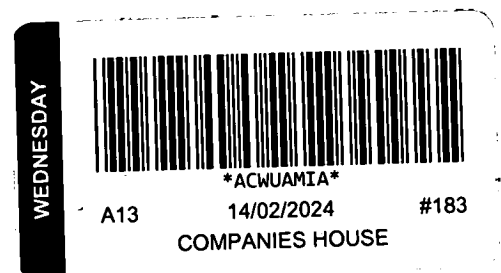
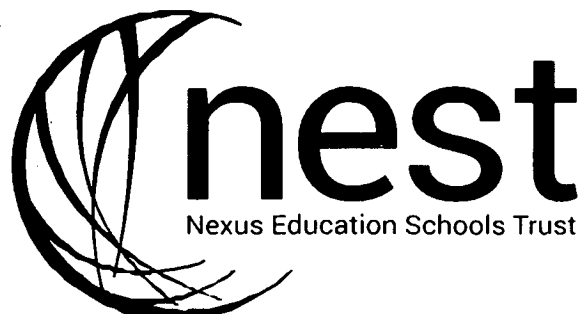


Company Registration No. 08753719 (England and Wales)

**NEXUS EDUCATION SCHOOLS TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**



# **NEXUS EDUCATION SCHOOLS TRUST**

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# NEXUS EDUCATION SCHOOLS TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

P Chandler  
A Webber  
S Charman  
M Jones  
C Lloyd (resigned 31 December 2022)  
A Golding (appointed 1 January 2023)

### Trustees

P Chandler (Resigned 31 December 2022)  
P Farrow OBE (Accounting officer)  
N Kimber  
D Stacey  
J Millins  
D Townsend (Chair of the Finance Audit and Risk Committee )  
A Golding (Chair of Trustees) (Appointed 1 January 2023)  
E O'Mahony (Appointed 1 January 2023)

### Senior management team

P Farrow OBE	- CEO
N Tildesley	- Deputy CEO
A Smith	- CFO
N Ide	- Director of Estates and Premises
L Pender	- Director of Teaching School Hub
E Laws	- Senior Education Lead
H Foxworthy	- Senior Education Lead
S Talbot	- Trust Accountant

### Company secretary

S Dossetter

### Company registration number

08753719 (England and Wales)

### Registered office

Worsley Bridge Primary School  
Brackley Road  
Beckenham  
Kent  
BR3 1RF  
United Kingdom

# NEXUS EDUCATION SCHOOLS TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Academies operated</b>	<b>Location</b>	<b>Headteacher</b>
Balgowan Primary School	Beckenham	M Veysey
Nexus Educational Schools Trust	Bromley	P Farrow
Farnborough Primary School	Farnborough	A James
Worsley Bridge Primary School	Beckenham	A James
Alexandra Infants School	Beckenham	A Hills
Alexandra Juniors School	Beckenham	C Maragh
Manor Oak Primary School	Orpington	J Butler
Highfield Infants School	Bromley	A Morris
Highfield Junior School	Bromley	A Morris
Pickhurst Infants School	Bromley	E Laws
Perry Hall Primary School	Orpington	L Richards
Bickley Primary School	Bromley	E Blake
Thames South Teaching School Hub	Bromley	L Pender
Joydens Wood Infant School	Kent	R Hatley / G Strong
Joydens Wood Junior School	Kent	P Redford
John Donne Primary School	Southwark	J Rooney
Goose Green Primary and Nursery School	Southwark	L Partridge and C Shuttleworth
John Keats Primary School	Southwark	M Rose
Childeric Primary School	Lewisham	A Butcher and C Bessant
NEST Nurseries @ Pickhurst	Bromley	

<b>Independent auditor</b>	Azets Audit Services First Floor River House 1 Maidstone Road Sidcup Kent DA14 5RH United Kingdom
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<b>Bankers</b>	Lloyds Bank Plc 6-8 Market Square Bromley Kent BR1 1NA United Kingdom
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<b>Solicitors</b>	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR United Kingdom
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# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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The trustees present their annual report together with the accounts and auditor's report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Trust operates seventeen academies across four local authorities, Bromley, Kent, Lewisham and Southwark. The schools are a mix of 2-11 Primary Schools, Nursery, Infant, and Junior schools. The Trust has a specialist provision for pupils with Autistic Spectrum disorder based at Alexandra Infant School and includes nurseries at Manor Oak with a 2-5 age range and four schools in Southwark and Lewisham for 3 to 5 year olds. The Trust's Thames South Teaching School Hub is one of 87 national hubs in England providing training and development for education staff in the boroughs of Bexley, Bromley, and Greenwich. The Hub successfully provides training and development programmes to over 1000 participants in through the Early Careers training programme and the National Professional qualification courses. Satisfaction rates for structure and delivery by participants for 22/23 is 98% and pass rates for NPQs is 99%. The Teaching school continues to develop its remit through the delivery of Initial Teacher training and Appropriate Body status.

The Trust has continued to grow during the accounting period through the transfer of six academies and the opening of a new NEST nursery.

Communitas Education Trust, a group of four schools in Southwark and Lewisham joined the Trust on 1 September 2022. From Reception to Year 6 October 2022 there were pupils totalling 1248 plus 119 in Nursery returned in the census with a PAN of 1750.

Joydens Wood Infant School and Joydens Wood Junior School, two standalone academies based in Kent, joined the Trust as of the 1st March 2023, and as of Oct 2022 the combined schools had a capacity of 630.

NEST schools (including Dog Kennel Hill Primary and Rotherhithe Primary, which transferred to NEST on 01 October 2023) have a combined capacity of 6,718 pupils and has a roll of 5,989 pupils as of the October 2023 census. This includes a primary school growing year on year.

The first NEST nursery opened in September 2022 for children aged 2 to 5 and a core day of 8am to 6pm. The Trust has a strategic priority to develop a full wrap around care offer to families, through our schools based and NEST nursery provision, in line with government grant funding. The trust is completing suitability surveys of all its schools to accommodate this expansion.

Over the next three years Nexus Education Schools Trust plans to grow further, through the physical growth of its present schools with additional forms of entry and the extension of nursery education, as well as the addition of new schools joining the Trust.

The Trust presently has two geographical hubs - NEST South London and NEST Bromley/Kent. Each hub incorporates schools geographically located. NEST has a strategic commitment to grow the offer and services within each hub, with a vision that the hub reflects inclusivity with pupils and schools from all phases and specialisms represented. The Trust strategic growth plan is delivered through school-to-school support, merger, transfer, and new free school development.

Two maintained schools in Southwark, having consulted to join the Trust in 2022-23 transferred on 1st October 2023. The Trust continues to work with a variety of partner schools and Trusts, providing education support programmes and training. The Trust has a strategic aim to further develop nursery education, widening the offer to our communities of affordable childcare from birth to five and an extended childcare programme, to provide families and members of the community with high quality early years education and extended days.

The legacy of Corona Virus (COVID 19) and world events have impacted on our schools and communities financially, physically, and emotionally. All NEST staff have worked tirelessly to implement government guidance and to provide support to our families. NEST staff continue to adapt and provide high quality education opportunities for all NEST children both in school and through extended services. Staff in NEST schools continue to work to close the gaps in knowledge and skills for pupils across our schools and to support our families.

The Trust has continued to develop its offer to our communities through the extension of before and after school clubs and improvements to facilities.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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

#### Constitution

Nexus Education Schools Trust is a company limited by guarantee with no share capital (registration no. 08753719) and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy. The Trust Directors act as the Trustees for the charitable activities of Nexus Education Schools Trust (NEST) and are also Directors of the charitable company for the purposes of company law.

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

#### Members' liability

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

#### Principal activities

The principal activity of the Trust is to advance for the public benefit, education in the United Kingdom. In particular, but without prejudice, to the generality of the foregoing, by establishing, maintaining, carrying on, managing, and developing a School offering a broad and balanced curriculum for pupils of different abilities across all phases and sectors of education.

#### Trustees' indemnities

In accordance with normal commercial practice the Academy Trust has insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

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 Trust business, and provides cover up to £10,000,000. It is not possible to quantify the trustees' and officers' indemnity element from the overall cost of the RPA scheme membership.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Method of recruitment and appointment or election of trustees

The Trustees are appointed under the terms of the Academy's Articles of Association and are subject to retirement after four years but are eligible for re-appointment at the meeting at which they retire. New appointments are made through an advertisement, application and interview process which seeks the skills required for the implementation of the strategic plan for member schools.

### Members

The Members of the Academy Trust shall comprise:

- the signatories to the Memorandum to the extent their membership has not terminated in accordance with these Articles, provided that at any time the minimum number of Members shall not be less than three.
- any person appointed under Article 15A, that the Members agree through the passing of a special resolution to appoint such additional Members as they think fit.
- An employee of the Academy Trust cannot be a Member of the Academy Trust

### Trustees

The Members may appoint up to 7 Trustees (Directors), subject to Article 50.

Under the terms of the Articles in place throughout the year, NEST multi academy Trust shall have the following Trustees:

- up to 7 Trustees, subject to Articles 48 and 49 and appointed under Article 50 to include individuals with relevant skills which may include (without limitation), finance, HR, and school improvement.
- the number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- a Chief Executive Officer /Executive Head Teacher. The total number of Trustees including those under Article 57 who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.
- The Academy Trust may also have any Co-opted Trustee appointed under Article 58.

Trustees are appointed based on their skills. When vacancies arise, new Trustees shall be appointed or elected, as the case may be, under these Articles. Where it is not possible for such a Trustee to be appointed or elected due to the fact that an Academy has not yet been established, then the relevant Article or part thereof shall not apply.

### Policies and procedures adopted for the induction and training of trustees

An induction programme is in place for new Trustees and members of the School's Local Committees. Training and induction are provided for all new Trustees and Local Committee Members and is dependent on their existing experience. Each new Trustee and Local Committee Member receives induction training through NEST. All are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees or Local Committee Members. A key expectation covered as part of the induction process is the 'Seven Principles of Public Life.' Trustees and Local Committee Members are expected to attend training and networking events as appropriate to their area of expertise throughout their appointment.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Organisational structure

The Trust has an organisational structure to enable its efficient running, which includes a separate Local Committee for each school. The Trust is held to account by its members. The management structure through devolved responsibility enables the efficient running, involvement in decision making at all levels and the successful implementation of the Trust's and each School's strategic priorities. A Scheme of Delegated Authority is in place which sets out the responsibilities at all levels of governance within the Trust.

### Trust Board

The Trust Board is responsible for setting general policy, adopting an annual strategic plan and budget, monitoring of the Trust's schools' performance, financial expenditure, and impact through benchmarking. The Committees of the Trust Board monitor the effectiveness of individual schools in upholding the objectives, policies, and procedures of the Trust.

### Trust Board Sub Committees

The Trust Board Sub Committees include; HR, Pay and Performance Committee and Finance, Audit and Risk Committee, comprised of allocated Trustees. NEST Education, Achievement and Thames South (TSH) subcommittee has representatives from the Trust Board and nominated external education representatives. The Sub Committees enable the Trust to fulfil its statutory responsibilities for the organisation.

The prime function of these Committees is to monitor the performance of schools against local and national data, to ensure high standards of achievement and progress of all pupils, value for money and compliance. The Committees evaluate the impact of the Trust using benchmark data and overall effectiveness, to support and develop a strategic plan for schools. The overall strategy for schools covers the quality of provision, age range, curriculum, assessment, staffing and community access. The Committee's remit is to ensure our schools are safe, purposeful, and equitable for all.

The CEO is the Accounting Officer and has management responsibility for the organisation. The scheme of delegation and finance policies set out authorisation levels at each school.

### Local Committees (School Level)

The Local Committees are Committees of the Trust Board, established pursuant to the Articles. The Local Committees will act in accordance with these Terms of Reference and with the Scheme of Delegation for each school, unless otherwise directed by the Trustees. Local Committees are accountable to the Trust Board for their decisions.

The staffing and accountability structure of an individual school is based on its pupil numbers and demographics. All schools will have a Local Committee and Senior and Middle Leaders. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Local Committee members are responsible for setting general policy, agreeing a draft budget, ratified by the Trust board, adopting an annual School Improvement Plan, monitoring the Academy, with budgets against key school priorities and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

### Leadership (School level)

The Senior Leadership Teams are structured, based on the needs of the school; in general, they include the Headteacher, Deputy Headteacher and Inclusion leads. These leaders control the Academy at an executive level implementing the policies laid down by the Board and Local Committee and reporting back to them. As a group, the Senior Leadership Team are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment boards for senior leader posts contain at least one Local Committee Member. Some spending control is devolved to Middle Leaders, with limits above which the Headteacher must countersign. The Central Team, Trust Board and its Committees, monitor, evaluate, and supports the work of the Local Committee and management teams within each school.

The term of office for any Trustee or Local Committee member shall be four years, this time limit shall not apply to the Chief Executive Officer. Trustees may be re-appointed for a second term if re-elected.

The Local Committee representation for each school is recommended to consist of the Headteacher, up to two staff members, up to four community members and two parent members; all of whom have been elected or appointed by the school community. The Local Committee may also have any Co-opted member appointed to support the strategic priorities of the school or the Trust and where appropriate Trust board nominees.



# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Local Committee members are appointed or elected. Where it is not possible for a Local Committee Member to be appointed or elected, because an Academy has not yet been established or it requires support, then the Trust board will oversee the appointment and management of the Local Committee.

Governance meetings follow a blended approach virtual/in person to support working arrangements on committee members. The Trust followed good practice guidance from Department of Education, ESFA and The National Governance Association to ensure compliance and business continuity.

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

There is no pay and remuneration for Trustees or Local Committee Members, other than to claim expenses set out in the Trustees and Governors Allowance policy.

Pay and remuneration for all staff employed by the Trust is reviewed annually. The Trust Board HR and Pay and Performance Committee are delegated responsibility for reviewing and setting pay awards for all staff including the CEO and Central Team, in line with benchmarked data, external advice from the Department of Education, relevant advisory bodies and Trade Unions. All layers of senior leadership remuneration are in line with the NJC Management structure for London Local Authorities or ISR unit rating for the individual school and the School Teacher Pay and Conditions document (STPCD). Where leaders are working across two schools in an executive role, the combined unit of the schools will be used to formulate an ISR rating for the executive role. Where recruitment and retention of leaders is problematic or set skills are required then the board may enhance the ISR point by up to 25% in line with the recommendations of the STPCD.

The Trust has a robust model of performance management for all its leaders completed by nominated Local Committee Members supported by Trust Educational Advisors. Recommendation for pay awards by the Local Committee are agreed by the Trust Board. The role and performance of the Chief Executive Officer, and key management person within the Trust, is reviewed and assessed with external information by the Trust Board Pay Committee.

#### Trade union facility time

##### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	7
Full-time equivalent employee number	7.00

##### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	5
1%-50%	2
51%-99%	-
100%	-

##### *Percentage of pay bill spent on facility time*

Total cost of facility time	915
Total pay bill	22,017,048
Percentage of the total pay bill spent on facility time	-

##### *Paid trade union activities*

Time spent on paid trade union activities as a percentage of total paid facility time hours	-
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# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Engagement with employees

NEST employs an average 569 FTE employees, with a headcount of 776. The Trust provides information on relevant matters and those that may concern them. Throughout this accounting period the focus on the organisation is to support and sustain the workforce to enable the continued delivery of education to our communities through pandemic recovery. Informed communication has supported our work force, enabling the Trust to involve staff in the improved performance of the organisation and the impact of employee factors effecting the performance of the Trust.

The Trust is committed to equal opportunities for all staff, prospective employees, and members of our community. Equality of opportunity is at the forefront of decisions by understanding and tackling barriers which could lead to unequal outcomes for different groups. The Trust is committed to eliminating unlawful discrimination in all aspects of employment practice; through working with focus groups and developing agreed policy. We also seek to celebrate and value the achievements and strengths of all members of the school community. Everyone in our schools should feel safe, secure, valued and of equal worth.

We remain committed to rewarding our staff through an annually reviewed structures and appropriate salary scale. The Trust is also committed to developing its staff through continued professional training and apprenticeship schemes. The Trust's strategic priority is to provide a broad spectrum of services to its communities and enabling further development and growth opportunities for staff. A central recruitment policy provides assurance that all prospective applicants including disabled persons, are treated equally and on appointment provided with relevant and ongoing training to support and develop their roles.

We are proud that our staff are committed to the organisation which is highlighted in the low levels of staff mobility. NEST seeks to maintain positive relationships with employees through the provision of information and consultation procedures where appropriate, and by working with recognised Trade Unions.

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

The Trust has maintained and fostered positive business relationships with suppliers and customers critical to each school's delivery of services. The Trust has also ensured services are paid for in a timely manner to support the viability of smaller contractors. The trust ensures that there is clear communication with all suppliers and customers by being transparent regarding our procurement policies, by publishing our payment practices reports, and by meeting key contractors regularly to discuss service provision.

### Related parties and other connected charities and organisations

NEST provides services to other schools and Academy Trusts, primarily education support and consultancy services. All income is incorporated within the balance sheet.

NEST incorporates the Thames South Teaching School Hub and National Support schools with National Leaders (NLE) for which it receives additional grant funding, accounted for in the balance sheets. 'EYELA' Teaching school closed at the end of July 2021 with the award to 87 designated teaching school hubs and the opening of the NEST Thames South Teaching School Hub.

NEST incorporates NEST Nurseries@Pickhurst providing day care for children aged two to rising five. NEST nurseries receive additional grant funding for 15 and 30 hours of childcare through the Local Authority. It also receives additional income for services outside of the grant funded hours. All income is accounted for through NEST company accounts.

The CEO provides additional support to other organisations, outside the Trust, as a National Leader, Headteacher Board member; all income generated through these activities is included in the balance sheet.

All schools have strong Parent Associations. They are separate charities and work within the local and school community for the benefit of the pupils at the individual school.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Objectives and activities

#### Objects and aims

NEST aims to advance education for public benefit by establishing, maintaining, and developing schools including but not limited to academies offering a broad and balanced curriculum. Our principle activities are enshrined in the Trust objectives and delivered through our mission, vision, and values commitment statement.

Children are central to everything we do; we aspire for excellence and opportunity for all

**Mission - 'Providing excellence and opportunity for all to enable lives to be transformed'**

#### Aims

- To create an inclusive culture of learning, where all children will be challenged in their thinking, strive for continuous improvement, and be motivated to become lifelong learners
- To empower our children to become respected citizens, make valuable contributions locally and globally and contribute to a sustainable future
- To develop a strong network of diverse and inclusive schools with similar values, aspirations, and a commitment to enable all learners to succeed
- To drive improvement within the collaborative and deliver excellent outcomes for all
- To minimise the barriers to progress and achievement in the schools and the communities in which we work
- To advocate the interests of member schools and their children in local, national, and global planning and policy
- To achieve efficiencies in the provision and procurement of goods and services
- To secure funding for educational projects within and beyond the Trust
- To further develop successful educational partnerships beyond the Trust

#### Our Trust Schools value:

- each child's intellectual, physical, aesthetic, spiritual, emotional, moral, and social development
- individual differences and the individual needs of each child
- friendship and our sense of community, the involvement of parents, families, and carers in the life of the school fostering a positive, supportive home/school relationship
- equality of opportunity for all
- truthfulness, honesty, politeness, and consideration towards others
- respect and tolerance of the opinions and beliefs of others
- commitment and determination to realise dreams and the ability to inspire confidence and courage to achieve success
- the qualities of patience and sensitivity
- self-discipline, self-respect, empathy, and the capacity to live as an independent, self-motivated person with an awareness of our sociality and the world community
- our children's inquisitive and imaginative minds, their questions, and ideas.

As an organisation we recognise that each school's community is different. We value each school's uniqueness and its contribution in ensuring pupils have the best education and experiences. Each school is linked to the success of the organisation. We believe passionately that by working together we can make a greater difference, providing strong educational outcomes and wider opportunities for our pupils as well as enhanced prospects for our staff and communities.

Each organisation commits to our NEST vision and values. It is a reminder that we have made a choice to be a part of the wider organisation of Nexus Education Schools Trust and that we are all obligated to the community as a whole.

#### NEST Education Vision: -

Nurture  
Educate  
Succeed  
Transform

#### Our CHOICE core values are: -

Collaboration  
Honesty  
Opportunity  
Inclusivity  
Confidence  
Enjoyment

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trust schools are caring communities with learning at their heart. Nexus Education Schools Trust is a Trust for pupils aged 2 to 11. All School staff encourage children to aim high, be honest and work together. Senior leaders, Local Committee Members and Trustees work with colleagues and other partners to promote high standards and teamwork. There is a sense of purpose, fun and enjoyment in each of the schools which is nurtured and sustained. Leaders work to ensure that we keep the best of what we have while continually striving to improve and build on strong foundations

Each school enables each child to practise important skills for life such as being responsible, learning to read, write, spell, be numerate, make informed choices and to love learning across a wide curriculum that includes science, art, music, sport, languages, and humanities.

The Trust strives to enhance facilities, buildings, and outdoor spaces to deliver today's modern, demanding, and creative curriculum.

The culture and ethos of the Trust schools is one where everyone works hard to ensure that the children are safe, secure, and part of a friendly caring community; where children are happy and excited about coming to school; where all learn, achieve, and make progress and develop knowledge, skills and understanding across a wide curriculum; where pupils thrive, and develop the skills they need for life-long learning.

### Objectives, strategies and activities

The Trust has strategic drivers covering the period:

#### **a) Strong performance through**

- Academic excellence through enriching curriculum and quality first teaching and high quality CPD for all
- Breadth of opportunity, breadth of curriculum and extra-curricular activities
- High quality training to support staff recruitment and retention
- Quality assurance framework including support to schools and monitoring
- Staff wellbeing and employment benefits

#### **b) Financial stability, effective estate management and alignment of services through**

- Centralisation of services
- Hub / cluster development for the efficient delivery of services
- Extended services expansion
- Estates development plan and update programme
- New schools benefiting from economies of scale.

#### **c) Growth in pupil numbers through**

- Development of NEST Nursery Education
- Additional Schools joining NEST
- Associate partnership agreements
- Success and achievement of NEST schools and provision.

#### **d) Innovation through**

- Thinking that improves practice
- Effective use of technology and systems
- Innovative team dynamics and creation of opportunities
- Change management to ensure economic and social success for our community
- New schools benefiting from economies of scale.

NEST Schools aims to deliver high a quality of education through expert teaching, strong community governance and compliance: -

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition, and care
- to raise the standard of educational achievement of all pupils through high calibre teaching, training, support and effective monitoring and evaluation process with improving outcomes
- to improve the effectiveness of the schools by keeping the curriculum and organisational structure under continual review, ensuring a broad, balanced, and engaging curriculum.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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2022 - 23 had a targeted focus on

- closing the gaps and targeted support for all pupils but especially the most vulnerable.
- Thames South Teaching School hub development of services and engagement of stakeholders
- Induction and alignment of new schools
- Attendance and support for families to ensure all pupils are able to attend fully and make excellent progress and build on skills, knowledge and understanding throughout their primary years and beyond.
- Embedding and strengthening the culture of Equality, diversity, and inclusion across the Trust.
- Asset upgrade across the Trust estate

The trust continues to make the delivery of an outstanding education for every child its primary focus. In addition to this the trust has two planned priorities which will be subject to research, a pilot programme, then implementation. Our two planned foci are:

#### **Priority 1 SEND**

- Provide an ambitious quality of education for pupils with SEND to enable them to achieve the best possible outcomes.

#### **Priority 2 Staff Well being**

- Workplace culture and practice supports staff engagement, effective working, and individual and organisational benefit

The Trust continues to have departmental priorities in Education ,HR, Finance and Estates. These priorities and plans are informed by the review, audit and evaluation cycle within the organisation .

#### Public benefit

The Trust Board Directors and members confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. The aim of the Trust is to provide a rich extended curriculum to promote and support the advancement of education and opportunity for all pupils.

The Trustees ensure that the admissions arrangement for all schools within the Trust adhere to the Schools' Admission Code. All schools within the Trust adopt admissions arrangements which are in-line with those of the Local Authority. Schools within the Trust serve their local community.

The criteria used to admit pupils to the Trust schools; -

- Looked after children
- Acute medical or social needs, in exceptional circumstances
- Children attending linked infant schools
- Siblings
- Children of members of staff
- Proximity to the school

The Trust Articles aim to serve its schools and local communities through the use of facilities for the benefit of the school and its community. The Trust ensure the appropriateness of policies and procedures are in place to support the maximum use of its facilities and generation of funds for its schools.

Nexus Educational Trust has not made any charitable donations from monies it has received by way of any government grant funding. However, its pupils in its schools have carried out charitable fund-raising activities, such as fayres, sponsored events, cake sales etc. and donated funds raised, in full to a wide range of local, national, and international charities.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Strategic report

#### Achievements and performance

Objectives, strategies, and activities

The main objectives of the Trust during the year ended 31 August 2023 are summarised below.

NEST Schools consistently aim to deliver high a quality of education through expert teaching, strong community governance and compliance: -

- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition, and care
- to raise the standard of educational achievement of all pupils through high calibre teaching, training, support and effective monitoring and evaluation process with improving outcomes
- to improve the effectiveness of the schools by keeping the curriculum and organisational structure under continual review, ensuring a broad, balanced, and engaging curriculum.

Educational outcomes encompass not just results data. The recovery from the COVID 19 years has continued to be a focus on the work of the Trust this year. Our priority has been to close the gaps in pupils' knowledge and provide them with the breadth of school experiences.

Nexus Education Schools Trust (NEST) group of schools are committed to the shared vision 'Excellence and opportunity for all'. All Trust schools are graded by OFSTED as Good or Outstanding. The Trust has internal monitoring and evaluating systems and also uses external teams and organisations to evaluate each school's performance. Additional support is appropriately devolved to all school wherever they are on their improvement cycle. Catch up funding and National support programmes have helped to close gaps in lost learning for all children.

#### Key performance indicators

In 2023 national tests results in Key Stage were published nationally.

Nationally 2023 Key Stage 2 attainment increased slightly in writing and maths and fell in reading compared to 2022 at the expected standard. At the higher standard there was an increase in reading and maths and writing remained unchanged compared to 2022.

In NEST schools' attainment at KS2 continues to be in line with national for reading and higher than national in writing and maths.

Reading – 73% NEST schools combined result compared with 73% national result  
Writing – 78% NEST schools combined result compared with a 71% national result  
Maths – 78% NEST schools combined compared with 73% national result.

NEST schools Key Stage 1 attainment is higher than national and above.

Reading – 72% NEST schools combined result compared with 68% national result  
Writing – 68% NEST schools combined result compared with a 60% national result  
Maths – 76% NEST schools combined compared with 70% national result.

In phonics attainment is higher than national with NEST the schools combined results at 83% compared to 79% national.

NEST schools EYFS attainment is in line with National 2022 (2023 national data has not yet been released) for comprehension and slightly higher than national for the other areas.

Comprehension – 80% NEST schools combined result compared with 80% national result  
Word reading – 76% NEST schools combined result compared with 75% national result  
Writing – 73% NEST schools combined result compared with a 69% national result  
Maths – 79% NEST schools combined compared with 78% national result.

Good Level of Development - 69% NEST schools combined with 65% national results

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trust has a robust school improvement programme identifying the strengths and weaknesses within each of the schools. Strengths and areas for development are identified through evaluative reviews and Quality Assurance programmes. The annual programme sets targets and provides training programmes to support and challenge schools. These accountability frameworks and the scrutiny of the monitoring and evaluation informs strategic plans and key performance indicators for leaders.

Our youngest pupils during COVID missed the social interaction and peer engagement offered by the Early Years Education offer, which is excellent across the Trust. In previous years all schools' attainments were significantly above national expectations in all areas of the Early Years Foundation Stage. All schools are focussed on adapting the provision, to close the personnel, social and emotional development attainment. Intensive intervention and support are in place, to close the gap in early reading skills and writing.

### Financial Sustainability

NEST strategy and provision is financially sustainable with appropriate reserves to enable the Trust to pursue its educational objectives and provide additional investment:

- to provide value for money for the funds expended.
- to procure and centralise efficiently to provide long term cost savings across the Trust.
- to plan, manage and action risk appropriately.
- to comply with all appropriate statutory and curriculum requirements to conduct the Multi Academy Trust's business in accordance with the highest standards of integrity, probity, and openness.
- to increase the percentage of self-generated income to provide wider opportunities and service within the group.
- to develop the estate to provide improved facilities for pupils and community usage.

### Ofsted Inspections

During the period 2022/23 the Trust had six school inspections. Of these, three schools had an ungraded section 8 inspection, and all continue to be Good. Three schools were inspected under section 5 and have been graded as Good. All NEST schools have been graded Good or Outstanding. As a sponsor trust and we were well placed to support a recently transferred school with an OFSTED grading of Requires Improvement. Intensive support is being provided.

Pupils had access to a broad and rich range of learning experiences across the curriculum. There is a strong focus on emotional wellbeing. All schools have a clear strategy to improve the mental health and wellbeing of pupils and staff.

Strong partnership with parents and family members supports pupils' achievements, ensuring continued positive progress from their starting points.

Schools are committed to enabling the most vulnerable groups to access education and provided informed communication links and programmes differentiated to meet need.

Trust attendance was slightly above National for 2022/23. Published national data for 2022-24 was 94% and NEST was at 94.4% with 5.6% of possible sessions being recorded as absent, with an improvement of 1% from 2022-23.

School safeguarding procedures are robust, with all staff understanding their duties and responsibilities, securing community confidence, and ensuring all are well-trained. All school environments were Health and Safety compliant.

All children had an entitlement to opportunities beyond the curriculum schools prioritise such as school residential, school visits and theatre trips.

Recruitment to all posts, not just teaching posts, has been challenging in 22/23. The Trust has a priority for 2023/24 to further develop staff workload, well-being, and benefits. Strong Trust leadership supported leadership capacity in each school to reduce workload across all NEST schools.

Robust financial parameters were maintained in all schools ensuring value for money. Soaring energy costs have added further pressures to schools' budgets.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Effective communication and improvements to IT throughout the period allowed schools to start to adapt to meet the demand of IT expectations. This will continue to be built on throughout the next period ensuring continued high levels of communication and access to good quality learning experiences.

Supportive and effective Governance throughout the period has provided stability and accountability.

The Trust's strategic plan to improve and develop the Trust's estate to provide the best possible learning environments for our pupils has continued, with a £1.2million upgrade to the facilities at Farnborough Primary. This will provide much needed additional learning spaces and improvements to the fabric of the building, including new roofs, windows, heating and kitchens. The Trust has invested over £900K in the refurbishment of four school kitchens. This phased kitchen upgrade work will continue into 2023/24. The Trust continues to work with each school leadership team to improve the facilities on offer at each school.

#### Going concern

After making appropriate enquiries, the Board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Board of trustees continues to adopt the going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

#### Protecting the success of the academy trust

The Trust continues to ensure it is outward looking and maintains strong partnerships and affiliations with schools and organisations outside of the Trust. NEST's aim for promotion is to enable it to achieve its charitable purpose to advance education for public benefit.

The Trust works with a variety of partners to enrich and grow our organisation both formally and informally. These partnerships benefit all communities, helping to share knowledge, resources, and expertise across a wide range of schools and organisations. The Trust and its staff continue to provide outreach support and training to other organisations and are participants in forum and committees which help to inform, influence and shape future education developments.

Effective communication systems provide contextual information and priorities for the Trust and its schools and help to promote the success and wider understanding of the work of the Trust.

The Trust has a code of conduct reviewed and agreed emphasising the Nolan principles and the standards expected in public life.

Our ongoing work and developments across the organisation and partnerships beyond NEST help to promote the success of the charity and enable it to fulfil its charitable purposes.



# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Financial review

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

Income from other trading activities amounting to £1,695k had seen an increase from the previous year (2022 £1,431k and 2021 £872k), as school trips, before and after school clubs and lettings resumed after the pandemic.

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

Most areas of expenditure saw the expected rise from the previous year. However, energy costs rapidly increased during the period together with inflationary pressures on services and supplies.

Pension, staff costs and competition in the market have all added to financial pressures. The Trustees and central staff have put in place robust process and systems to challenge and support schools to provide long term financial security of the Trust. Resourcing and the provision for high quality inclusive education coupled with increasing inflationary costs and set funding rates for schools continues to add to the pressures within school budgets.

During the year ended 31 August 2023, total expenditure of £40,686k (2022: £24,437k) was met by recurrent grant funding from the ESFA together with other incoming resources. The excess of expenditure over income for the period (excluding restricted fixed asset funds and transfers to restricted fixed asset funds) was £895k (2022 £851k)

At 31 August 2023 the net book value of fixed assets was £118,878k (2022: £71,327k). Movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Trust participates in the following local authority LGPS pension funds:

London Borough of Bromley showed an asset but with the asset ceiling calculation this showed as a Nil position (2022 £25k) at 31 August 2023.

London Borough of Lewisham showed a deficit of £740k at 31 August 2023

London Borough of Southwark showed an asset which was capped at £0 at 31 August 2023

Kent County Council showed an asset but with the asset ceiling calculation this showed as a Nil position at 31 August 2023.

The Trust Board have a clear understanding of the constraints of school funding and the impact that this has on the strategic plan and working practices across the Trust. The financial position is under constant review to ensure the organisation is operating at its most efficient. Trustees are conscious all avenues and efficiencies have been stretched to the limit and further increases to operational and unfunded increases to salary costs will have a detrimental impact to the workforce and outcomes for pupils.

Trust schools work with local PTAs to fundraise for additional resources for school as well as provide charitable donations to our organisations.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees have determined that trust reserve levels should:

- be sufficient to ensure a smooth cashflow for the trust's operations,
- provide a contingency for change and uncertainties,
- enable planned investment in educational resources and school improvement,
- enable planned investment in the trust's school estates and premises,
- enable the strategic growth and development of the trust.

The total of unrestricted reserves incorporates an element of continued development work at different school sites and is also required at any growing school. However, the Trust and its partner schools understand the fragility of the funding structure and the need for effective budgeting to maintain services and the reserves required under policy to ensure organisational viability. It is however a challenge to maintain services with increasing costs with the assigned funding.

Trustees note the ESFA recommendation that unrestricted reserves should equate to between 5% and 20% of total income. For NEST, this would equate to a range of £1.8m to £7.2m for 2023/24, (£1.8m to £7.2m for 2022/23). The Trust's level of unrestricted reserves as at 31 August 2023 was £4,663k (2022/23: £4,221k).

Should our unrestricted reserves level exceed this measure, trustees will designate the excess to specific, time restricted workflows.

The Trust held fund balances at 31 August 2023 of £124,131k (2022: £77,048k) comprising £119,468k (2022: £72,827k) of restricted funds and £4,663k (2022: £4,221k) of unrestricted general funds. Of the restricted funds, £118,878k (2022: £71,327k) is represented by tangible fixed assets, £1,226k (2022: £1,319k) of capital funds and £104k (2022: £6k) of unspent restricted funds. The pension reserve which is considered part of restricted funds was £740k (2022: £25k) in deficit.

The Academy's current level of unrestricted reserves of £4,663k (2022: £4,221k) calculated as total funds less the amount held in fixed assets and restricted funds. The Trustees expect the excess of general unrestricted funds to reduce in the coming periods.

#### Investment policy

Under the Memorandum and Articles of Association, the Academy has the power to invest funds not immediately required for its own purposes, in any way the trustees see fit. The organisation has a positive cash balance to cover eventualities and unforeseen expenses. The banking facilities are reviewed on a regular basis. NEST does not have any material investments.

#### Principal risks and uncertainties

The Trust Board of Trustees has a risk management policy and a risk register reviewed by the Finance, Audit and Risk committee. The Trust has an overarching Risk Register. Each school reviews localised risk each term and these are monitored by the Local Committee termly. The Trust reviews all organisational risks termly. The key areas identified are strategic, reputational, operational, organisational, compliance and financial. The Trust employs highly skilled and qualified staff in its Finance, HR, Education and Estates departments, ensuring compliance to the relevant regulations and providing a strategic direction for each department. Health and safety estate works are prioritised above all other improvements works. Regular audits and reviews are concluded within the cycle and outcomes informing the estate plans and any government directives such as, RAAC audits completed. No NEST school has RAAC and all schools provide a safe, appealing environment in which to learn. However, the cost of maintaining seventeen sites, with funding based on pupil numbers continues to be challenging. Pupil numbers are monitored closely as these have significant input on the resourcing of the organisations; these remain stable in 2022-23.

In recent years the number of schools wishing to academise have had historic deficits which are a potential barrier to becoming an academy within a trust, as they increase the financial risk to the organisation. The Board of Trustees through the due diligence program considers potential transferring schools and the financial risks which they may bring if they join NEST. The trust prior to any transfer forensically reviews any historic deficits, its potential to repay and future budget planning.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Risk management

The Trustees have assessed the major risks to which the Multi Academy Trust is exposed, in particular, those relating to specific teaching, provision of facilities and other operational areas of the Trust and its finances. The Trustees have implemented several systems, to assess risks that each school faces, especially in operational areas (e.g., in relation to teaching, health and safety, pupil/ staff and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures e.g., vetting of new staff and visitors to maintain strict safeguarding protocols and manage risk. Any prospective school joining the Trust has a full due diligence review to minimise any future risk to the organisation. Where there is significant financial risk, the Trust has ensured there is adequate insurance cover. Nexus Education Schools Trust (NEST) Multi Academy Trust has an effective system of internal control which is explained in the governance statement.

The major risks to which the MAT is exposed are:

- Fluctuating pupil numbers
- Increasing staffing costs and associated pension contributions
- Local and national funding formula changes.
- Changes to major funding streams which have not been anticipated
- Staff recruitment and retention
- Changes to policy on academies by Government
- Failures to maintain the estate due to inadequate funding or unidentified risk.
- Failures in safeguarding or health and safety at schools within the MAT
- Cyber risk.

The main financial risks to which each school is exposed, taking account of the mitigations in place, relate the risk of an income shortfall due to the likelihood of further government spending reductions affecting our general grant. A risk also arises, in relation to the defined benefit pension scheme, due to the fact that there is a deficit of £740k (2022: £25k). The principal risks and uncertainties that Nexus Education Schools Trust faces are mitigated by the risk management process that the Academy Trust has in place.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Overview of risk and mitigating actions

#### Loss of Key individual

- Key person loss/ succession risk mitigates through effective recruitment, retention, succession planning and leadership development
- Suitable staffing structure with the MAT to support growth
- Pay panel reviews staff salaries regularly to ensure they are competitive.
- Trustees' benchmark CEO and key central staff pay against other MATs to ensure it is competitive.
- Highly effective CPD ensures high retention rate
- Talent spotting and development programme across the MAT to provide succession opportunities and carer development.

#### Safeguarding

- All staff and committee members trained annually, with updates throughout the year.
- Safeguarding audits of schools internally by school leaders and Local Committees Members and externally if needed.
- Suitably trained staff to support pupil welfare programmes
- Suitably qualified staff to monitor and ensure compliance in health and safety across the Trust.
- Robust risk assessments implemented and reviewed effectively

#### Financial Controls, planning and forecasts

- Centralisation of financial management
- Economies of scale through gradual expansion, the centralising of contracts and efficient larger procurement
- Three-year planning of budgets
- Balanced budget setting, and in year strong financial monitoring of delegated budgets
- Support and training to ensure financial efficiencies and compliance to procedure and protocol
- Centralised support, training, and monitoring of budgets to provide cost effective delivery and efficient use of time.
- Alternative funding streams through grant bids, school services and additional income generation externally by central team

#### Building and Estates

- Key staff have strong oversight of the assets and improvements works to ensure compliance with health and safety legislation
- Training and support to staff mitigates risks of legal action and intervention by the Health and Safety executive.
- A clear planned programme of improvement work ensure buildings are safe and appealing environments, able to deliver the broad curriculum and extend offer..

### Fundraising

Trust schools raise additional funds via their Parent Teacher Association, for the procurement of additional resources for use by the school. Funding is raised through the school community rather than the wider community. All participants are aware for the need to protect the vulnerable and emphasis is on willingness and ability to donate not pressure. Charitable fund-raising events are for the benefit of registered charitable organisations; some of whom provide lead personnel to inform and encourage pupils and staff to raise awareness and funds for the charity. No organisation is paid by the Trust for these services and all funds collected are donated. All funds are monitored and accounted for by the NEST finance team. The Trust is proud of its schools' emphasis on helping and supporting others and this is an important part of the education of young people to understand and support others.

### Streamlined energy and carbon reporting

	2023	2022
<i>Energy consumption</i>	kWh	kWh
Aggregate of energy consumption in the year	4,995,893	3,712,507

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

	2023	2022
	metric tonnes	metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	630.47	479.32
- Fuel consumed for owned transport	-	-
	<u>630.47</u>	<u>479.32</u>
Scope 2 - indirect emissions		
- Electricity purchased	360.48	255.27
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the academy trust	5.30	2.74
	<u>5.30</u>	<u>2.74</u>
Total gross emissions	<u>996.25</u>	<u>737.33</u>
<i>Intensity ratio</i>		
Tonnes CO2e per pupil	<u>0.18</u>	<u>0.20</u>

### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2 equivalent per pupil, the recommended ratio for the sector.

### Measures taken to improve energy efficiency

We continue to use virtual meeting formats for Trust business where possible, but the significant expansion of the trust by 6 schools during 2022/23 has resulted in an increase to our gross emissions. However, when compared on a per pupil basis, improvements to the school buildings estate and the reduced need to ventilate school buildings post pandemic has decreased energy consumption per pupil across the trust compared with 2021/22. We continue to use our School Condition Allocation Fund to improve building infrastructures and improve energy efficiency where possible.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Plans for future periods

The strategic plans continue to drive forward the business, we continue to develop the Trust and our aims for the organisation are pursued with vigour. We will be responsive and drive through our initiatives and priorities that will quickly make a difference to our pupils. We will also ensure that we continue to develop our long-term strategies and innovative approaches to meet the needs of the people we serve.

The Trust will continue striving to improve the levels of performance of its pupils in all areas of the school curriculum. It endeavours to provide appropriate resources including staffing that will have significant impact on pupil achievement and attainment. The Trust IT strategy continues to build resources and provision for pupils in the 21st century.

All schools have a very good understanding of their strengths and areas for development based on rigorous analysis of data and monitoring of teaching and learning. Pupil's knowledge, skills and learning gaps are a prime focus for all schools with catch up programmes being instigated with additional funding. The schools will continue to make good use of external validation to secure judgements on the quality of provision and subsequent outcomes. The School Improvement Plans (SIP) have key areas identified for improvement and are based on regular analysis of data and budgeted which is meticulously analysed by the Central Team, Headteachers, Heads of School and the Senior Leadership Teams (SLT).

School improvement and quality assurance strategies are constantly under review and effectively identify underperforming areas and address them through a combination of rigorous monitoring, high quality continuous staff development, including coaching and thorough analysis of pupil performance data. The schools make good provision for personalised learning, support and intervention programmes for individual pupils and the quality of provision for inclusion is very good due to bespoke programmes aimed at raising achievement.

The drive for excellence is evident in many aspects of school life, but particularly in the strong culture of collaboration, openness, and commitment to professional learning. Staff continuing professional development is good as is the way that all staff work relentlessly at sharing best practice across the Trust to fulfil each school's moral imperative to improve the quality of learning for all our pupils. Our fundamental approach is to improve on our previous best.

In 2023/24 the Trust will continue to work with its partner organisations, provide and develop its internal and external provision, through the growth in nursery education and additional classes to free schools and the growth of the NEST South London hub. The London hub began with four schools joining NEST, growing to six in October 23 there is a target to grow to provide education to four thousand pupils within the hub. Joydens Wood Infant Academy and Joydens Juniors academy in Kent, presently are part of the Bromley /Kent hub but there is a strategic growth plan to develop a north Kent hub to provide the schools will a local cluster of schools.

Nursery education and affordable wraparound care strategy will continue to develop in 23/24 The Trust is presently reviewing all its sites for the potential to extend the core child care offer to communities, inline with the extension of grant funding for children from 0 to five by 2025.

The Trust is an inclusive organisation and its SEND strategy plays important part of its provision. The Trust will further develop its core SEND as a three year focussed priority across its schools. An inclusive offer within the Trust should be open to all so we can learn from each other to provide the best most suitable education pathway for children and young adults. NEST has strong partnership with a Bromley Special School and, has applied for a free school provision and plans to have an inclusive provision within hubs for all types of provision, phases and stages of education

All NEST Schools will continue to serve their communities and support closing of any academic gaps and we will continue to prioritise the social and emotional needs of our pupils, staff, and communities to enable all to overcome the impact of the pandemic. The Trust in 2023/24 will grow to serve schools with a pupil published number of 7,096 pupils plus nursery provision.

Nexus Education Schools Trust will continue to provide efficient and effective resourcing for its schools. NEST provides its partner schools, economies of scale, greater collaboration, and challenge. NEST will continue to support and work with external agencies, Local Authorities, and other Multi Academy Trusts to provide the best possible opportunities and outcomes for all.

# NEXUS EDUCATION SCHOOLS TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The Trust has a strategic aim to extend the learning opportunities to wider age ranges and provide high quality wrap around care and holiday provision to clusters of schools. This will mean the excellent education provision provided by our schools can be extended into other services for our communities.

Our Thames South Teaching School Hub will continue to grow and develop the offer strands: early career training, national qualifications, appropriate body services and initial teacher training and development programmes across the three boroughs.

Salary and inflationary pressures will continue to challenge recruitment. The Trust will continue to monitor the recruitment and retention of staff at all levels with due regard to the equality of opportunity, gender, and training for apprenticeships.

Safeguarding and well-being for staff and pupils continues to be central to all Trust policies and strategic developments and will continue to be promoted robustly through the management and development of Trust resources, including the estate, and their effective usage.

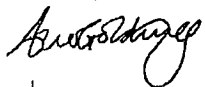
### **Auditor**

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.

A resolution proposing that Azets Audit Services be reappointed as auditor of the charitable company will be put to the members.

The trustees report, incorporating a strategic report, was approved by order of the Board of trustees, as the company directors, on 15/12/2023..... and signed on its behalf by:



.....  
A Golding  
**Chair of Trustees**

# NEXUS EDUCATION SCHOOLS TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Scope of responsibility

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

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 Nexus Education Schools Trust and the Secretary of State for Education. The accounting officer is 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 Trust Directors has formally met 5 times during the year. Attendance during the year at meetings of the Board of trustees was as follows:

Trustees	Meetings attended	Out of possible
P Chandler (Resigned 31 December 2022)	2	2
P Farrow OBE (Accounting officer)	5	5
N Kimber	5	5
D Stacey	4	5
J Millins	4	5
D Townsend (Chair of the Finance Audit and Risk Committee )	5	5
A Golding (Chair of Trustees) (Appointed 1 January 2023)	3	3
E O'Mahony (Appointed 1 January 2023)	2	3

There have been two changes to Trustees in the period. A vacancy had been held over to enable a Trustee from Communitas Education School Trust with appropriate skills to join the board on transfer. E O'Mahony joined the Board in January 2023. The Chair, P Chandler, stepped down in Spring 2023 and was replaced by A Golding who has significant education expertise. Trustees conduct a self-evaluation including a skills audit. This will inform any recruitment needs. The Trust Board met five times to ensure coverage of its responsibilities through the frequent monitoring of financial, academic and standards reports and enabling the Board to have a tight control on the effectiveness and growth of the organisation. Headline data has continued to improve, and the Board and its Committees have through the robust monitoring of attainment and progress been forensic in their review of the most vulnerable groups, with planned interventions and catch-up programmes in place to close education gaps. The Board acknowledges that the setting of balanced budgets for 2022/23 has been a challenge with all resources and provision being reviewed and evaluated for impact. The financial mechanisms, process and procedures have further been enhanced to support schools manage challenging budget controls.

The Board continues to use external and internal mechanisms to accurately assess and evaluate the performance of the Board and its schools, through OFSTED, Challenges partners, Regional Schools Commission, Department of Education, Education Schools Funding agency and auditors.

### Conflicts of interest

The Trust maintains and publishes a register of business interests in accordance with the requirements of the Academy Trust Handbook. Declarations of interest are requested and minuted at all board and local committee meetings.



# NEXUS EDUCATION SCHOOLS TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### Governance reviews

As part of the review of Governance and the growth of the MAT to seventeen schools, the Board reviewed and reorganised the delegated responsibilities to the committees of Audit and Risk; Pay and Performance. Education and Achievement.

The Board has three Sub Committees: -

- Finance, Audit and Risk
- HR, Pay and Performance
- Education, Achievement and Thames South TSH.

These committees meet termly and provide an additional layer of accountability and scrutiny for the organisation. Advice and recommendations are proposed to the Board and its sub committees. Their remits cover:

- OFSTED inspections and the successful outcomes
- Internal and external quality assurance reviews
- Peer reviews within the MAT
- Data reviews of standards and vulnerable group attainment and progress.
- Scrutiny of minutes
- Forums and effective communication procedures between governance layers
- Internal and external audit.
- Financial performance and engagement of Thames South Teaching School hub

There will a further review of the governance layers in 2023/24 with an Education focussed hub committee being piloted, with oversight of a localised hub of schools education standards and achievements.

The Finance, Audit and Risk Committee review the audit reports from each school, monitoring the effectiveness of the scheme of delegation and assessing any risk and recommendations from the Finance, Resources, Audit and Risk Advisory Committee. The Committee reviews risk and potential liabilities and the policies related to the protocol and procedures within the organisation. The Finance, Audit and Risk Committee's main purpose is to maintain an oversight of the Trust's governance, risk management, internal control, and value for money framework. It reports to the Board termly and the Accounting Officer as part of the Trust's annual reporting requirements. A representative from our auditors joins this Committee annually.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
P Chandler (Resigned 31 December 2022)	2	2
P Farrow OBE (Accounting officer)	4	4
D Stacey	4	4
D Townsend (Chair of the Finance Audit and Risk Committee )	4	4
A Golding (Chair of Trustees) (Appointed 1 January 2023)	2	2

The Board HR, Pay and Performance Committee reviews national and local pay award recommendations, benchmarking any Board Pay decisions with comparable organisation, guidance from the Department of Education and Education Funding Agency as well as recruitment and retention initiatives. The performance of staff with significant control both centrally and at school level is reviewed and pay awards decided by the Trust Pay Committee. The Committee has the delegated powers to review and be part of the review of senior staff performance review under the capability and appeal framework.

# NEXUS EDUCATION SCHOOLS TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
P Chandler (Resigned 31 December 2022)	1	1
P Farrow OBE (Accounting officer)	2	2
N Kimber	2	2
J Millins	2	2
A Golding (Chair of Trustees) (Appointed 1 January 2023)	1	1

The Board's Education, Achievement and Thames South TSH Committee reviews the standards and performance of NEST schools and the Thames South Teaching School. It reviews the impact of the provision and the feedback of participants and pupil numbers within our schools. The Committee has Trustees as well advisory representation to ensure a breadth of external advice and accountability.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
P Farrow OBE (Chair)	3	3
L Pender (Director of TSH)	3	3
D Townsend	3	3
N Kimber (Vice Chair)	3	3
C Moody (Advisory)	3	3
J Lakey (Advisory)	1	3

### Review of value for money

As accounting officer the CEO has responsibility for ensuring that the 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 each school's use of its resources has provided good value for money during each academic year, and reports to the Board of Trust Directors where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Improving academic standards across the Trust
- Breadth of opportunities in sport and music through the procurement of additional specialist staff
- Providing school to school support through the provision of a National Leader of Education
- Improving the facilities in the school
- Improving the estate fabric
- Continuing to develop high calibre staff through continued professional development training.

The Trust benefits from the School Condition Allocation Fund which aims to support the development and improvement of the estate assets. In 22/23 a significant kitchen upgraded programme was begun to ensure the efficient, safety, and increased take up of school meals across the Trust. The new joining schools' assets have been evaluated and a second kitchen upgrade programme will begin in 2023/24. The six schools who transferred in year were all entitled to apply for school condition improvement funding with six projects awarded. On transfer, the trust was responsible for the successful delivery and completion of :- three roofing projects, a water and services upgrades, window replacements, fire door upgrade and heating improvements in 22/23. All comply with regulatory controls and provide a safe and well-maintained environment.

# NEXUS EDUCATION SCHOOLS TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **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 Nexus Education Schools Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

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

### **The risk and control framework**

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint a Responsible Officer within its Trust, but to have an internal scrutiny partner to cover this role, by providing additional external checks and balances. The Board have appointed Baxter & Co to complete the internal audit function. Baxter & Co's role 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 include:

- Procurement and Payroll
- Financial Procedures, Accounting Records and Systems
- Monthly Management Reporting and KPI's
- Compliance and Governance

Baxter & Co reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board's financial responsibilities.

The directors confirm that the internal auditor has delivered their schedule of work as planned, and no material control issues arose as a result of their internal auditor's work.

# NEXUS EDUCATION SCHOOLS TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### 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:

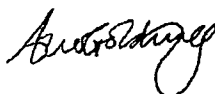
- the work of the Internal Audit Review;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the Senior Management Team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the Board of trustees on 15/12/2023 and signed on its behalf by:



P Farrow OBE  
Accounting officer



A Golding  
Chair of Trustees

# NEXUS EDUCATION SCHOOLS TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

**FOR THE YEAR ENDED 31 AUGUST 2023**

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



P Farrow OBE  
**Accounting Officer**

15/12/2023  
.....

# NEXUS EDUCATION SCHOOLS TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2023**

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The trustees (who are also the directors of Nexus Education Schools 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:

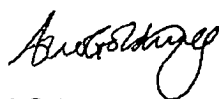
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 15/12/2023 and signed on its behalf by:



A Golding  
Chair of Trustees

# **NEXUS EDUCATION SCHOOLS TRUST**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEXUS EDUCATION SCHOOLS TRUST**

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **Opinion**

We have audited the accounts of Nexus Education Schools 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 contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# NEXUS EDUCATION SCHOOLS TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEXUS EDUCATION SCHOOLS TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### **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.

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.

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

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.



# NEXUS EDUCATION SCHOOLS TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NEXUS EDUCATION SCHOOLS TRUST (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of senior leadership, Governors/Trustees and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations including compliance with the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency;
- Performing audit work over the recognition of grant income and the allocation of expenditure to funds;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 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.

### 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.

*Azets Audit Services Limited*

**Michelle Wilkes FCA (Senior Statutory Auditor)**  
for and on behalf of Azets Audit Services

18 December 2023  
.....

**Chartered Accountants**  
**Statutory Auditor**

First Floor  
River House  
1 Maidstone Road  
Sidcup  
Kent  
United Kingdom  
DA14 5RH

# **NEXUS EDUCATION SCHOOLS TRUST**

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

***FOR THE YEAR ENDED 31 AUGUST 2023***

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In accordance with the terms of our engagement letter dated 26 June 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 Nexus Education Schools 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 Nexus Education Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Nexus Education Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Nexus Education Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Nexus Education Schools Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Nexus Education Schools Trust's funding agreement with the Secretary of State for Education dated 16 December 2015 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.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion as well as additional testing based on our assessment of risk of material irregularity.

# NEXUS EDUCATION SCHOOLS TRUST

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

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### 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.

*Azets Audit Services Limited*

### Reporting Accountant

Azets Audit Services

First Floor

River House

1 Maidstone Road

Sidcup

Kent

DA14 5RH

United Kingdom

Dated: 18 December 2023

# NEXUS EDUCATION SCHOOLS TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2023 £'000	Total 2022 £'000
<b>Income and endowments from:</b>						
Donations and capital grants	3	562	166	2,656	3,384	1,540
Donations - Transfer of existing academy trust's into the trust		507	(891)	49,113	48,729	-
<b>Charitable activities:</b>						
- Funding for educational operations	4	-	32,808	-	32,808	19,214
- Funding for Thames South Teaching School Hub		436	200	-	636	418
Other trading activities	5	1,695	-	-	1,695	1,431
Investments	6	52	-	-	52	1
<b>Total</b>		<u>3,252</u>	<u>32,283</u>	<u>51,769</u>	<u>87,304</u>	<u>22,604</u>
<b>Expenditure on:</b>						
<b>Charitable activities:</b>						
- Educational operations	9	702	36,135	3,365	40,202	24,141
- Thames South Teaching School Hub		284	200	-	484	296
<b>Total</b>	8	<u>986</u>	<u>36,335</u>	<u>3,365</u>	<u>40,686</u>	<u>24,437</u>
<b>Net income/(expenditure)</b>		2,266	(4,052)	48,404	46,618	(1,833)
Transfers between funds	18	(2,024)	2,970	(946)	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	20	-	465	-	465	7,863
<b>Net movement in funds</b>		242	(617)	47,458	47,083	6,030
<b>Reconciliation of funds</b>						
Total funds brought forward		4,421	(19)	72,646	77,048	71,018
Total funds carried forward		<u>4,663</u>	<u>(636)</u>	<u>120,104</u>	<u>124,131</u>	<u>77,048</u>

# NEXUS EDUCATION SCHOOLS TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information Year ended 31 August 2022		Unrestricted funds	Restricted funds:		Total 2022
	Notes	£'000	General £'000	Fixed asset £'000	£'000
<b>Income and endowments from:</b>					
Donations and capital grants	3	402	138	1,000	1,540
Charitable activities:					
- Funding for educational operations	4	-	19,214	-	19,214
- Funding for thames south teaching school hub		218	200	-	418
Other trading activities	5	1,431	-	-	1,431
Investments	6	1	-	-	1
<b>Total</b>		<u>2,052</u>	<u>19,552</u>	<u>1,000</u>	<u>22,604</u>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	9	507	21,652	1,982	24,141
- Thames South Teaching School Hub		296	-	-	296
<b>Total</b>	8	<u>803</u>	<u>21,652</u>	<u>1,982</u>	<u>24,437</u>
<b>Net income/(expenditure)</b>		1,249	(2,100)	(982)	(1,833)
Transfers between funds	18	(196)	148	48	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	20	-	7,863	-	7,863
<b>Net movement in funds</b>		1,053	5,911	(934)	6,030
<b>Reconciliation of funds</b>					
Total funds brought forward		3,168	(5,730)	73,580	71,018
Total funds carried forward		<u>4,221</u>	<u>181</u>	<u>72,646</u>	<u>77,048</u>

# NEXUS EDUCATION SCHOOLS TRUST

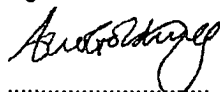
## BALANCE SHEET

AS AT 31 AUGUST 2023

		2023		2022	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	13		118,878		71,327
<b>Current assets</b>					
Debtors	14	2,517		881	
Cash at bank and in hand		7,928		7,650	
		10,445		8,531	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	15	(4,311)		(2,648)	
<b>Net current assets</b>			6,134		5,883
<b>Total assets less current liabilities</b>			125,012		77,210
Creditors: amounts falling due after more than one year	16		(141)		(137)
<b>Net assets excluding pension liability</b>			124,871		77,073
Defined benefit pension scheme liability	20		(740)		(25)
<b>Total net assets</b>			124,131		77,048
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			120,104		72,646
- Restricted income funds			104		206
- Pension reserve			(740)		(25)
<b>Total restricted funds</b>			119,468		72,827
<b>Unrestricted income funds</b>	18		4,663		4,221
<b>Total funds</b>			124,131		77,048

15/12/2023

The accounts on pages 34 to 63 were approved by the trustees and authorised for issue on ..... and are signed on their behalf by:



A Golding

Chair of Trustees

Company registration number 08753719 (England and Wales)

# NEXUS EDUCATION SCHOOLS TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities</b>			
Net cash used in operating activities	21	(2,602)	(269)
Cash funds transferred on conversion		1,341	-
		(1,261)	(269)
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		52	1
Capital grants from DfE Group		1,911	1,000
Capital funding received from sponsors and others		745	-
Purchase of tangible fixed assets		(1,174)	(41)
<b>Net cash provided by investing activities</b>		1,534	960
<b>Cash flows from financing activities</b>			
New other loan		33	-
Repayment of other loan		(26)	(24)
Finance costs		(2)	(2)
<b>Net cash provided by/(used in) financing activities</b>		5	(26)
<b>Net increase in cash and cash equivalents in the reporting period</b>		278	665
Cash and cash equivalents at beginning of the year		7,650	6,985
<b>Cash and cash equivalents at end of the year</b>		7,928	7,650

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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### 1 Accounting policies

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

#### 1.1 Basis of preparation

The accounts of the Nexus Education Schools Trust ('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.

These financial statements are presented in pound sterling and are rounded to the nearest £1,000, unless otherwise stated.

#### 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 Transfer of existing academies into the academy trust

Where assets and liabilities are received on the transfer of an existing academy into the academy trust, the transferred net assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised for the transfer of an existing academy into the academy trust within donations and capital grant income to the net assets acquired. Further details of the transaction are set out in note .

#### 1.4 Income

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

##### Grants

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

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

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

##### Donations

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



# NEXUS EDUCATION SCHOOLS 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

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

#### Interest receivable

Interest receivable is included within the statement of financial activities on a receivable basis.

#### 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.

### 1.5 Expenditure

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

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

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets and depreciation

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost. Assets costing less than £10,000 and a group of similar items costing £30,000 are written off in the period of acquisition. All other assets are capitalised.

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

The properties have been included at the valuation provided by the ESFA when completing their desktop valuation. The academies have a 125 year lease from the date of conversion for the use of the land and buildings with the local authority. Two of the schools hold the freehold title to land and buildings.

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

Freehold land and buildings	Buildings 2%; land not depreciated
Leasehold land and buildings	Buildings 2%; land over 125 years
Assets under construction	Not depreciated
Computer equipment	33.3%
Fixtures and fittings	25%

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

#### 1.7 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.

#### 1.8 Leased assets

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

#### 1.9 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.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### 1 Accounting policies

(Continued)

##### 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.

#### 1.10 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.

#### 1.11 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.

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.

#### 1.12 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and Department for Education 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 Funding Agency and the Department for Education.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

The pension value also includes an asset ceiling adjustment and the assumptions used to calculate this are:

- The scheme is open to new entrants;
- There is a minimum funding requirement in relation to the LGPS;
- There is the ability to recover a surplus through the ability to reduce future contributions (not refund)
- In calculating the surplus, the present value of current and past service costs is offset against the future contributions over the future period;
- The present value in the above calculations are calculated using an annuity representing participation into perpetuity.

#### Critical areas of judgement

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the property plant and equipment, and note 1.6 for the useful economic lives for each class of assets.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 3 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Capital grants	-	2,656	2,656	1,000
Other donations	562	166	728	540
	<u>562</u>	<u>2,822</u>	<u>3,384</u>	<u>1,540</u>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 4 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	25,582	25,582	16,616
Other DfE/ESFA grants:				
UIFSM	-	836	836	625
Pupil premium	-	1,547	1,547	610
Start up grants	-	92	92	-
PE & Sports premium	-	318	318	191
Rates	-	185	185	84
Teachers' pension grant	-	14	14	3
Teachers' pay grant	-	5	5	1
Supplementary grant	-	723	723	195
Recovery premium	-	155	155	62
Trust Capacity Fund grant	-	-	-	74
National Tutor grant	-	75	75	28
Mainstream Schools additional grant	-	387	387	-
DfE teaching grants	-	200	200	200
Others	-	165	165	17
	-	30,284	30,284	18,706
<b>Other government grants</b>				
Local authority grants	-	2,667	2,667	694
<b>Other funding</b>				
Thames South Teaching School Hub income	436	-	436	218
Other incoming resources	-	57	57	14
	436	57	493	232
<b>Total funding</b>	436	33,008	33,444	19,632

### 5 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Hire of facilities	160	-	160	95
Catering income	409	-	409	425
School clubs	916	-	916	778
Other income	210	-	210	133
	1,695	-	1,695	1,431

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 6 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Short term deposits	52	-	52	1

### 7 Central services

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

- School Improvement
- Educational support
- Financial services
- Payroll and HR services including recruitment support
- Contract procurement and management
- Premises management
- Health and safety compliance management
- Legal support
- Safeguarding and compliance
- Strategic Leadership and CPD

The academy trust charges for these services on the following basis:

- 5.25% of GAG School Budget Share (2022: 5.25%) plus additional 1% for development of ICT infrastructure and other contingencies.

The amounts charged during the year were as follows:

	2023 £'000	2022 £'000
Balgowan Primary School	166	146
Nexus Educational Schools Trust	-	-
Farnborough Primary School	77	61
Worsley Bridge Primary School	116	98
Alexandra Infants School	54	47
Alexandra Juniors School	66	56
Manor Oak Primary School	62	51
Highfield Infants School	74	60
Highfield Junior School	97	78
Pickhurst Infants School	95	81
Perry Hall Primary School	115	95
Bickley Primary School	108	90
Thames South Teaching School Hub	-	-
Joydens Wood Infant School	28	-
Joydens Wood Junior School	34	-
John Donne Primary School	144	-
Goose Green Primary and Nursery School	112	-
John Keats Primary School	85	-
Childeric Primary School	138	-
NEST Nurseries @ Pickhurst	-	-
	<u>1,571</u>	<u>863</u>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Expenditure

	Staff costs £'000	Non-pay expenditure Premises £'000	Other £'000	Total 2023 £'000	Total 2022 £'000
Academy's educational operations					
- Direct costs	21,235	1,155	2,741	25,131	15,382
- Allocated support costs	6,518	5,528	3,025	15,071	8,759
Thames South Teaching School Hub					
- Direct costs	206	-	(3)	203	134
- Allocated support costs	72	-	209	281	162
	<u>28,031</u>	<u>6,683</u>	<u>5,972</u>	<u>40,686</u>	<u>24,437</u>

Net income/(expenditure) for the year includes:

	2023 £'000	2022 £'000
Operating lease rentals	56	18
Depreciation of tangible fixed assets	1,803	995
Loss on disposal of fixed assets	-	3
Fees payable to auditor for:		
- Audit	31	18
- Other services	20	14
Bank and loan interest	2	2
Net interest on defined benefit pension liability	8	98

### 9 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
<b>Direct costs</b>				
Educational operations	33	25,098	25,131	15,382
Thames South Teaching School Hub	203	-	203	134
<b>Support costs</b>				
Educational operations	669	14,402	15,071	8,759
Thames South Teaching School Hub	281	-	281	162
	<u>1,186</u>	<u>39,500</u>	<u>40,686</u>	<u>24,437</u>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 9 Charitable activities

(Continued)

	South Thames £'000	Educational operations £'000	Total 2023 £'000	Total 2022 £'000
<b>Analysis of support costs</b>				
Support staff costs	72	6,465	6,537	4,405
Depreciation	-	648	648	158
Technology costs	12	221	233	194
Premises costs	-	4,880	4,880	2,191
Legal costs	-	32	32	25
Other support costs	194	2,662	2,856	1,839
Governance costs	3	163	166	109
	<u>281</u>	<u>15,071</u>	<u>15,352</u>	<u>8,921</u>

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £'000	2022 £'000
Wages and salaries	20,689	12,075
Social security costs	1,974	1,102
Pension costs	4,717	3,786
Staff costs - employees	<u>27,380</u>	<u>16,963</u>
Agency staff costs	651	383
	<u>28,031</u>	<u>17,346</u>
Staff development and other staff costs	140	81
Total staff expenditure	<u>28,171</u>	<u>17,427</u>

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	293	183
Administration and support	463	378
Management	20	14
	<u>776</u>	<u>575</u>



# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 10 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	20	7
£70,001 - £80,000	7	5
£80,001 - £90,000	8	5
£90,001 - £100,000	2	2
£100,001 - £110,000	2	-
£110,001 - £120,000	1	-
£120,001 - £130,000	1	-
£150,001 - £160,000	-	1
£170,001 - £180,000	1	-

#### Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. During the year the academy trust has restructured the SLT as a result of its continued growth and for 2022/23 the personnel are listed on page 1. For 2021/22 the SLT included the headteachers of each respective school. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the academy trust was £1,028k (2022: £1,532k)

### 11 Trustees' remuneration and expenses

One of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer only received remuneration in respect of services she provided undertaking the role of Chief Executive Officer under her contract of employment, and not in respect of her services as a trustee.

The value of trustees' remuneration and other benefits was as follows:

P Farrow OBE (Chief Executive Officer):

- Remuneration £175,001 - £180,000 (2022: £155,001 - £160,000 )
- Employer's pension contributions £40,000 - £45,000 (2022: £35,000 - £40,000 )

During the year travel, hospitality and resources costs totalling £1,484 (2022: £1,646) were paid by the Trust to one Trustee.

Retirement benefits under a defined benefit scheme were accruing for one (2022: one) trustee/director.

### 12 Trustees' and officers' insurance

The academy trust has opted into the Department of 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.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 13 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Assets under construction £'000	Computer equipment £'000	Fixtures and fittings £'000	Total £'000
<b>Cost</b>						
At 1 September 2022	20,549	55,898	-	631	562	77,640
Transfer from exsiting academies	-	47,038	-	104	1,038	48,180
Additions	-	-	937	226	11	1,174
At 31 August 2023	20,549	102,936	937	961	1,611	126,994
<b>Depreciation</b>						
At 1 September 2022	371	4,926	-	508	508	6,313
Charge for the year	73	1,082	-	179	469	1,803
At 31 August 2023	444	6,008	-	687	977	8,116
<b>Net book value</b>						
At 31 August 2023	20,105	96,928	937	274	634	118,878
At 31 August 2022	20,178	50,972	-	123	54	71,327

Included in land and buildings is land of £75,535k (2022: £52,401k).

Assets under construction relates to the construction of a building at Farnborough Primary School.

### 14 Debtors

	2023 £'000	2022 £'000
Trade debtors	216	192
VAT recoverable	249	153
Other debtors	3	-
Prepayments and accrued income	2,049	536
	2,517	881

# NEXUS EDUCATION SCHOOLS TRUST

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

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

	2023 £'000	2022 £'000
Other loans	28	25
Trade creditors	339	182
Other taxation and social security	488	273
Other creditors	545	499
Accruals and deferred income	2,911	1,669
	<u>4,311</u>	<u>2,648</u>

### 16 Creditors: amounts falling due after more than one year

	2023 £'000	2022 £'000
Other loans	141	137
	<u>141</u>	<u>137</u>
<b>Analysis of loans</b>	<b>2023 £'000</b>	<b>2022 £'000</b>
Not wholly repayable within five years by instalments	44	38
Wholly repayable within five years	125	124
	<u>169</u>	<u>162</u>
Less: included in current liabilities	(28)	(25)
Amounts included above	<u>141</u>	<u>137</u>
<b>Loan maturity</b>		
Debt due in one year or less	28	25
Due in more than one year but not more than two years	28	25
Due in more than two years but not more than five years	71	74
Due in more than five years	42	38
	<u>169</u>	<u>162</u>

The above are CIF capital loans and Salix loans with the ESFA of £169k (2022: £162k) which are repayable over 10 and 8 years respectively. The CIF loans attract an interest rate of either 1.95% or 2.29%.

### 17 Deferred income

	2023 £'000	2022 £'000
Deferred income is included within:		
Creditors due within one year	1,131	779
	<u>1,131</u>	<u>779</u>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

#### 17 Deferred income

(Continued)

Deferred income at 1 September 2022	779	571
Released from previous years	(779)	(571)
Resources deferred in the year	1,131	779
<b>Deferred income at 31 August 2023</b>	<b>1,131</b>	<b>779</b>

At the balance sheet date, the Academy Trust was holding funds received in advance for universal free school meals, rates grants, club and trip income relating to 2023/24.

#### 18 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	-	25,590	(28,560)	2,970	-
Start up grants	-	92	(92)	-	-
UIFSM	-	836	(836)	-	-
Pupil premium	-	1,547	(1,547)	-	-
Other DfE/ESFA grants	6	2,046	(2,006)	-	46
Other government grants	-	2,667	(2,641)	-	26
Thames South Teaching School Hub	-	200	(200)	-	-
Other restricted funds	-	223	(191)	-	32
	<u>6</u>	<u>33,201</u>	<u>(36,073)</u>	<u>2,970</u>	<u>104</u>
Funds excluding pensions	6	33,201	(36,073)	2,970	104
Pension reserve	(25)	(918)	(262)	465	(740)
	<u>(19)</u>	<u>32,283</u>	<u>(36,335)</u>	<u>3,435</u>	<u>(636)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	1,319	3,589	(1,562)	(2,120)	1,226
General fixed assets	71,327	48,180	(1,803)	1,174	118,878
	<u>72,646</u>	<u>51,769</u>	<u>(3,365)</u>	<u>(946)</u>	<u>120,104</u>
<b>Total restricted funds</b>	<u>72,627</u>	<u>84,052</u>	<u>(39,700)</u>	<u>2,489</u>	<u>119,468</u>
<b>Unrestricted funds</b>					
General funds	4,299	2,816	(702)	(2,024)	4,389
Thames South Teaching School Hub	122	436	(284)	-	274
	<u>4,421</u>	<u>3,252</u>	<u>(986)</u>	<u>(2,024)</u>	<u>4,663</u>
<b>Total funds</b>	<u>77,048</u>	<u>87,304</u>	<u>(40,686)</u>	<u>465</u>	<u>124,131</u>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2023**

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### 18 Funds

(Continued)

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

General Annual Grant: Income received from the ESFA to cover the normal running costs of the Academy.

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

Other DFE/ESFA grants: This includes the pupil premium, sports funding grant, rates relief, universal free school meals, teachers pension grant, teachers pay grant, supplementary grant, recovery premium, national tutoring grant, mainstream schools additional grant, start up grant, academic mentor programme, student placement, MAT funding, and Teaching School Core Grant.

Other government grants: This includes SEN funding, pupil premium, High Needs and additional bulge class funding.

Other Restricted funds: This includes other restricted grants and donations.

The transfer of funds relates to the purchase of fixed assets during the period, and the overspend on GAG.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 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
<b>Restricted general funds</b>					
General Annual Grant (GAG)	735	16,616	(17,499)	148	-
UIFSM	-	625	(625)	-	-
Pupil premium	-	610	(610)	-	-
Other DfE/ESFA grants	116	17	(127)	-	6
Other government grants	-	694	(694)	-	-
Thames South Teaching School Hub	-	200	(200)	-	-
PE & Sports Premium	66	191	(257)	-	-
Rates	-	84	(84)	-	-
Teachers' pension grants	-	3	(3)	-	-
Teachers' pay grants	-	1	(1)	-	-
Supplementary grant	-	195	(106)	-	-
Recovery premium	-	62	(62)	-	-
Trust Capacity Fund grant	-	74	(74)	-	-
National Tutor grant	-	28	(28)	-	-
Other restricted funds	-	152	(152)	-	-
	<u>917</u>	<u>19,552</u>	<u>(20,611)</u>	<u>148</u>	<u>6</u>
Funds excluding pensions	917	19,552	(20,611)	148	6
Pension reserve	(6,647)	-	(1,241)	7,863	(25)
	<u>(5,730)</u>	<u>19,552</u>	<u>(21,852)</u>	<u>8,011</u>	<u>(19)</u>
<b>Restricted fixed asset funds</b>					
DfE group capital grants	1,296	1,000	(984)	7	1,319
General fixed assets	72,284	-	(998)	41	71,327
	<u>73,580</u>	<u>1,000</u>	<u>(1,982)</u>	<u>48</u>	<u>72,646</u>
<b>Total restricted funds</b>	<u>67,850</u>	<u>20,552</u>	<u>(23,834)</u>	<u>8,059</u>	<u>72,627</u>
<b>Unrestricted funds</b>					
General funds	3,168	1,834	(507)	(196)	4,299
Thames South Teaching School Hub	-	218	(96)	-	122
	<u>3,168</u>	<u>2,052</u>	<u>(603)</u>	<u>(196)</u>	<u>4,421</u>
<b>Total funds</b>	<u>71,018</u>	<u>22,604</u>	<u>(24,437)</u>	<u>7,863</u>	<u>77,048</u>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

#### Total funds analysis by academy

	2023	2022
	£'000	£'000
Fund balances at 31 August 2023 were allocated as follows:		
Balgowan Primary School	1	1
Nexus Educational Schools Trust	4,748	4,415
Farnborough Primary School	1	1
Worsley Bridge Primary School	1	1
Alexandra Infants School	1	1
Alexandra Juniors School	1	1
Manor Oak Primary School	1	1
Highfield Infants School	1	1
Highfield Junior School	1	1
Pickhurst Infants School	1	1
Perry Hall Primary School	1	1
Bickley Primary School	1	1
Thames South Teaching School Hub	1	1
Joydens Wood Infant School	1	-
Joydens Wood Junior School	1	-
John Donne Primary School	1	-
Goose Green Primary and Nursery School	1	-
John Keats Primary School	1	-
Childeric Primary School	1	-
NEST Nurseries @ Pickhurst	1	-
Total before fixed assets fund and pension reserve	4,767	4,427
Restricted fixed asset fund	120,104	72,646
Pension reserve	(740)	(25)
Total funds	124,131	77,048

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

#### Total cost analysis by academy

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

	Teaching and educational support staff £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2023 £'000	Total 2022 £'000
Balgowan Primary School	2,102	619	52	893	3,666	3,374
Nexus Educational Schools Trust	809	814	4	1,515	3,142	2,286
Farnborough Primary School	804	197	49	454	1,504	1,390
Worsley Bridge Primary School	1,421	243	25	615	2,304	2,232
Alexandra Infants School	898	212	18	272	1,400	1,342
Alexandra Juniors School	804	211	23	375	1,413	1,338
Manor Oak Primary School	890	242	28	293	1,453	1,351
Highfield Infants School	835	315	26	403	1,579	1,503
Highfield Junior School	1,162	236	32	499	1,929	1,828
Pickhurst Infants School	1,322	430	44	491	2,287	2,141
Perry Hall Primary School	1,393	282	73	599	2,347	2,296
Bickley Primary School	1,433	231	30	607	2,301	2,062
Thames South Teaching School Hub	206	73	1	210	490	296
Joydens Wood Infant School	381	150	33	129	693	-
Joydens Wood Junior School	534	98	14	231	877	-
John Donne Primary School	1,771	727	48	727	3,273	-
Goose Green Primary and Nursery School	1,487	405	21	573	2,486	-
John Keats Primary School	1,126	322	45	757	2,250	-
Childeric Primary School	1,971	614	31	640	3,256	-
NEST Nurseries @ Pickhurst	92	116	6	19	233	-
	<u>21,441</u>	<u>6,537</u>	<u>603</u>	<u>10,302</u>	<u>38,883</u>	<u>23,439</u>



# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	118,878	118,878
Current assets	4,662	4,557	1,226	10,445
Current liabilities	1	(4,312)	-	(4,311)
Non-current liabilities	-	(141)	-	(141)
Pension scheme liability	-	(740)	-	(740)
<b>Total net assets</b>	<b>4,663</b>	<b>(636)</b>	<b>120,104</b>	<b>124,131</b>
	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total Funds £'000
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	71,327	71,327
Current assets	4,618	2,594	1,319	8,531
Current liabilities	(260)	(2,388)	-	(2,648)
Non-current liabilities	(137)	-	-	(137)
Pension scheme liability	-	(25)	-	(25)
<b>Total net assets</b>	<b>4,221</b>	<b>181</b>	<b>72,646</b>	<b>77,048</b>

### 20 Pension and similar obligations

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

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 £512k (2022: £304k) were payable to the schemes at 31 August 2023 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

The TPS is an unfunded scheme to which both 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.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

#### 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.

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 employer's pension costs paid to the TPS in the period amounted to £2,708k (2022: £1,698k).

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 pension 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 19.1 to 23.7% for employers and 5.5 to 12.5% for employees.

As described in note the LGPS obligation relates to the employees of the academy trust, being the employees transferred as part of the conversion from the maintained school and new employees who joined the scheme in the period. 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.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

Total contributions made	2023 £'000	2022 £'000
Employer's contributions	1,748	1,017
Employees' contributions	492	273
Total contributions	2,240	1,290
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.85 - 4.30	4.33
Rate of increase for pensions in payment/inflation	2.60 - 3.00	2.93
Discount rate for scheme liabilities	5.00 - 5.40	4.08
Inflation assumption (CPI)	2.60 - 3.00	2.83

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	19.3 - 21.7	22.8
- Females	23.2 - 24.8	25.3
Retiring in 20 years		
- Males	21.3 - 22.2	24.6
- Females	24.6 - 25.7	27.2

Scheme liabilities would have been affected by changes in assumptions as follows:

	2023 £'000	2022 £'000
Discount rate + 0.1%	-151	-321
Mortality assumption + 1 year	301	295
CPI rate + 0.1%	206	325

### Defined benefit pension scheme net liability

	2023 £'000	2022 £'000
Scheme assets	23,197	14,950
Scheme obligations	(23,937)	(14,975)
Net liability	(740)	(25)

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

#### The academy trust's share of the assets in the scheme

	2023 Fair value £'000	2022 Fair value £'000
Equities	15,690	9,657
Other bonds	2,355	1,137
Cash	653	238
Government bonds	781	330
Property	2,158	1,061
Other assets	3,831	2,527
Asset ceiling impact (cumulative)	(2,271)	-
Total market value of assets	23,197	14,950

The actual return on scheme assets was £(2,613,000) (2022: £(1,529,000)).

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

	2023 £'000	2022 £'000
Current service cost	1,950	2,160
Interest income	(1,007)	(270)
Interest cost	1,015	368
Administration expenses	52	-
Total operating charge	2,010	2,258

#### Changes in the present value of defined benefit obligations

	2023 £'000	2022 £'000
At 1 September 2022	14,975	21,878
Transferred in on existing academies joining the academy trust	9,942	-
Current service cost	1,950	2,160
Interest cost	1,015	368
Employee contributions	492	273
Actuarial gain	(4,085)	(9,662)
Benefits paid	(352)	(42)
At 31 August 2023	23,937	14,975

# NEXUS EDUCATION SCHOOLS TRUST

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

### 20 Pension and similar obligations

(Continued)

#### Changes in the fair value of the academy trust's share of scheme assets

	2023 £'000	2022 £'000
At 1 September 2022	14,950	15,231
Transferred in on existing academies joining the academy trust	9,024	-
Interest income	1,007	270
Actuarial loss	(1,349)	(1,799)
Employer contributions	1,748	1,017
Employee contributions	492	273
Benefits paid	(352)	(42)
Asset ceiling impact (cumulative)	(2,271)	
Effect of non-routine settlements and administration expenses	(52)	-
At 31 August 2023	23,197	14,950

Included within the pension assets above is an "asset ceiling adjustment". The asset ceiling is the present value of the economic benefits that the employer can recover from the plan, such as reduced contributions or cash refunds. It is deemed for the Trust that the future costs expected for the employers contributions will outweigh the future service costs and therefore there is no economic benefit to the Trust and therefore the asset value is reduced to zero.

### 21 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Notes	2023 £'000	2022 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)		46,618	(1,833)
Adjusted for:			
Net surplus on transfer of academy in the trust	28	(48,729)	-
Capital grants from DfE and other capital income		(2,656)	(1,000)
Investment income receivable	6	(52)	(1)
Finance costs payable		2	2
Defined benefit pension costs less contributions payable	20	254	1,143
Defined benefit pension scheme finance cost	20	8	98
Depreciation of tangible fixed assets		1,803	995
Loss on disposal of fixed assets		-	3
(Increase) in debtors		(1,636)	(211)
Increase in creditors		1,660	535
Stocks, debtors and creditors transferred on conversion		126	-
<b>Net cash used in operating activities</b>		<b>(2,602)</b>	<b>(269)</b>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Analysis of changes in net funds

	1 September 2022	Cash flows	Transfer of other academy trusts	31 August 2023
	£'000	£'000	£'000	£'000
Cash	7,650	278	-	7,928
Loans falling due within one year	(25)	(3)	-	(28)
Loans falling due after more than one year	(137)	(32)	28	(141)
	<u>7,488</u>	<u>243</u>	<u>28</u>	<u>7,759</u>

### 23 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	30	16
Amounts due in two and five years	62	18
Amounts due after five years	11	-
	<u>103</u>	<u>34</u>

### 24 Capital commitments

	2023 £'000	2022 £'000
Expenditure contracted for but not provided in the accounts	651	-
	<u>651</u>	<u>-</u>

The capital commitment represents

- New building at Farnborough which is being funded through own reserves and developer contributions
- CIF projects at Goose Green Primary School

### 25 Related party transactions

Owing to the nature of the academy trust's operations and the composition of the Board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the academy trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

No related party transactions took place in the year.

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 25 Related party transactions

(Continued)

#### Expenditure related party transactions

N Ide (partner of P Farrow) and L Ide (son of P Farrow), are employed by the academy trust who are connected to the governors. Their appointment was made in open competition. The connected party governor was not involved in the decision making process regarding appointment. They are paid within the normal pay scale for their roles and receive no special treatment as a result of their relationship to a governor.

### 26 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

### 27 Post balance sheet events

On 1 October 2023, the following schools converted to academy trust status and joined Nexus Education Schools Trust.

Dog Kennel Hill School  
Rotherhithe Primary School

### 28 Transfer of existing academies into the academy trust

#### **Communitas Education Trust**

On 1 September 2022, Communitas Education Trust joined the Trust (Company Registration Number 08791046).

The transfer to the Trust (for £nil consideration) has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred have been recognised under the appropriate headings with a corresponding net amount recognised as net income in the statement of financial activities.

The following table sets out the assets and liabilities transferred.

	Value reported by transferring trust £'000	Fair value adjustments £'000	Transfer in recognised £'000
<b>Net assets acquired</b>			
Leasehold land and buildings	43,532	(864)	42,668
Computer equipment	64	-	64
Fixtures, fittings and equipment	1,037	-	1,037
Creditors: amounts falling due within one year	(286)	-	(286)
Debtors	493	-	493
Cash and cash equivalents	968	-	968
Pension scheme	(918)	-	(918)
<b>Total net assets</b>	<b>44,890</b>	<b>(864)</b>	<b>44,026</b>

# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 28 Transfer of existing academies into the academy trust

(Continued)

#### Joydens Wood Junior School

On 1 March 2023, Joydens Wood Junior School joined the Trust. Joydens Wood Junior School had previously transferred out of Local Authority control in 2011 to become an Academy Trust (Company Registration Number 07803743).

The transfer to the Trust (for £nil consideration) has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred have been recognised under the appropriate headings with a corresponding net amount recognised as net income in the statement of financial activities.

The following table sets out the assets and liabilities transferred.

	Transfer in recognised £'000
<b>Net assets acquired</b>	
Leasehold land and buildings	1,923
Computer equipment	30
Fixtures, fittings and equipment	2
Creditors: amounts falling due within one year	(76)
Debtors	30
Cash and cash equivalents	271
	<hr/>
Total net assets	2,180
	<hr/>

There were no fair value adjustments required to the values reported by the transferring trust.



# NEXUS EDUCATION SCHOOLS TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

### 28 Transfer of existing academies into the academy trust

(Continued)

#### Joydens Wood Infant School

##### Net assets acquired

Transfer in  
recognised  
£'000

Leasehold land and buildings	1,873
Leasehold improvements	575
Computer equipment	10
Debtors	83
Cash and cash equivalents	102
Creditors: amounts falling due within one year	(92)
Loans: amounts falling due within one year	(4)
Loans: amounts falling due after more than one year	(24)
Total net assets	2,523

There were no fair value adjustments required to the values reported by the transferring trust.