trust has minimum funding requirements existing for future service. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are at the discretion of the trustees. Transfers out of unrestricted funds totalling £249,000 were made to meet the shortfall in GAG funding.

An amount of £166,000 has been transferred from restricted fixed asset funds to restricted general funds being CIF funding spent on maintenance projects not capitalised.

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.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

16 Funds

(Continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2022 £000
Restricted general funds					
General Annual Grant (GAG)	-	3,250	(3,198)	(52)	-
UIFSM	-	163	(163)	-	-
Pupil premium	-	130	(130)	-	-
Other DfE/ESFA grants	-	163	(163)	-	-
Other government grants	-	601	(601)	-	-
Other restricted funds	-	31	(31)	-	-
Pension reserve	(2,284)	-	(421)	2,762	57
	<u>(2,284)</u>	<u>4,338</u>	<u>(4,707)</u>	<u>2,710</u>	<u>57</u>
Restricted fixed asset funds					
Inherited on conversion	3,272	-	(144)	-	3,128
DfE group capital grants	139	114	(30)	187	410
Private sector / LA capital grants	1,368	-	(97)	-	1,271
	<u>4,779</u>	<u>114</u>	<u>(271)</u>	<u>187</u>	<u>4,809</u>
Total restricted funds	<u>2,495</u>	<u>4,452</u>	<u>(4,978)</u>	<u>2,897</u>	<u>4,866</u>
Unrestricted funds					
General funds	82	500	(348)	(135)	99
	<u>82</u>	<u>500</u>	<u>(348)</u>	<u>(135)</u>	<u>99</u>
Total funds	<u>2,577</u>	<u>4,952</u>	<u>(5,326)</u>	<u>2,762</u>	<u>4,965</u>

17 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	4,629	4,629
Current assets	185	556	-	741
Current liabilities	-	(536)	-	(536)
Non-current liabilities	-	(20)	-	(20)
Pension scheme asset	-	15	-	15
Total net assets	<u>185</u>	<u>15</u>	<u>4,629</u>	<u>4,829</u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Analysis of net assets between funds

(Continued)

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total Funds £000
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	4,708	4,708
Current assets	99	382	101	582
Current liabilities	-	(353)	-	(353)
Non-current liabilities	-	(29)	-	(29)
Pension scheme asset	-	57	-	57
Total net assets	99	57	4,809	4,965

18 Pension and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £60,000 were payable to the schemes at 31 August 2023 and are included within creditors (2022: £59,000).

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £347,000 (2022: £341,000).

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 contributions are as noted below. The agreed contribution rates for future years are 17.2 per cent for employers and 5.5 to 12.5 per cent for employees. The estimated value of employer contributions for the forthcoming year is £177,000.

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

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

Total contributions made	2023 £000	2022 £000
Employer's contributions	187	172
Employees' contributions	59	57
Total contributions	246	229

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Pension and similar obligations (Continued)

Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.75	3.80
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023 Years	2022 Years
Retiring today		
- Males	20.1	20.3
- Females	23.0	23.2
Retiring in 20 years		
- Males	20.3	21.6
- Females	24.4	25.1

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as set out below:

Sensitivity analysis

Changes in assumptions at 31 August 2023	Approximate % increase to employer liability	Approximate monetary amount (£000)
0.1% decrease in Real Discount Rate	3%	73
1 year increase in member life expectancy	4%	113
0.1% increase in the Salary Increase Rate	0%	6
0.1% increase in the Pension Increase Rate	2%	68

The academy trust's share of the assets in the scheme	2023 Fair value £000	2022 Fair value £000
Equities	2,420	2,114
Bonds	484	429
Cash	277	245
Property	276	276
Total market value of assets	3,457	3,064

The actual return on scheme assets was £162,000 (2022: £39,000).

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Pension and similar obligations

(Continued)

Amount recognised in the statement of financial activities	2023 £000	2022 £000
Current service cost	258	552
Interest income	(135)	(48)
Interest cost	134	89
Total operating charge	257	593
Changes in the present value of defined benefit obligations	2023 £000	2022 £000
At 1 September 2022	3,007	5,102
Current service cost	258	552
Interest cost	134	89
Employee contributions	59	57
Actuarial gain	(1)	(2,771)
Benefits paid	(15)	(22)
At 31 August 2023	3,442	3,007
Changes in the fair value of the academy trust's share of scheme assets	2023 £000	2022 £000
At 1 September 2022	3,064	2,818
Interest income	135	48
Actuarial (gain)/loss	27	(9)
Employer contributions	187	172
Employee contributions	59	57
Benefits paid	(15)	(22)
At 31 August 2023	3,457	3,064

The pension value as at 31 August 2023 has been determined by the actuary which is showing the academy trust as having a pension asset as at 31 August 2023. In accordance with applicable accounting standards, the asset value has been capped at an asset ceiling value on the basis that the academy trust has minimum funding requirements existing for future service. Although a pension asset is arising, this does not create an immediately realisable asset that can be expended for the specific purposes of the pension fund.

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

19 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2023 £000	2022 £000
Net expenditure for the reporting period (as per the statement of financial activities)		(164)	(374)
Adjusted for:			
Capital grants from DfE and other capital income		(170)	(114)
Defined benefit pension costs less contributions payable	18	71	380
Defined benefit pension scheme finance (income)/cost	18	(1)	41
Depreciation of tangible fixed assets		184	271
(Increase) in debtors		(22)	(44)
Increase in creditors		187	44
Net cash provided by operating activities		85	204

20 Analysis of changes in net funds

	1 September 2022 £000	Cash flows £000	31 August 2023 £000
Cash	209	137	346
Loans falling due within one year	(15)	4	(11)
Loans falling due after more than one year	(29)	9	(20)
	<u>165</u>	<u>150</u>	<u>315</u>

21 Long-term commitments

Operating leases

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

	2023 £000	2022 £000
Amounts due within one year	3	1
Amounts due in two and five years	8	-
	<u>11</u>	<u>1</u>

M20 LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

22 Capital commitments

	2023 £000	2022 £000
Expenditure contracted for but not provided in the accounts	-	136
	<u> </u>	<u> </u>

23 Related party transactions

No related party transactions took place in the period of account other than certain trustees' remuneration and expenses already disclosed in note 9.

24 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.