

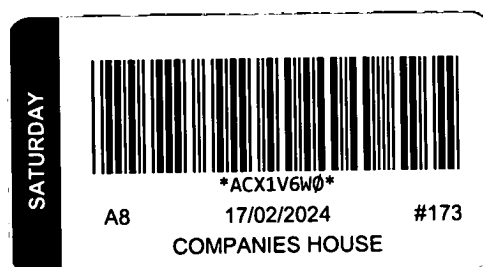
Company registration number 08913502 (England and Wales)

GREATER MANCHESTER EDUCATION TRUST

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2023



GREATER MANCHESTER EDUCATION TRUST

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 16
Governance statement	17 - 21
Statement on regularity, propriety and compliance	22
Statement of trustees' responsibilities	23
Independent auditor's report on the accounts	24 - 26
Independent reporting accountant's report on regularity	27 - 28
Statement of financial activities including income and expenditure account	29 - 30
Balance sheet	31
Statement of cash flows	32
Notes to the accounts including accounting policies	33 - 56

GREATER MANCHESTER EDUCATION TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Mr. Richard Paver
Ms. Julie Marie Price
Ms. Lucy Anne Wood
Mr. Richard Pearce (appointed 1.09.2022)
Mrs. Mary Margaret Powell (appointed 1.09.2022)
Ms. Suzannah Mary Reeves (appointed 1.09.2022)

Trustees (Directors)

Mr. Dale Edward Bassett
Ms. Emma-Jane McLaren
Mrs. Sandra Milne
Mr. Andrew Sean Mullen
Ms. Carol Ann Cully (appointed 1.09.2022)
Mrs. Elizabeth Franey (appointed 1.9.2022)
Mrs. Bushra Jamil (appointed 1.09.2022)
Mr. Thomas McDonald (appointed 1.09.2022)
Mrs. Ella Charlotte Overshot (appointed 1.09.2022)
Mr. Damian Owen (appointed 1.09.2022)
Ms. Suzannah Mary Reeves (appointed 1.09.2022) – Chair of Trustees

Senior Leadership Team

Mr. Damian Owen, Chief Executive Officer and Accounting Officer (appointed 01.09.22)
Mrs. Louise Staunton, Chief Financial and Operations Officer (appointed 01.09.2022)
Ms. Jaqueline Fahey, Academy Headteacher
Mrs. Jenny Kennedy, Trust HR Director
Mr. Neil Johnson, Joint Academy Headteacher
Ms. Donna Johnson, Joint Academy Headteacher
Miss. Jacqueline Bowen, Academy Headteacher
Mr. Mark McElwee, Academy Headteacher

Principal and Registered Office

Whalley Range 11-18 High School
Wilbraham Road
Manchester
M16 8GW

Company Registration Number

08913502

Academies operated

Whalley Range 11-18 High School
The East Manchester Academy
Levenshulme High School
Parrs Wood High School

Location

Whalley Range
Beswick
Levenshulme
Parrs Wood

Principal

Ms. Jaqueline Fahey
Miss Jacqueline Bowen
Mr. Neil Johnson & Ms. Donna Johnson
Mr. M McElwee

Independent Auditor

DJH Mitten Clarke Audit Limited
157A Ashley Road
Hale
Altrincham WA14 2UT

Bankers

Lloyds Bank
42-46 Market Street
Deansgate
Manchester M1 1PW

Solicitors

Browne Jacobson
3rd Floor No.1 Spinningfields
1 Hardman Square
Manchester
M3 3EB

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1st September 2022 to 31st August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report under company law. In October 2022, the Trust changed its name to Greater Manchester Education Trust from Education and Leadership Trust.

The academy trust operates four secondary academies in Manchester. Its academies have a combined capacity of 5,570 and had a roll of 5,627 in the school census in October 2023

School	Secondary	Number on roll
Whalley Range 11-18 High School	11-18	1672 (1650)
Levenshulme High School	11-16	1008 (1000)
The East Manchester Academy	11-16	1008 (1000)
Parrs Wood High School	11-18	1924 (1920)

Until 31 August 2022 Parrs Wood High School was the only school in the academy trust Greater Manchester Learning Trust. The school transferred into Greater Manchester Education Trust on 1 September 2022 along with all of the assets and liabilities of Greater Manchester Learning Trust.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Greater Manchester Education Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Education and Leadership Trust.

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

Members' Liability

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

Trustees' Indemnities

The Academy Trust is a member of the Department for Education risk protection arrangement (RPA) which includes risk protection for Governors Liability with a liability limit of £10m.

Method of Recruitment and Appointment or Election of Trustees

Trustees and Governors are recruited by invitation, dependent on their expertise, experience, and skills. They can be identified for invitation in a range of ways, including via organisations such as Academy Ambassadors or from personal recommendation by colleagues. Trustees may be appointed as specified in the articles of association (50 to 63) and are appointed for a term of 4 years. The Chief Executive is the Accounting Officer, with no term end date. Although the ESFA/DfE guidance is that members of staff can be Trustees, the strong recommendation of the Office of the Regional Schools Commissioner and thus, via them, the DfE is that best practice now is that members of staff are not Trustees to give greater separation between the Trust Board and staff and making lines of accountability clearer. This was discussed and agreed with the colleagues affected and with Trustees and there are no longer any staff Trustees.

The current Trust Board has a strong skill-base, from a wide range of industries and organisations, with Trustees holding, or having held, senior management roles in: Public Sector Finance; Human Resource Management; Educational Standards, Higher Education; Improvement and Governance; Arts and Culture; Law; and Governance.

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees are interviewed and selected to ensure that a robust overview of governance is maintained throughout the trust. New Trustees are provided with an induction which includes access to documentation in respect of all trust policies and procedures. In addition, appropriate training opportunities may be offered, depending on their current level of experience and expertise. The trust has membership of the National Governors' Association (NGA), which is also a source of training and support for trustees, alongside One Education as a local Manchester provider and the Confederation of School Trusts (CST).

Trustees and governors attend development sessions to inform and review strategic planning; and also, to ensure high and consistent standards of governance and challenge across all schools in the trust. All Trustees and governors have access to the suite of online training provided by the NGA.

Organisational Structure

The trust continues with a separation of Members and Trustees as much as possible, with only one of our six members also acting as a Trustee. Having one person in this dual role is accepted as effective practice in the sector. During the financial year under review, the Trust had 6 members, which exceeds the number recommended by the Department for Education. The role of Members is described in the DfE Governance Handbook.

The Trustees are responsible for authorising a core set of policies and procedures, the determination of the annual funding allocations to each academy, compliance with DfE/ESFA requirements in relation to financial management, accounting and reporting, oversight of the educational vision and strategic planning and development of the trust and its academies, including the approval of the academy development plans, and the appointment of the Chief Executive. The Trustees also approve the Annual Report and Financial Statements.

The Trustees delegate responsibility for oversight of a range of defined aspects of school operation, compliance and impact to the Academy Committees. These responsibilities are detailed in the Trust Scheme of Delegation and the Terms of Reference for the committees. Each Academy Committee has a designated governor for safeguarding and for students with special educational needs and/or disabilities (SEND) and there is a role descriptor for this governor and for the nominated safeguarding Trustee. There is a nominated Trustee for safeguarding who has established working practices with the link Safeguarding governors and academies' Designated Safeguarding Leads to secure oversight across the Trust. The Chair of the Trust Board meets periodically with Academy Committee Chairs to co-ordinate governance across the committees and ensure clear and consistent communication flow between the tiers of governance. The Local Governing body (as they were then known) for TEMA was replaced by an Interim Management Board (IMB) following the section 5 inspection in December 2019. This put in place a group of education, safeguarding and social care professionals who provide the expertise and capacity to drive and evaluate improvements at the school at the rate needed. The school received an improved overall Ofsted judgement of requires improvement, Behaviour and attitudes, Personal Development and Leadership and Management were all rated as good, with the Quality of Education requiring improvement. To this end, it was agreed that two of the IMB members would be paid at consultancy rates for this governance activity (as is increasingly common in the Academies sector) – the Chair and the Vice Chair – one of whom is an ex-Headteacher with significant school improvement experience and impact and the other was a Director of Education at a Greater Manchester local authority. The IMB meets much more frequently than Academy Committees, meeting every 3 weeks, and has a regular presence in school to carry out evaluative activity as well as providing support and guidance to school leaders.

The Chief Executive is the accounting officer. The day-to-day management of the trust academies is delegated to the Chief Executive and the Academy Headteachers and Senior Leadership Teams (SLT) of each academy. The SLT, as appropriate to each academy, consists of the Academy Headteacher, Deputy Headteachers, Assistant Headteachers and School Business Manager. In addition, there is a Trust HR Director and Chief Financial and Operations Officer who report to the Chief Executive and operationally to the Headteacher in each academy.

The SLT in each academy is responsible for implementing the agreed policies and procedures set down by the trust, including the implementation of all statutory regulations. The Academy Headteachers are responsible for appointing all staff, managing the delegated budgets and resources, ensuring the delivery of an appropriate curriculum, together with the development and implementation of measures to secure the highest possible standards of teaching and learning and student progress and achievement. The Academy Headteachers are also responsible for ensuring the development and implementation of measures to secure effective support for students together with the delivery of high standards of student behaviour, safety and well-being.

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees met, from September 2022, seven times during the year, with one meeting being the annual general meeting. Academy Committees meet 5 times per year. Minutes from the Academy Committees are received and scrutinised by trustees.

Roles and responsibilities of trustees, governors, the Chief Executive, Academy Headteachers and senior leaders are defined in the trust's Scheme of Delegation and the Financial Scheme of Delegation. Each committee has Terms of Reference.

Arrangements for setting pay and remuneration of key management personnel.

The salaries of the Senior Leadership Teams in each academy are set in line with the ISR (Individual School Range) set out in the Blue Book. Assistant Headteachers and Deputy Headteachers are on 5-point ranges, and the Academy Headteachers are on 7-point ranges.

The performance of all members of the Senior Leadership Teams is appraised on an annual basis, and recommendations for pay progression are reviewed by the Chief Executive.

The remuneration of the Chief Executive Officer is set by the board of trustees/directors; and is benchmarked against similar roles in other multi-academy trusts. The remuneration and performance of the Chief Executive Officer is appraised on an annual basis by the board of trustees/directors. An external School Improvement Partner is employed to lead this process for the Chief Executive Officer in order to provide objective, professional advice to the trustees. The Chief Executive Officer carries out the appraisal of Headteachers with the Chair of the Academy Committee for the school and for the Executive Central Team.

Trade union facility time

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

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
12	11.61

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	8
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Provide the total cost of facility time	£14,257
Provide the total pay bill	£32,550,000
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0.04%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	2.2%
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GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Related Parties and other Connected Charities and Organisations

The trust is part of a network, the Manchester Schools Alliance, which includes several other schools and academies in the Manchester area. This involves collaborative working across a range of disciplines to help to improve the educational outcomes for children in the Manchester area. The trust is also a strategic partner of 'Teach Manchester', one of the teaching school alliances in the city.

The trust is part of the Cooperative Schools Society, which operates across the UK, sharing good practice and accountability, together with promoting cooperative values and ethical working practices.

The trust is working with the Manchester United Foundation and the link was established due to shared values of inspiring leadership in young people; promoting sport and healthy lifestyles; and inspiring raised aspirations via a range of activities linked to a top global brand for sport. The civic pride it promotes means several the trust's key values are promoted. Manchester United Foundation employees work in the three schools to: mentor some vulnerable students; engage others in sports leadership; provide expert coaching in football; and promote a wide range of careers. It also works with City in the Community and an increasing range of partners in the voluntary and community sector.

Whalley Range 11-18 High School shares its site with Range Stadium, a sports facility owned by Manchester City Council. There is a lease agreement and a management agreement in place in respect of the use of Range Stadium, which is currently shared between the school, Greater Manchester Basketball Club and GLL. GLL are a charitable social enterprise who are the appointed facility managing agent for Manchester City Council (MCC) charged with ensuring the provision of sport and leisure services for MCC.

Levenshulme High School shares one of its buildings with Acacias Community Primary School, a community school owned by Manchester City Council. There is a shared use agreement between Levenshulme High School, Acacias Community Primary School and Manchester City Council.

The East Manchester Academy shares its building with Beswick Library which is owned and operated by Manchester City Council. There is a shared use agreement in place between The East Manchester Academy and Manchester City Council's Library Service. These arrangements are currently under review.

The East Manchester Academy shares its site with a rugby pitch, a sports facility owned by Manchester City Council. There is a lease agreement and a management agreement in place in respect of the use of the rugby pitch, however this is under review.

The trust commissions the following services from the Local Authority (or LA-related organisations): Attendance Support (pupils), Disclosure and Barring Service (DBS) checking, Educational Psychologist, Legal Services, Staff Insurances, Peripatetic Music Service, Recruitment Advertising, Pupil Admission and Appeals, Pupil Referral Unit, Risk Management, Trade Union Facilities Management, Support for pupils with Specific Learning Difficulties (SpLD).

Engagement with employees (including disabled persons)

Education and Leadership Trust communicates regularly with all employees through staff briefing sessions (email, face to face and virtual) to ensure they are kept up to date on matters concerning them. There is also a termly newsletter from the Trust to employees keeping them up to date with Trust communications.

We welcome the views of our employees on a variety of different subject areas. We regularly meet employee representatives to ensure employees' views and feedback on local issues are considered when making decisions which impact our employees.

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

We use staff surveys at both school and trust level to understand how valued and involved our employees feel in their everyday work, and to identify any areas in which we can better support them in their roles.

We have a robust recruitment and selection process which is fully compliant with the Equality Act 2010. Career development and training is a key priority. We provide a personalised induction programme along with high quality training and opportunities for professional development.

We are a flexible employer, and the health and well-being of our employees is important. We provide ongoing support to all staff through our Employee Assistance Programme and Occupational Health provider to ensure we can support our employees.

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

Greater Manchester Education Trust aims to deal fairly and consistently with all those in a business relationship with the trust.

Whilst we have established good relationships with key suppliers, we welcome approaches from all suppliers to our sector; but particularly from UK-based organisations in general, and local businesses.

We recognise the importance of cashflow for many of our suppliers and aim to pay all invoices within a maximum period of 30 days; although in practice, many debts are settled earlier

The trust has a Best Value approach to larger purchases, with the selection of goods and services based on a combination of competitive pricing and also good quality according to our tendering policy and scheme of financial delegation.

We continue to maintain business relationships with Manchester Local Authority, in part due to the quality of their offer in specialised sectors; but also, to ensure our schools continue to be part of a team effort to improve educational outcomes for students in our city.

Objectives and Activities

Objects and Aims

The trust's object is specifically restricted to the following:

To advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools (the Academies) offering a broad and balanced curriculum.

Objectives, Strategies and Activities

The Trust's main aim is to inspire and nurture young people who:

- learn throughout their lives
- play a full part in life and work - guided by Co-operative values
- are active citizens of Greater Manchester, the UK and the world
- achieve to their potential and
- lead fulfilling lives as valued members of society.

The work of the Trust is built on the principles of Excellence, Leadership and Teamwork including:

- high expectations for all
- an inspiring and challenging curriculum through which students will develop broad knowledge and personal leadership qualities
- staff and students collaborating to attain high outcomes and make accelerated progress, working collaboratively as a community

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The main objectives of the trust during the year ended 31 August 2023 are summarised below:

- Developing the Curriculum, its concepts and implementation across all subjects/areas
- Excellent Provision for vulnerable cohorts and in particular those with SEND
- The development of excellent practice in Reading
- Consistency of Financial and Operational practice ensuring accurate and consistent reporting of position and compliance with expectations
- Building capacity and quality through development of people, talent, recruitment and retention and a focus on colleagues' welfare
- Alignment of policy and practice frameworks across the Trust to support systematic, accurate evaluation and improvement

Furthermore, we aim:

- To raise the standard of educational achievements of all pupils in the trust's academies
- To ensure that every pupil enjoys the same high-quality education in terms of resourcing, teaching and learning
- To ensure that pupil behaviour is excellent; and to ensure exemplary standards of safeguarding
- To improve the effectiveness of the academies by keeping the curriculum and organisational structures under continual review
- To comply with all statutory and curriculum requirements
- To maintain close links with industry and commerce and to utilise those links for the benefit of the trust and pupils
- To provide value for money for the funds expended
- To conduct the trust and academy business in accordance with the highest standards of integrity, probity and openness.
- To ensure every pupil has the opportunity to take part in leadership opportunities in order to help prepare them for a positive future beyond school.

The details of the activities in place to deliver these aims and objectives, and the success criteria for them, are captured in the Trust Strategic Development Plan 22-23, the individual academy development plans and the Executive Team's operational plan.

Public Benefit

Throughout the 2022-23 academic year, the Trust has provided education for over 5,600 young people in the city of Manchester aged 11-18. The Trust uses the Manchester City Council admissions service to administer applications and place management for 11-16 students. Places are allocated on a proximity basis and there is no academic or other selection – other than that both Levenshulme and Whalley Range are single sex schools. Whalley Range 11-18 High School and Parrswood High School manages its own admissions for places in the Sixth Form, for which there are minimum standards of achievement in Key Stage 4 qualifications required to access the courses. Achievement at Levenshulme and Whalley Range continues to be excellent and that at the East Manchester Academy is rapidly improving.

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

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Strategic Report

Achievements and Performance

Progress in external examinations for the Trust is above national averages and is, as a minimum, broadly in line in all of its academies, with significantly positive progress in some. Outcomes at both key stages were measured with caution given that those taking advanced level examinations had been assessed at 16 against Teacher Assigned Grades (TAGs) which were not an externally validated starting point and as a result not a certain measure of attainment at that stage. At GCSE outcomes were again adjusted nationally to bring them in line with performance in 2019 (the date of the last set of externally valid examination measures). Again, for those reasons there will be a period of adjustment required to assess performance with full accuracy.

The East Manchester Academy was fully inspected under section 5 of the EIF in January 2023. It was judged as follows:

The quality of education	Requires improvement
Behaviour and attitudes	Good
Personal development	Good
Leadership and management	Good
Previous inspection grade	Inadequate

The above gradings reflect the significant and sustained progress of the academy over the past 3 years and reflect the collaboration of the Trust's leaders and headteachers in ensuring consistency of high standards across our academies.

Each academy has detailed pupil premium, catch-up and national tutoring fund strategy to reflect their delivery of support for our vulnerable pupils. These plans, based on the same 3 core strands of delivery (Teaching and development, bespoke intervention and wider provision) have been shared with the GMET Performance Board and full detail of the impact of the use of the funding is to be shared for the end of this term. Impact reports related to the additional funding strategies will be published on our websites as they are completed this term.

Trust Outcomes Overview:

	Actual	Bench		Actual	Bench
Basics 9-5	45.2	44.8	Progress 8	+0.27	0
Basics 9-4	65	65	P8 Ma Att: 9-5. 47.5v 50% Nat 9-4 68 v 70% Nat	+0.04	0
Attainment 8	48.17	46.4	P8 En	+0.4	0
5 or more grades 7-9			Science VA		
EBacc Entry %	47.4		P8 Open	+0.25	0
EBacc 9-5 (of whole cohort)	23.1	15.7	P8 PP	-0.02	-0.44
EBacc 9-4 (of whole cohort)	32.5	22.9	P8 SENDK	-0.45	-0.44
Attendance	91.5	90.7	P8 EBacc	+0.34	0
Persistent Absence	22.5	28.9	Boys	-0.37	-0.13

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Cross Trust Summary

In terms of attainment, overall attainment and progress are above average, however this overall figure can mask variation in individual academies. There are some notable achievements to be highlighted, as described in school commentaries. Significantly TEMA achieved its best ever progress figure and in many subjects, progress was stronger than ever, reflecting recent trajectory. In English progress is strong overall but this is set against overall performance in Math's where there are areas for attention in some academies. Although this is a national trend, gaps are wider than desired, and this will be an area for attention. In terms of cohorts again there are some significant strengths, set against pockets of underperformance for example PP, Boys and SENDK as highlighted above. Outcomes at Post-16 level (e.g., L3VA) should be viewed with caution as they reflect Teacher Assessed Grades (TAGs) from 2021. Higher GCSE grades meant that more students were accepted onto certain post-16 courses, leading to reduced progress in more challenging subjects and an increase, for example, in U Grades as well as a decrease in top grades. In both phases' pupil attendance in-year and at exams nationally had a significant impact on outcomes and the number of lowest grades. The impact of this must be assessed against outcomes both at GCSE and post-16 level.

Going Concern

The Trustees have performed a robust analysis of forecast future. Despite all these and numerous other measures, through careful management of ongoing budgets and its reserves, the trust is sustainable financially for the foreseeable future.

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

Promoting the success of the company

In 2022-23, the trust has acted in a way most likely to promote the success of the organisation, and in doing so the trustees have had due regard to:

- **The likely consequences of any decision in the long term:** by ensuring that outcomes for pupils continue to be good (or improving), which sustains pupil rolls and therefore ongoing funding. Also, continued investment in the land and buildings via a programme of capital improvements, refurbishments, re-developments and ongoing maintenance and repairs.
- **The interests of the trust employees:** continual focus on staff well-being via staff surveys; consultation with trade unions, investment and opportunities for training and development; access to apprenticeships at all levels; policy of paying Manchester Minimum Wage as a minimum.
- **The need to foster the trust's business relationships with suppliers, customers, and others:** all four schools strive to communicate effectively with students and their families, as part of the trust's commitment to provide all-round support, with the education and well-being of students at the heart of all that we do. In the case of suppliers, we endeavour to support them within the parameters of financial propriety of public funds, by ensuring that they are paid promptly.
- **The impact of the trust's operations on the community and the environment:** the wider community access the sports and leisure facilities at Levenshulme High School, The East Manchester Academy and Parrswood High school. In addition, the trust has established good relationships with other organisations sharing the schools' sites: Acacias Community Primary School at Levenshulme High School, Beswick Library at The East Manchester Academy, and GLL and Greater Manchester Basketball Club at Range Stadium at Whalley Range 11-18 High School.
- **The desirability of the trust maintaining a reputation for high standards of business conduct:** via following co-operative values, and also via applying high standards to all financial matters, recognising the importance of sustaining good relationships with the Education & Skills Funding Agency, the Regional Schools Commissioner and the Greater Manchester Local Authority.
- **The need to act fairly as between members of the company:** via following co-operative values, maintaining a register of pecuniary interests for staff, governors, trustees, members, renewed annually.

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Financial Review

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

The trust also received grants from the ESFA and other organisations. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

Parrs Wood High School transferred into Greater Manchester Education Trust on 1 September 2022. The net assets transferred, totalling £41.9m, were all transferred into the trust at that date.

During the year ended 31 August 2023, total expenditure of £48.4m (2022: £31.6m) was incurred, which was covered by the recurrent grant income from the ESFA, together with other incoming resources which totaled £48.0m (2022: £28.9m) excluding the transfer of funds related to Parrs Wood High School. Total funds carried forward amount to £8.2m (2022: £7.0m). This is in line with the trust's strategy to build and maintain adequate reserves to fund an ambitious plan of future improvements and development of the organisation and its infrastructure.

Unrestricted income and expenditure in the year ended 31 August 2023 amounted to £2,089k (2022: £788k) and £2,543k (2022: £932k) respectively.

At 31 August 2023 the net book value of fixed assets amounted to £106.2m (2022: £66.7) and movements in fixed assets are shown in note 13 of the financial statements. The cost of fixed asset additions in the year ended 31 August 2023 amounted to £3.9m.

The Trust developed robust plans to mitigate the financial and operational effects of the pandemic. Key government grants continued and were paid on time. The Trust applied for additional grants and funding that were made available during the year and these helped underwrite the additional costs incurred in response to the pandemic. The Trust actively updates all relevant risk registers, and the response process and procedures were informed by the knowledge and experiences gained from the year before. The Trust continues to effectively respond to on-going changes in guidance and our academies have worked well by sharing best practices across all areas of operations and adapting quickly. The Trust invested heavily during the year in the IT infrastructure and services, allowing the Trust to handle any changes to the delivery of education.

To aid decision making, the Trust continued to produce robust management accounts, budget and forecasts to ultimately ensure the delivery of our educational objectives in the most cost-efficient way.

The Trust is likely to face the same issues and uncertainties being experienced on a national scale and supply chain issues may be the next emerging risk, alongside pay awards and inflation. In response to this, our academies are working closely with suppliers in order to manage any issues as effectively as possible. The Trust do have healthy financial reserves which can be used in order to respond to unexpected financial challenges in the short – medium term. Reserves have been accessed in 2022-23 heavily due to ongoing price rises in energy, general inflation costs and continues to sustain costs due to the recruitment crisis in which agency staff have been heavily relied upon across the Trust.

The Trust continues to effectively operate virtual governance and inclusion and attendance at meetings remained high during the year. The governance at the Trust has been strengthened by new members and trustees appointed after 31 August 2022.

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Reserves Policy

The trust has a Reserves Policy, and the trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. The trust's current level of free reserves (total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve) is £8.2m. The amount is kept secure for a time when it is needed to: self-finance short term deficits in annual budgets; restructuring of operations; or funding capital projects, either by way of local contributions to grant aided schemes or fully funding IT and other capital investment, for which no grants are available.

The trustees have decided to adopt a prudent approach to reserves and aim to maintain a group reserve of designated funds of at least 5% of annual income to safeguard against: unforeseen circumstances, capital improvements or developments, late ESFA payments, emergencies and other catastrophes. This is sound commercial practice designed to safeguard the trust's business activities and quality of education at all the academies in the trust.

Annual budgets are not usually subject to large in-year variances ordinarily as most income is generated via pupil numbers, measured in the proceeding financial year. In 2023 this has not been the case and the Trust will utilise a significant amount of reserves due to large fluctuations in energy costs that were unbudgeted at the start of 22-23 and due to the ongoing turbulent energy markets.

As a significant proportion of spend is staffing, budgets can be planned with a reasonable degree of accuracy, subject to fluctuations in in-year agency supply costs, which again have been unusually high in 2023 due to the ongoing recruitment crisis in the sector and continued sickness absence as a result of the pandemic. External alternative provision placements for students remain a more volatile/less predictable area of spend.

In addition, the net liability due to the trust's participation in the Local Government Pension scheme (Greater Manchester Pension Fund – GMPF) amounts to £m as measured in line with the Accounting Standard. In practical terms the trust is part of a pooled arrangement with Manchester City Council and at the last triennial valuation the pool was in surplus which has delivered a small reduction in the primary contribution rate for the next three years. It should be noted, however, that an immediate liability for deficit as measured under accounting standards is not crystallised at the financial year end.

Parliament has agreed, at the request of the Secretary of State for Education, to 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. This guarantee provides comfort for the trustees in the unlikely event of an academy closure.

Any surplus or deficit position of the LGPS pension scheme as measured at the triennial valuation would generally result in a cash flow effect for the trust in the form of an increase or decrease in employers' pensions contributions over a period of years.

Disclosure of funds in deficit is also included in Funds Note in financial statements (note 17).

Investment Policy

Cash balances are safeguarded by investing them in UK-based interest-bearing current and deposit accounts with sound commercial banks (currently: Barclays Bank plc, Lloyds Bank PLC, Nationwide Building Society).

Where cashflow identifies a base level of cash funds that will be surplus to requirements, this surplus may be invested only in the following:

- Transfer to Instant Access Deposit or High Interest Deposit with current bankers or other UK banking institutions regulated by the Financial Conduct Authority.
- Interest bearing deposit accounts (including fixed term bonds with a term not exceeding six months)
- Treasury deposits, or other secure UK Government investment instruments

The day-to-day balances for the four schools and the trust are held at Lloyds Bank PLC. Cash balances are currently spread across four institutions to reduce the impact of one or more of them failing (on a short or long-term basis).

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The trust has significant sums on deposit with UK-based interest-bearing accounts. Given the current returns available, the insecurity of the UK economy, the FSCS limits of £85,000 per account, the trust will look to revisit plans in place for investment.

The primary objectives of its Investment Management Policy will be the protection and maximisation of the financial resources available to it to be used to achieve its primary objectives and the management of the associated risks, organisational and financial, which might threaten its ability to do so. The next update of the investment policy will also look to consider social, environmental or ethical considerations, to the extent that they do not hinder the primary aim of our investment policy.

Principal Risks and Uncertainties

The Trust strives to continuously develop and improve its systems and processes for internal controls, particularly risk management.

The principal risks to the Trust are documented and managed using a risk management register which is reviewed at FAR Committees and Board meetings. In addition, individual risk registers are maintained and reviewed by the Local Governing Body of each school and are then reviewed in turn by the main Trust Board. The main risks currently are:

- Loss of reputation due to a significant safeguarding or other incident affecting students and/or staff, or a drop in standards and academic performance
- Unexpected loss of key personnel; or failure to recruit sufficient subject specialist teachers
- Falling student numbers (e.g., due to changing local educational landscape) and the impact of overstretched budgets and rising employee costs.
- Failure of IT systems/cyberattack; or failure to adequately protect data; or lack of accurate reliable management information
- Significant deficit to a defined benefit pension scheme, leading to increased employer contributions

Key controls in place to mitigate these risks are:

- Robust safeguarding policies, procedures and training, including safer recruitment and regular DBS checks (which exceed the statutory minimum requirements)
- Employee policies which are readily accessible to all staff, and regularly reviewed
- Ongoing Continuing Professional Development (CPD) and succession planning
- Detailed annual school development plans, including curriculum offer review
- Robust self-evaluation and student progress assessment procedures
- Good governance with documented terms of reference for all Trust Committees and sub-committees, and each Governing Body
- Organisation structures with clearly defined roles, responsibilities, and authority levels
- Financial planning including budgeting and regular management reporting, highlighting any areas of financial risk
- Business continuity plans and procedures which are reviewed and updated regularly

The process of risk management within the trust continues to evolve and our focus remains on strengthening the established risk control system that links the identified high risks to the Trust's strategic aims and objectives, with progress being linked to and monitored by the key performance indicators. This direct linkage brings a sharp focus to key risks and has ensured that all actions are mitigating these.

Fundraising

There is a Trust Policy and Procedure for Charitable Collections. All schools in the trust undertake several fundraising activities for local and national charities, and the framework for these is set at the beginning of the academic/financial year.

This includes fundraising for global emergencies, which must be for organisations which are faith-neutral and support humanitarian aid.

All fundraising activities by staff and students must be for the benefit of a recognised charity or to benefit the school community, for example in supporting a food bank.

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Each school has a School Business Manager who is responsible for ensuring that all processes and procedures are followed accurately, and that security of charitable funds raised is always maintained.

Funds raised for charities are separately identified, and monies paid directly to the verified bank accounts of the charity.

The Trust does not use any external fundraisers and all internal fundraising undertaken during the year was monitored by the Trustees through the Chief Finance and Operations Officer.

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 st September 2022 to 31 st August 2023	1 st September 2021 to 31 st August 2022
Energy consumption used to calculate emissions (kWh)	8,270,923	6,604,956
Energy consumption break down (kWh) (optional):		
• gas	Levenshulme High School 1,275,061 The East Manchester Academy 1,224,904 Whalley Range High School 1,122,275 Parrswood High School 1,448,175	Levenshulme High School 1,451,623 The East Manchester Academy 1,316,343 Whalley Range High School 1,484,131
• electricity	Levenshulme High School 717,024 The East Manchester Academy 733,261 Whalley Range High School 906,502 Parrswood High School 843,721	Levenshulme High School 748,178 The East Manchester Academy 710,115 Whalley Range High School 894,566
• transport fuel		Not available
Scope 1 emissions in metric tonnes CO ₂ e Gas consumption	925.65	778.81
Owned transport – minibuses		
Scope 2 emissions in metric tonnes CO ₂ e Purchased electricity	665.50	499.58
Scope 3 emissions in metric tonnes CO ₂ e Business travel in employee-owned vehicles	-	-
Total gross emissions in metric tonnes CO ₂ e	1,588.39	1278.39
Intensity ratio Tonnes CO ₂ e per pupil	0.28	0.36

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 2020 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

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

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Measures taken to improve energy efficiency

The steps taken to improve energy efficient during the period include:

- The appointment of local authority energy team
- The continued practice of upgrading lighting to LED
- Condition Improvement Funding bids in the 2021-22 round to replace the original heating systems and end-of-life boilers at Levenshulme High School and Whalley Range 11-18 High School
- Condition Improvement Funding bids in 22-23 to continue improvement of heating systems and boilers at both Levenshulme High School and Whalley Range 11-18 High School and improving roofing and insulation systems at Parrswood High School.

Plans for Future Periods

The Trust aims to achieve the highest educational outcomes for all its students as well as providing professional development opportunities for its staff so that all academies can continue to grow through systematic improvement and collaboration. Our plans will be based upon the following principles:

- Consolidating effective school improvement agents and evidence-informed frameworks for practice
- Developing excellence in colleagues for a career in our organisation
- Building the sustainable capacity and structures to support effective improvement of all of our schools, all of the time, as we grow
- Positioning the Trust for potential growth in line with our own vision and the changing educational/political landscape
- Widening our reach and developing our expertise across all phases of education
- Collaboration and system leadership for the benefit of our communities regionally and nationally.

We are a diverse and inclusive Trust for young people of all backgrounds in Greater Manchester. In line with this, the Trust's vision is to provide:

- Great schools, where resilient, happy young people flourish
- Great teaching, where creative colleagues inspire and excel
- Great opportunities, where everyone grows and develops: Great futures

The Trust will continue to focus on providing a strategic approach to strengthening curriculum and educational opportunities within our academies as well as enhancing our provision. The main objectives for the year are focused around continual improvement of the Trust to support the core purpose of the academies in providing the best education for all pupils.

To achieve this, ELT has developed a trust-wide strategic plan, built around priorities which are closely linked to the values of the Trust and its' vision for the future, the needs of its academies and their pupils as well as Trustees' knowledge of the challenges and opportunities for our academies and their communities at this time.

We will create a strong family of schools, providing Trust-wide frameworks for excellence, high-quality education and staff development to benefit students in our existing schools. This will be reviewed annually as our organisation and the sector landscape evolve. These strategic aims will inform academy development plans.

The main objectives for the year fall into 6 key priority headings:

1. Developing the Curriculum, its concepts and implementation across all subjects/areas
2. Excellent provision for vulnerable cohorts and in particular those with SEND
3. The development of excellent practice in Reading
4. Consistency of Financial and Operational practice ensuring accurate and consistent reporting of position and compliance with expectations
5. Building capacity and quality through development of people, talent, recruitment and retention and a focus on colleagues' welfare
6. Alignment of policy and practice frameworks across the Trust to support systematic, accurate evaluation and improvement

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

COVID 19

GMET remain vigilant of the impact of COVID-19 and its focus remains to mitigate or limit the future impact of the virus. The Trust will ensure that the gaps caused by the COVID-19 pandemic are identified and addressed astutely – recognising that this is part of a longer-term strategy.

Should face-to-face learning be impacted in the future then the Trust is well-placed to navigate this through remote learning, supporting families with limited IT facilities and socio-economic difficulties.

The Trust has a fluid COVID-19 risk register which identifies the principal risks and mitigation. In addition to the COVID-19 risk register, a risk assessment was established for all schools. The creation of the site risk assessment involved Trust Executive leaders along with consultation with staff. Trustees reviewed and approved these risk registers.

Trust Development

Approach

The Trust's success is very much dependent on recruiting, developing and retaining the very best people in every position in its academies and in the delivery of its central services.

Recognising the importance and breadth and depth of this area, the Trust have developed objectives around this theme and are looking to develop both our leaders and teachers.

The crux of this work will be to support career development pathways for all staff and to deliver effective succession planning and talent management mapping to support delivery of our objectives.

Work in this area has already begun, in particular the development and clarification of key, evidence-based frameworks for the core elements of effective teaching and leadership practice such as research and practitioner proficiency, reading, coaching, curriculum design and safeguarding practice.

The East Manchester Academy

Improving the outcomes at TEMA remains a key priority for the Trust. Working alongside leaders at the academy and the IMB, GMET will support rapid and sustained improvement at TEMA towards improving its designation from Requires Improvement to Good or better in the coming period.

The area of focus at TEMA will continue to be to address the Ofsted AFIs effectively supported by the activity of the Trust and implementation of consistent Trust-wide frameworks.

The work and transition of the IMB to local arrangements is central to developments at the academy this year.

Personal Development

We want our students to be confident and emotionally resilient young people who will be able to face up to life's challenges when they happen, as well as living lives in which they empathise with, and value, others with lives and beliefs different from their own. Our personal development curriculum is values-driven and places high expectations on students to be the best that they can be. Each school has a well-planned and integrated personal development curriculum in place, which includes the elements of Relationship and Sex Education (RSE) -updated to meet the new statutory requirements - personal Health and Social Education (PSHE), citizenship and careers education and guidance. The curriculum has been further refined considering the impact of the pandemic on key areas such as emotional health, relationships and safety.

Key School Improvement Themes

Our key improvement themes for the year 23-24, reflected in our development planning, will be:

1. **High-Quality, inclusive Education** - To deliver a high-quality education for all cohorts, through effective leadership and implementation of evidence-based practice in our academies
2. **School Improvement** - To create a culture of continuous improvement in our academies through frameworks for evaluation, challenge, support, and action
3. **Leadership & Governance** - Robust and expert Leadership & Governance and systematic monitoring and evaluation of standards enable improvement of our schools whilst securing a strong Trust identity

GREATER MANCHESTER EDUCATION TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

4. **Workforce and Wellbeing** - Great colleagues, who are developed, supported, and motivated to raise standards and improve outcomes for themselves and their students
5. **Operations & Finance** - Strong management of finance and operations secures effective use of resources and development of estates to deliver the best educational experiences for our children
6. **Civic Duty** – Our community - Great opportunities for the social and cultural development of our community through programmes and partnerships which are at the heart of everyday practice

A key continued focus for our Trust-wide development is to ensure all trust academies coordinate their practice in a systematic and consistent way. To support this development leadership networks will develop across all key areas of strategy. Networks will provide support and advice as well as supporting the development of policy and ensuring compliance. These will be supported by link trustees who will also report to their peers on the work being undertaken across the Trust in those areas.

The areas targeted for harmonisation across the trust will include:

1. Safeguarding
2. SEND and Alternative Provision
3. Personal Development
4. Reading
5. Behaviour
6. Attendance
7. Professional Development
8. Curriculum Assessment
9. Post-16 Provision
10. Operations and Finance

Each will report termly on its work and actions to be undertaken and these will be shared mutually and with Trustees to ensure a complete picture is available

Funds Held as Custodian Trustee on Behalf of Others

The Trust does not hold any funds as a custodian trustee on behalf of others.

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.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13/12/2023 and signed on the board's behalf by:



.....
Suzannah Mary Reeves
Chair of Trustees

GREATER MANCHESTER EDUCATION TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2023

Scope of Responsibility

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

As trustees we have reviewed and taken account of the guidance in the DfE's Governance Handbook and competency framework for governance, as well as the ESFA academies trust handbook. We have also sought and acted on review and consultancy from National Leaders of Governance via the NGA and CST.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer and 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 Education and Leadership Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees had planned to formally meet seven times during the year, this included the Annual General Meeting. In 2022-23 there were six full Board meetings scheduled, plus the Annual General Meeting. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Suzannah Reeves	5	7
Andrew Mullen	6	7
Carol Cully	5	6
Elizabeth Franey	6	6
Bushra Jamil	4	6
Thomas McDonald	6	6
Ella Overshot	6	6
Sandra Milne	7	7
Dale Bassett	3	6
Emma McLaren	0	6
Damian Owen	7	7

In addition to the Trust Board, there is a Trust Finance, Audit & Risk (FAR) sub-committee, which reviews all aspects of financial planning and monitoring, premises, Health & Safety and Human Resources. In 2022-23 the FAR Committee met five times and reviewed both the Trust and individual schools' risk registers. The other purpose of the Trust Finance, Audit & Risk sub-committee is to assist the Trust Board in fulfilling its responsibilities with regard to the financial and risk management of the trust and maintenance of effective oversight of funds (as per the Academies Trust Handbook).

The business conducted by these committees is reported into the Trust Board. Key content from the Finance, Audit & Risk sub-committee are presented by the Chair of that sub-committee and is supported by the executive finance representatives at key points of the year. The Finance, Audit & Risk sub-committees have a different chairperson from the main Board.

Trustee	Finance Committee	
	Meetings attended	Out of a possible
Carol Cully	5	5
Suzannah Reeves	4	4
Bushra Jamil	4	5
Andrew Mullen	5	5
Sandra Milne	5	5
Thomas McDonald	5	5
Damian Owen	5	5

GREATER MANCHESTER EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Whalley Range 11-18 High School Levenshulme High School and Parrswood High School each have an Academy Committee, which meets separately from the Trust Board five times per year.

The East Manchester Academy currently has an Interim Management Board (IMB) in place, following being placed into Special Measures by Ofsted, the school was reinspected in 22-23 and now has an Ofsted judgement of require improvement. Academy Committees and the IMB each have Terms of Reference approved by the Board. The skills base of the Trust Board has been augmented to increase the level of knowledge of 11-18 education and school improvement, through the appointment of new Trustees.

The Academy Committees all have a mix of types of governor, including parents and staff. The skill set of Academy Committees and the Trust Board/members is strong. During the financial year, the IMB was made up of five individuals. Two of the members are paid at consultancy rates for this work, with the specific expertise and capacity to support TEMA in improving rapidly. All Academy Committees and the IMB as well as Trust Board and its committees, are professionally and independently clerked via a contract with One Education.

The previous outcome of the Ofsted inspection of The East Manchester Academy led to significant activity to improve and secure consistent high-quality governance, particularly at Trust Board level, it also led to significant challenge by the office of the Regional Schools Commissioner (RSC) about the Trust's capacity to support and improve the school at the rate and depth needed, including the publication of a Termination Warning Notice for The East Manchester Academy's membership of ELT. The RSC has now removed this Warning Notice as a result of documented improvement and monitoring of progress against AFIs will be through regular communication between the RSC's Office and the Trust Leadership. The Trust is providing evidence of its support and impact on the academy as requested.

A full review of governance was carried out by a National Leader of Governance at the start of 22-23, commissioned through the NGA, and a report published from this review containing a range of recommendations. The key, immediate priorities from these reviews were identified as:

1. Review the way that the safeguarding link model works and pull-out key areas to develop across the other thematic areas
2. Build a layered monitoring framework by: Agreeing what is monitored at local link level, local academy committee and trust board level. Developing a flow of information – that seeks to connect the monitoring of each level up.
3. It is now not common for the CEO to be a trustee, trust board to review this position and seek ways to use this place in a different way.
4. Describe the role and value of local governance in your MAT; Investing in local governance will help trustees to be more strategic, and less focused on individual schools.
5. Create a holistic approach to development of all those that govern. Consider holding an annual conference in July, that helps all local schools feel connected to the trust. Also consider joint training opportunities.
6. Develop a Governance Action Tracker to ensure that all actions are logged and tracked – ensuring that no action is lost. In place

Based on these reviews, a Governance Development Plan has been produced and used to direct the immediate improvements needed –There is an annual trust Saturday seminar, usually held in June, which focuses on self-review and development of governance as well as an opportunity to look at the development plans of all four schools for the coming year. Priorities from the Strategic plan align with priorities in each school's own development plan and with Headteachers' appraisal objectives. The Scheme of Delegation has been substantially updated and changed to meet expectations and will be reviewed annually. All committees now have agreed Terms of Reference which detail their role and remit, and which are subject to annual review. These have been used with Academy Committees to develop their understanding and enhance their ability to fulfil their role and will be complemented by other training such as NGA online modules and cross trust development activity.

GREATER MANCHESTER EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Board has also reviewed the structure and content of the data received about its schools, increasing its scope to ensure that all elements that could inform Trustees about safeguarding and statutory issues, as well as achievement, are included, clear and comparative (between schools and with national data, where available). The establishment of the Performance Board also provides the opportunity for greater scrutiny of both academic and behaviour data and safeguarding by Trustees. Report structures used by the CEO and Headteachers have also been reviewed, to ensure focus is on key indicators and actions being taken to address emerging gaps or concerns. Comparison of these structures and the data contained therein with those used by other academies has reassured executive leaders and Trustees about the appropriateness and utility of the data. A full workplan/schedule of activity for the year is in place for the Board and its committees including Academy Committees and the IMB. It supports coherent and comprehensive management and fulfilment of the responsibilities of each group of Trustees/governors and enables the Executive and senior school leaders to manage their responsibilities around tiers of governance.

There has also been a planned increase in co-ordination of the work of the named safeguarding Trustee and governors, through a member of the Executive leadership team and the Designated Safeguarding Leads from each school. This allows greater assurance of the quality of safeguarding as well as confidence in the data and other information used. Chairs of Board and school-level committees also now meet to co-ordinate the work of each group.

Conflicts of interest

The Trust has a register of business interests in place and regularly reviews the register of business interest each half term, this includes making checks for any new potential conflict of interests or directorships Trustees may hold. This is regularly checked by the Chief Finance and Operations Officer and updated accordingly. In addition to this at each board or committee meeting, declarations of interest are made in respect of any item on the agenda. This is recorded in the minutes by an independent governance professional and managed accordingly. Any person with a declared conflict of interest is unable to take part in any discussion or decision that would be perceived or is an actual conflict. In the interests of being open and transparent regarding decision making and management of conflicts of interests all minutes of the meetings and a thorough register of business interests are available on request for public inspection. All interests and connections that could influence the Trusts' reputation with the public will be declared. All finance and business staff are aware of the register and where a conflict of interest or perceived conflict of interest may occur, this has been reported to the ESFA accordingly as a related party transaction as outlined in the Academy Trust Handbook. Conflicts of Interest are displayed both on the Trust website and school websites accordingly.

Review of Value for Money

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

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

- Detailed review of teacher staffing requirements in the context of changing national curriculum and examination requirements
- Review of support roles to evaluate potential for economies of scale/shared staffing as opportunities arise
- Compliance with a comprehensive Competitive Tendering Policy
- Cross-trust supplier contracts to achieve economies of scale and cost reductions
- Use of highly skilled staff in all three schools

The focus on cross-trust tendering will continue in 2023-24 and beyond to ensure that the efficient use of resources is maximised through Trust working and greater use of national frameworks and purchasing consortiums will be applied.

Impact of COVID-19

As a publicly funded institution, the Government was clear that, as the trust continued to receive full funding, despite school closures, we should ensure that we continued to pay our staff and, where appropriate, our suppliers (including non-employed staff). This continued to be the case and the impact of Covid-19 in 22-23 has been negated with minimal impact other than pupil and staff absence related to the virus.

GREATER MANCHESTER EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 at Greater Manchester Education Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the 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 financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

The board of trustees has considered the need for a specific internal audit function and has appointed RSM internal auditors.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. This year, the scope was to provide assurance over the adequacy, application and effectiveness of the whole financial control systems operating at the Trust. The checks carried out in the current period included:

- Key Financial Controls - Reasonable Assurance
- SEND Compliance – (Parrswood High School) – Reasonable Assurance
- Policies Framework – Reasonable Assurance
- MAT Integration – Advisory Review
- Board Assurance Framework – Advisory Review
- Follow up – Reasonable Progress

In order to steer internal audit activity going forward, Trustees have commissioned an Assurance Mapping exercise. Key recommendations from this activity will be used to develop the scope of future internal audits.

On a regular basis, the Internal Auditor reports to the board of trustees, through the Finance, Audit & Risk Committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the committee consider actions and assess year on year progress.

The Internal Auditor has delivered their schedule of work and found some control issues which are being addressed by strengthened controls. None of the issues identified present a significant risk to the trust's operations and financial management procedures.

GREATER MANCHESTER EDUCATION TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

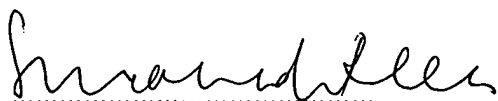
Review of Effectiveness

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

- the work of the internal auditor;
- the work of the external auditor;
- the school resource management self-assessment tool; and
- the work of the executive managers within the 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 Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 18/12/2023 and signed on its behalf by:



Suzannah Mary Reeves
Chair of Trustees



Damian Owen
Accounting Officer

GREATER MANCHESTER EDUCATION TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2023

As accounting officer of Greater Manchester Education 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.



Damian Owen
Accounting Officer

Date: 18/12/2023

GREATER MANCHESTER EDUCATION TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees (who are also the directors of Greater Manchester Education 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 18/12/2023 and signed on its behalf by:



Suzannah Mary Reeves
Chair of Trust

GREATER MANCHESTER EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATER MANCHESTER EDUCATION TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

Opinion

We have audited the accounts of Greater Manchester Education 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.

GREATER MANCHESTER EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATER MANCHESTER EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

Auditor's responsibilities for the audit of the accounts

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

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

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

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

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

GREATER MANCHESTER EDUCATION TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREATER MANCHESTER EDUCATION TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

Use of our report

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

.....
Candice Beynon FCCA (Senior Statutory Auditor)
for and on behalf of DJH Mitten Clarke Audit Limited
Chartered Accountants
Statutory Auditor
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Date:.....

GREATER MANCHESTER EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

In accordance with the terms of our engagement letter dated 2 October 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Greater Manchester Education 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 Greater Manchester Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Greater Manchester Education 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 Greater Manchester Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Greater Manchester Education Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Greater Manchester Education Trust's funding agreement with the Secretary of State for Education dated 27 August 2014 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.

GREATER MANCHESTER EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

The work undertaken to draw to our conclusion includes:

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

Conclusion

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

.....
DJH Mitten Clarke Audit Limited
Reporting Accountant

Date:

GREATER MANCHESTER EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £000	Restricted funds: General £000	Fixed asset £000	Total 2023 £000	Total 2022 £000
Income and endowments from:						
Donations and capital grants	3	-	31	2,988	3,019	731
Donations - transfer of existing academy into the trust		1,935	577	39,351	41,863	-
Charitable activities:						
- Funding for educational operations	4	-	42,920	-	42,920	27,378
Other trading activities	5	1,935	-	-	1,935	766
Investments	6	154	-	-	154	22
Total		4,024	43,528	42,339	89,891	28,897
Expenditure on:						
Raising funds	7	49	-	-	49	47
Charitable activities:						
- Educational operations	9	2,494	42,370	3,565	48,429	31,553
Total	7	2,543	42,370	3,565	48,478	31,600
Net income/(expenditure)		1,481	1,158	38,774	41,413	(2,703)
Transfers between funds	18	-	(1,612)	1,612	-	-
Other recognised gains/(losses)						
Actuarial gains on defined benefit pension schemes	20	-	1,020	-	1,020	16,626
Net movement in funds		1,481	566	40,386	42,433	13,923
Reconciliation of funds						
Total funds brought forward		5,412	1,070	66,719	73,201	59,278
Total funds carried forward		6,893	1,636	107,105	115,634	73,201

GREATER MANCHESTER EDUCATION TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

Comparative year information		Unrestricted	Restricted funds:		Total
Year ended 31 August 2022		funds	General	Fixed asset	2022
	Notes	£000	£000	£000	£000
Income and endowments from:					
Donations and capital grants	3	-	103	628	731
Charitable activities:					
- Funding for educational operations	4	-	27,378	-	27,378
Other trading activities	5	766	-	-	766
Investments	6	22	-	-	22
Total		<u>788</u>	<u>27,481</u>	<u>628</u>	<u>28,897</u>
Expenditure on:					
Raising funds	7	47	-	-	47
Charitable activities:					
- Educational operations	9	885	28,660	2,008	31,553
Total	7	<u>932</u>	<u>28,660</u>	<u>2,008</u>	<u>31,600</u>
Net expenditure		(144)	(1,179)	(1,380)	(2,703)
Transfers between funds	18	-	(813)	813	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	20	-	16,626	-	16,626
Net movement in funds		(144)	14,634	(567)	13,923
Reconciliation of funds					
Total funds brought forward		<u>5,556</u>	<u>(13,564)</u>	<u>67,286</u>	<u>59,278</u>
Total funds carried forward		<u>5,412</u>	<u>1,070</u>	<u>66,719</u>	<u>73,201</u>

GREATER MANCHESTER EDUCATION TRUST

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £000	2022 £000
Fixed assets			
Tangible assets	13	106,194	66,719
Current assets			
Debtors	14	3,368	1,110
Cash at bank and in hand		9,009	7,560
		12,377	8,670
Current liabilities			
Creditors: amounts falling due within one year	15	(3,140)	(1,649)
Net current assets		9,237	7,021
Total assets less current liabilities		115,431	73,740
Creditors: amounts falling due after more than one year	16	(86)	-
Net assets excluding pension asset/(liability)		115,345	73,740
Defined benefit pension scheme asset/(liability)	20	289	(539)
Total net assets		115,634	73,201
Funds of the academy trust:			
Restricted funds	18		
- Fixed asset funds		107,105	66,719
- Restricted income funds		1,347	1,609
- Pension reserve		289	(539)
Total restricted funds		108,741	67,789
Unrestricted income funds	18	6,893	5,412
Total funds		115,634	73,201

The accounts were approved by the trustees and authorised for issue on 18/12/2023 and are signed on their behalf by:



Suzannah Mary Reeves
Chair of Trustees

Company registration number 08913502 (England and Wales)

GREATER MANCHESTER EDUCATION TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

		2023		2022	
	Notes	£000	£000	£000	£000
Cash flows from operating activities					
Net cash (used in)/provided by operating activities	21		(62)		2,399
Cash funds transferred on conversion			2,663		-
			<u>2,601</u>		<u>2,399</u>
Cash flows from investing activities					
Dividends, interest and rents from investments		154		22	
Capital grants from DfE Group		1,804		628	
Capital funding received from sponsors and others		723		(193)	
Purchase of tangible fixed assets		(3,940)		(1,830)	
		<u></u>		<u></u>	
Net cash used in investing activities			(1,259)		(1,373)
Cash flows from financing activities					
Government loan transferred on conversion		128		-	
Repayment of government loan		(21)		-	
		<u></u>		<u></u>	
Net cash provided by/(used in) financing activities			107		-
			<u></u>		<u></u>
Net increase in cash and cash equivalents in the reporting period			1,449		1,026
Cash and cash equivalents at beginning of the year			7,560		6,534
			<u></u>		<u></u>
Cash and cash equivalents at end of the year			<u>9,009</u>		<u>7,560</u>

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

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

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

1.1 Basis of preparation

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

1.2 Going concern

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

1.3 Income

All incoming resources are recognised when the academy trust has entitlement to the funds, 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.

Sponsorship income

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

Donations

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

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

Other income

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

Donated goods, facilities and services

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

Donated fixed assets

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

Transfer of assets from existing academies

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. Income equal to the net assets transferred is recognised within donations and capital grant income.

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

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

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

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

Land and buildings	2% -5% Straight line
Leasehold land	125 years straight line
Assets under construction	nil
Computer equipment	33.33% straight line
Fixtures, fittings & equipment	20% straight line
Motor vehicles	25% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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.

1.9 Taxation

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

1.10 Pensions benefits

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

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

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

1.11 Fund accounting

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

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

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

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

(Continued)

1.12 Agency arrangements

The academy trust acts as an agent in distributing 16 - 19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administrative costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 25.

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.

3 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Insurance claims	-	31	31	103
Capital grants	-	2,988	2,988	628
	<u>-</u>	<u>3,019</u>	<u>3,019</u>	<u>731</u>

GREATER MANCHESTER EDUCATION 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
DfE/ESFA grants				
General annual grant (GAG)	-	36,439	36,439	24,010
Other DfE/ESFA grants:				
- Pupil premium	-	2,399	2,399	1,784
- Supplementary grant	-	1,406	1,406	-
- Teachers pay grant	-	2	2	16
- Teachers pension grant	-	143	143	46
- Others	-	1,393	1,393	938
	-	41,782	41,782	26,794
Other government grants				
Local authority grants	-	1,138	1,138	584
Total funding	-	42,920	42,920	27,378

The academy trust received £535,000 (2022: £264,000) from the Local Authority for SEN Funding, £367,000 (2022: £280,000) for Free School Meals and £236,000 (2022: £40,000) of other Local Authority funding.

There were no unfulfilled conditions or other contingencies relating to the grants received during the year.

5 Other trading activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Hire of facilities	622	-	622	262
Catering income	561	-	561	378
Other sales	180	-	180	61
Energy box income	117	-	117	65
Trip income	408	-	408	-
Insurance claims for maternity	47	-	47	-
	1,935	-	1,935	766

6 Investment income

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Short term deposits	154	-	154	22

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

7 Expenditure

	Staff costs £000	Non-pay expenditure Premises £000	Other £000	Total 2023 £000	Total 2022 £000
Expenditure on raising funds					
- Direct costs	-	-	49	49	47
Academy's educational operations					
- Direct costs	24,976	2,638	3,829	31,443	19,525
- Allocated support costs	8,676	5,707	2,603	16,986	12,028
	<u>33,652</u>	<u>8,345</u>	<u>6,481</u>	<u>48,478</u>	<u>31,600</u>
Net income/(expenditure) for the year includes:				2023 £000	2022 £000
Operating lease rentals				85	41
Depreciation of tangible fixed assets				3,565	2,008
Fees payable to auditor for:					
- Audit				14	11
- Other services				5	6
Net interest on defined benefit pension liability				<u>21</u>	<u>265</u>

8 Central services

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

- Salary (including on-costs) of Executive Headteacher
- Part of the salary (including on-costs) of Trust Finance Officer
- Part of the salary (including on-costs) of Trust HR Director
- Audit: External and Internal
- Clerking, legal fees and other costs associated with Trust Board

The academy trust charges for these services based on the pupil numbers at each school.

The amounts charged during the year were as follows:	2023 £000	2022 £000
Whalley Range 11-18 High School	295	281
The East Manchester Academy	191	177
Levenshulme High School	189	178
Parrs Wood High School	311	-
	<u>986</u>	<u>636</u>

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

9 Charitable activities

	Unrestricted funds £000	Restricted funds £000	Total 2023 £000	Total 2022 £000
Direct costs				
Educational operations	364	31,079	31,443	19,525
Support costs				
Educational operations	2,130	14,856	16,986	12,028
	<u>2,494</u>	<u>45,935</u>	<u>48,429</u>	<u>31,553</u>
Analysis of costs			2023 £000	2022 £000
Direct costs				
Teaching and educational support staff costs			24,976	16,636
Staff development			86	78
Depreciation			2,638	1,115
Technology costs			193	175
Educational supplies and services			1,301	905
Examination fees			620	374
Educational consultancy			1,187	129
Other direct costs			442	113
			<u>31,443</u>	<u>19,525</u>
Support costs				
Support staff costs			8,890	6,273
Depreciation			927	893
Technology costs			403	118
Recruitment and support			267	951
Maintenance of premises and equipment			854	503
Cleaning			1,027	612
Energy costs			2,220	676
Rent, rates and other occupancy costs			363	289
Insurance			146	71
Security and transport			170	112
Catering			1,246	885
Interest on defined benefit pension scheme			21	265
Legal costs			157	261
Other support costs			272	62
Governance costs			23	57
			<u>16,986</u>	<u>12,028</u>

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

10 Staff

Staff costs

Staff costs during the year were:

	2023 £000	2022 £000
Wages and salaries	24,487	15,490
Social security costs	2,641	1,694
Pension costs	5,422	4,850
Staff costs - employees	32,550	22,034
Agency staff costs	1,102	489
Staff restructuring costs	-	42
	33,652	22,565
Staff development and other staff costs	300	422
Total staff expenditure	33,952	22,987
Staff restructuring costs comprise:		
Severance payments	-	42

Staff numbers

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

	2023 Number	2022 Number
Teachers	352	248
Administration and support	309	207
Management	42	33
	703	488

GREATER MANCHESTER EDUCATION 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	28	10
£70,001 - £80,000	11	6
£80,001 - £90,000	4	3
£90,001 - £100,000	4	-
£100,001 - £110,000	2	2
£120,001 - £130,000	2	-
£150,001 - £160,000	1	-
	<u> </u>	<u> </u>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,030,367 (2022: £823,053).

11 Trustees' remuneration and expenses

The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees.

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

D Owen (Chief Executive Officer and trustee - appointed 1 September 2022)

Remuneration £150,001 - £155,000

Employer's pension contributions £35,001-£40,000

During the year travel and subsistence payments totalling £835 were reimbursed to a trustee for their services as an employee (2022: nil).

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

12 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy 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.

GREATER MANCHESTER EDUCATION 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, fittings & equipment £000	Motor vehicles £000	Total £000
Cost							
At 1 September 2022	27,770	43,892	769	3,516	3,889	-	79,836
Transfer	288	799	(1,096)	5	4	-	-
Transfer of school joining	-	42,456	326	988	277	-	44,047
Additions	755	501	1,971	272	372	69	3,940
At 31 August 2023	28,813	87,648	1,970	4,781	4,542	69	127,823
Depreciation							
At 1 September 2022	1,888	5,876	-	2,822	2,531	-	13,117
Transfer of school joining	-	4,281	-	451	215	-	4,947
Charge for the year	252	2,007	-	732	567	7	3,565
At 31 August 2023	2,140	12,164	-	4,005	3,313	7	21,629
Net book value							
At 31 August 2023	26,673	75,484	1,970	776	1,229	62	106,194
At 31 August 2022	25,882	38,016	769	694	1,358	-	66,719
						2023	2022
						£000	£000
Freeholds						26,673	25,882
Long leaseholds (over 50 years)						75,487	38,016

GREATER MANCHESTER EDUCATION TRUST

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

14 Debtors

	2023 £000	2022 £000
Trade debtors	204	72
VAT recoverable	642	317
Other debtors	4	-
Prepayments and accrued income	2,518	721
	<u>3,368</u>	<u>1,110</u>

15 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Government loans	21	-
Trade creditors	1,881	341
Other creditors	22	86
Accruals and deferred income	1,216	1,222
	<u>3,140</u>	<u>1,649</u>

16 Creditors: amounts falling due after more than one year

	2023 £000	2022 £000
Other loans	86	-
	<u>86</u>	<u>-</u>
Analysis of loans	2023 £000	2022 £000
Wholly repayable within five years	107	-
Less: included in current liabilities	(21)	-
	<u>86</u>	<u>-</u>
Amounts included above	<u>86</u>	<u>-</u>
Loan maturity		
Debt due in one year or less	21	-
Due in more than one year but not more than two years	21	-
Due in more than two years but not more than five years	65	-
	<u>107</u>	<u>-</u>

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

17 Deferred income

	2023 £000	2022 £000
Deferred income is included within:		
Creditors due within one year	77	55
Deferred income at 1 September 2022	55	23
Released from previous years	(55)	(22)
Resources deferred in the year	77	54
Deferred income at 31 August 2023	77	55

At the balance sheet date the trust was holding funds received in advance, for rates rebates of £36,000 (2022: £45,000) and other income received in advance of £41,000 (2022: £10,000).

18 Funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2023 £000
Restricted general funds					
General Annual Grant (GAG)	1,609	36,788	(35,438)	(1,612)	1,347
Pupil premium	-	2,399	(2,399)	-	-
Other DfE/ESFA grants	-	2,944	(2,944)	-	-
Other government grants	-	1,138	(1,138)	-	-
Other restricted funds	-	31	(31)	-	-
Pension reserve	(539)	228	(420)	1,020	289
	1,070	43,528	(42,370)	(592)	1,636
Restricted fixed asset funds					
Inherited on conversion	42,595	37,619	(2,131)	-	78,083
DfE group capital grants	19,513	3,469	(309)	-	22,673
Capital expenditure from GAG	4,146	1,173	(955)	1,612	5,976
DfE donated assets	371	-	-	-	371
Other capital income	94	78	(170)	-	2
	66,719	42,339	(3,565)	1,612	107,105
Total restricted funds	67,789	85,867	(45,935)	1,020	108,741
Unrestricted funds					
General funds	5,412	4,024	(2,543)	-	6,893
Total funds	73,201	89,891	(48,478)	1,020	115,634

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

18 Funds

(Continued)

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

General Annual Grant must be used for the normal running expenses of an academy and any amounts carried forward at the end of the financial year must be in accordance with the terms of the Funding Agreement.

Other DfE/ESFA grants comprise additional funding received for the furtherance of education, which must be used in accordance with the specific terms of each grant.

Other government grants include Local Authority funding for High Needs, lac pupil premium and FSM income.

Other restricted funds are insurance reclaims.

The pension values as at 31 August 2023 have been determined by the actuary which is showing the following pension assets within the academy trust as at the balance sheet date:

Levenshulme High School and Whalley Range 11-18 High School totalling £858,000
The East Manchester Academy - £1,645,000
Parrs Wood High School - £545,000

This results in the academy trust's consolidated position as showing a pension asset of £3,098,000. In accordance with applicable accounting standards, the asset values in each of these pension funds capped at an asset ceiling value. This has reduced the above asset values to a total of £289,000. The split of this is as follows:

Levenshulme High School and Whalley Range 11-18 High School totalling £75,000
The East Manchester Academy - £nil
Parrs Wood High School - £214,000

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy. During the year £1,612,000 was transferred from the General Annual Grant into the Fixed Asset fund to finance fixed asset acquisitions at The East Manchester Academy Trust for which no capital funds had been received. At 31 August 2023 the fixed asset funds includes £911,000 of capital grants that are in projects that are due to be completed after the year end.

Unrestricted funds are funds which the trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

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.

GREATER MANCHESTER EDUCATION 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
Restricted general funds					
General Annual Grant (GAG)	1,515	24,010	(23,103)	(813)	1,609
Pupil premium	-	1,784	(1,784)	-	-
Catch-up premium	106	-	(106)	-	-
Other DfE/ESFA grants	-	938	(938)	-	-
Other government grants	16	584	(600)	-	-
Teachers pension grant	-	46	(46)	-	-
Teachers pay grant	-	16	(16)	-	-
Other restricted funds	-	103	(103)	-	-
Pension reserve	(15,201)	-	(1,964)	16,626	(539)
	<u>(13,564)</u>	<u>27,481</u>	<u>(28,660)</u>	<u>15,813</u>	<u>1,070</u>
Restricted fixed asset funds					
Inherited on conversion	43,239	-	(644)	-	42,595
DfE group capital grants	19,165	628	(280)	-	19,513
Capital expenditure from GAG	4,299	-	(966)	813	4,146
DfE donated assets	471	-	(100)	-	371
Other capital income	112	-	(18)	-	94
	<u>67,286</u>	<u>628</u>	<u>(2,008)</u>	<u>813</u>	<u>66,719</u>
Total restricted funds	<u>53,722</u>	<u>28,109</u>	<u>(30,668)</u>	<u>16,626</u>	<u>67,789</u>
Unrestricted funds					
General funds	<u>5,556</u>	<u>788</u>	<u>(932)</u>	<u>-</u>	<u>5,412</u>
Total funds	<u>59,278</u>	<u>28,897</u>	<u>(31,600)</u>	<u>16,626</u>	<u>73,201</u>

GREATER MANCHESTER EDUCATION 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:		
Whalley Range 11-18 High School	2,240	2,753
The East Manchester Academy	2,041	2,108
Levenshulme High School	1,698	2,169
Parrs Wood High School	1,633	-
Central services	628	(9)
	<hr/>	<hr/>
Total before fixed assets fund and pension reserve	8,240	7,021
Restricted fixed asset fund	107,105	66,719
Pension reserve	289	(539)
	<hr/>	<hr/>
Total funds	<u>115,634</u>	<u>73,201</u>

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
Whalley Range 11-18 High School	7,646	1,807	969	1,784	12,206	11,316
The East Manchester Academy	4,869	1,310	1,192	1,536	8,907	8,622
Levenshulme High School	4,857	1,501	520	1,469	8,347	7,544
Central	442	689	25	206	1,362	684
Parrs Wood High School	7,248	3,583	1,037	2,220	14,088	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>25,062</u>	<u>8,890</u>	<u>3,743</u>	<u>7,215</u>	<u>44,910</u>	<u>28,166</u>

GREATER MANCHESTER EDUCATION 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
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	106,194	106,194
Current assets	6,893	4,573	911	12,377
Current liabilities	-	(3,140)	-	(3,140)
Non-current liabilities	-	(86)	-	(86)
Pension scheme asset	-	289	-	289
Total net assets	6,893	1,636	107,105	115,634
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	-	-	66,719	66,719
Current assets	7,061	1,609	-	8,670
Current liabilities	(1,649)	-	-	(1,649)
Pension scheme liability	-	(539)	-	(539)
Total net assets	5,412	1,070	66,719	73,201

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 Tameside Metropolitan Borough 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.

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

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.

GREATER MANCHESTER EDUCATION 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 £2,433,728 (2022: £2,295,427).

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 17.2% 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.

GREATER MANCHESTER EDUCATION 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	1,174	825
Employees' contributions	416	279
Total contributions	<u>1,590</u>	<u>1,104</u>
Principal actuarial assumptions	2023 %	2022 %
Rate of increase in salaries	3.75% - 3.8	3.80
Rate of increase for pensions in payment/inflation	2.95% - 3.0	3.05
Discount rate for scheme liabilities	<u>5.2</u>	<u>4.25</u>

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	17.3 to 21.4	20.3
- Females	22.5 to 23.4	23.2
Retiring in 20 years		
- Males	20.0 to 21.4	21.6
- Females	<u>24.4 to 24.5</u>	<u>25.1</u>

Sensitivity analysis

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

Levenshulme High School and Whalley Range 11-18 High School (combined valuation)

Change in assumptions at 31 August 2023:	Approximate % increase to liabilities	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	3%	124
1 year increase in member life expectancy	4%	197
0.1% increase in the Salary Increase Rate	0%	5
0.1% increase in the Pension Increase Rate (CPI)	2%	121

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

The East Manchester Academy

Change in assumptions at 31 August 2023:

	Approximate % increase to liabilities	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	2%	306
1 year increase in member life expectancy	4%	525
0.1% increase in the Salary Increase Rate	0%	38
0.1% increase in the Pension Increase Rate (CPI)	2%	274

Parrs Wood High School

Change in assumptions at 31 August 2023:

	Approximate % increase to liabilities	Approximate monetary amount (£'000)
0.1% decrease in Real Discount Rate	2%	182
1 year increase in member life expectancy	4%	323
0.1% increase in the Salary Increase Rate	0%	24
0.1% increase in the Pension Increase Rate (CPI)	2%	161

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

	2023 Fair value £000	2022 Fair value £000
Equities	20,439	12,855
Bonds	4,088	2,608
Cash	2,336	1,491
Property	2,336	1,677
Total market value of assets	29,199	18,631

The actual return on scheme assets was £1,080,000 (2022: £240,000).

Amount recognised in the statement of financial activities

	2023 £000	2022 £000
Current service cost	1,573	2,504
Past service cost	-	37
Interest income	(1,170)	(296)
Interest cost	1,191	561
Benefit changes, curtailments and settlements gains or losses	-	(17)
Total operating charge	1,594	2,789

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 Pension and similar obligations

(Continued)

	2023	2022
	£000	£000
At 1 September 2022	19,170	32,725
Obligations transferred in	8,130	-
Current service cost	1,573	2,487
Interest cost	1,191	561
Employee contributions	416	279
Actuarial gain	(1,110)	(16,682)
Benefits paid	(460)	(237)
Past service cost	-	37
	<u>28,910</u>	<u>19,170</u>

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

	2023	2022
	£000	£000
At 1 September 2022	18,631	17,524
Assets transferred in	8,358	-
Interest income	1,170	296
Actuarial loss	(90)	(56)
Employer contributions	1,174	825
Employee contributions	416	279
Benefits paid	(460)	(237)
	<u>29,199</u>	<u>18,631</u>

The pension values as at 31 August 2023 have been determined by the actuary which is showing the following pension assets within the academy trust as at the balance sheet date:

Levenshulme High School and Whalley Range 11-18 High School totalling £858,000
The East Manchester Academy - £1,645,000
Parrs Wood High School - £545,000

This results in the academy trust's consolidated position as showing a pension asset of £3,098,000. In accordance with applicable accounting standards, the asset values in each of these pension funds capped at an asset ceiling value. This has reduced the above asset values to a total of £289,000. The split of this is as follows:

Levenshulme High School and Whalley Range 11-18 High School totalling £75,000
The East Manchester Academy - £nil
Parrs Wood High School - £214,000

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

20 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)		41,413	(2,703)
Adjusted for:			
Net surplus on transfer of academy in the trust	28	(41,863)	-
Capital grants from DfE and other capital income		(2,988)	(628)
Investment income receivable	6	(154)	(22)
Defined benefit pension costs less contributions payable	20	399	1,699
Defined benefit pension scheme finance cost	20	21	265
Depreciation of tangible fixed assets		3,565	2,008
(Increase)/decrease in debtors		(1,798)	930
Increase in creditors		1,470	850
Stocks, debtors and creditors transferred on conversion		(127)	-
Net cash (used in)/provided by operating activities		(62)	2,399

22 Analysis of changes in net funds

	1 September 2022 £000	Cash flows £000	31 August 2023 £000
Cash	7,560	1,449	9,009
Loans falling due within one year	-	(21)	(21)
Loans falling due after more than one year	-	(86)	(86)
	7,560	1,342	8,902

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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	32	3
Amounts due in two and five years	108	12
	<u>140</u>	<u>15</u>

Other contractual commitments

At 31 August 2023 the total of the academy trust's future minimum lease payments under other contractual commitments was:

	2023 £000	2022 £000
Amounts due within one year	592	592
Amounts due in two and five years	477	1,070
	<u>1,069</u>	<u>1,662</u>

The contract commitments are in respect of cleaning services.

24 Capital commitments

	2023 £000	2022 £000
Expenditure contracted for but not provided in the accounts	<u>1,558</u>	<u>446</u>

The capital commitments at the year end date relate to on-going projects at Parrs Wood High School and Levenshulme High School.

GREATER MANCHESTER EDUCATION TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

25 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. No related party transactions took place in the period of account. The following related party transactions took place in the previous financial period.

Damian Owen, was the Interim Executive Headteacher and Accounting Officer during the year ended 31 August 2022 was also a trustee and Executive Headteacher of the Greater Manchester Learning Trust. This arrangement was approved by the ESFA on 1st December 2021. The arrangement remained in force until 31 August 2022 when the Greater Manchester Learning Trust and the Education and Learning Trust joined together to form the Greater Manchester Education Trust. This arrangement was approved by ESFA and complies with the Academies Handbook 2020.

During the year ended 31 August 2022 £115,000 of D Owen's salary cost was recharged to the academy trust. At 31 August 2022 £10,000 was owed to the Greater Manchester Leadership Trust. D Owen claimed £450 in expenses during this time.

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 Agency arrangements

The academy trust distributes 11 - 19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2023 the trust received £118,000 (2022: £59,000) and disbursed £118,000 (2022: £59,000) from the fund. There is an amount of £nil (2022: £nil) is included in other creditors relating to undistributed funds that are repayable to the ESFA.

28 Transfer of existing academies into the academy trust

Greater Manchester Learning Trust

	Transfer in recognised £000
Net assets acquired	
Leasehold land and buildings	38,175
Other tangible fixed assets	925
Pension reserve	228
Government loans	(128)
Cash and cash equivalents	2,663
Total net assets	41,863

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