
MARK RUTHERFORD SCHOOL TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

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MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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MARK RUTHERFORD SCHOOL TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Marsh (resigned 10 October 2022) S C Lousada J Campbell (resigned 21 November 2022) N Stout J Warehand W Browning (appointed 11 December 2023)
Governors	J Marsh (resigned 10 October 2022) ¹ W Browning, Responsible Officer (resigned 17 October 2022) ¹ J Roche (resigned 29 August 2023) J Campbell, Chair (resigned 21 November 2022) I Simpson (resigned 21 September 2022) ¹ S Field P Page N Stout J Warehand, (Chair from 15th May 2023) A Hare (resigned 8 November 2022) ¹ N Foster ¹ S Harker, Chair (from 22 November 2022 and resigned 10 May 2023) K Foster, Head Teacher ¹ R Hubbard (resigned 16 January 2023) E Palmer (appointed 31 October 2022) ¹ S Harnan (appointed 31 October 2022, resigned 10 May 2023) T Di Piano (appointed 31 October 2022, resigned 13 April 2023) K Larkworthy (appointed 6 March 2023, resigned 29 August 2023) J Bennett (appointed 6 March 2023) ¹ D Harman (appointed 6 March 2023) ¹ ¹ members of the Finance, Premises & Health and Safety and Audit committee
Company registered number	08316719
Company name	Mark Rutherford School Trust
Principal and registered office	Wentworth Drive Bedford Bedfordshire MK41 8PX
Company secretary	M Bye-Gannon (to 30 March 2023) Julie Simmonds (from 11 Sept 2023)

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

**Senior management
team**

K Foster, Head Teacher
R Spencer, Deputy Headteacher
R Oliva Pugh, Deputy Headteacher (to 30th April 2023)
M Tyler, Assistant Headteacher (from 1st January 2023) Deputy Headteacher (1st July 2023)
M Briggs, Assistant Headteacher
A Vallance, Assistant Headteacher
F Brown, Assistant Headteacher
J Strong, Assistant Headteacher (resigned 31st December 2022)
J Simmonds, Business Manager (from 1st January 2023)

Independent auditor

Streets Audit LLP
Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Bankers

NatWest Bank PLC
81 High Street
Bedford
Bedfordshire
MK40 1YN

MARK RUTHERFORD SCHOOL TRUST
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The trust operates an academy for pupils aged 11 to 18 serving a catchment area in north Bedford. It has a pupil capacity of 1,243 and had a roll of 1,258 on the school census in Autumn 2023. -

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 Mark Rutherford School Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Mark Rutherford School Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details.

Members liability

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

Governors indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £10,000,000 on any one claim.

Method of recruitment and appointment or election of Governors

Mark Rutherford School appoints Governors in accordance with clauses 50 to 64 of its Articles of Association. Parent Governor vacancies are filled through advertisement and election. In the event of more than one applicant applying for the vacancy of Staff Governor and is subject to a vote where both candidates receive equal support, a process will be determined by the Governing Body to fill the vacancy. Other Governor appointments are addressed through personal recommendation and consideration by the whole governing body followed up, where appropriate, with an interview by chairs of the other committees.

A Governor's term of office is four years, but this time limit will not apply to the Headteacher; however, any Governor may be re-appointed or re-elected. The Chair and Vice Chair are re-elected annually.

During the year under review the Governors held five Full Governing Body meetings, and five meetings each of the following sub-committees:

- Finance, Property and Health and Safety
- Curriculum and Standards
- Personnel, Pay and Performance

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

Structure, governance and management (continued)

Policies and Procedures Adopted for the induction and training of Governors

All new governors are given a tour of the Academy and the chance to meet staff and pupils. All governors are provided with a pack containing copies of the policies, procedures, minutes, accounts, budget plan and other documents they need to undertake their role as a governor. The induction of a governor is tailored to the specific individual; in addition, all new governors are required to attend a governors training course run by the Local Authority or by another training provider to which the Academy subscribes.

Governors are informed of all training courses available from the Local Authority via Governor Hub and by email.

Organisational structure

The structure consists of four levels:

- The Mark Rutherford School Trust
- The Mark Rutherford School Governors
- The Headteacher
- The Senior Leadership Team

The aim of the structure is to devolve responsibility and authority to the appropriate level, encouraging participation in decision making and to hold leaders to account for those decisions.

Governors are responsible for setting general policy and strategic direction, adopting an annual plan and school budget and for monitoring and evaluating the work of the school and its leaders.

The Headteacher and the Senior Leadership Team are responsible for developing plans for improvement and the strategic direction of the school as well as its day-to-day operation; in particular the organisation of resources such as teaching and non-teaching staff, facilities and students.

Arrangements for setting pay and remuneration of key management personnel

The Governing Body of Mark Rutherford School has prepared a policy in respect of pay which recognises the following constraints:

- The requirements of the School Teachers' Pay and Conditions Document.
- The national pay framework for NJC pay scales.
- The current staffing structure of the school.
- The Employment Relations Act 1999, the Equality Act 2010, the Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, the Fixed Term Employees (Prevention of Less Favourable Treatment Regulations) 2002 and the standards for openness and objectivity in public life.

These pay principals apply to all staff including the senior management personnel to whom the governors have delegated significant authority or responsibility in the day-to-day running of the Academy Trust. The Governing Body holds the right to award additional discretionary payments as they see fit.

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

Structure, governance and management (continued)

Trade union facility time

There were two employees who acted as union officials during the year. The officials are not given any dedicated ring-fenced time during work hours or facility time to perform their duties as union officials.

The Academy has allowed local union associations to use the school facilities for local meetings.

Objectives and activities

Aims

Our aim is to provide the best possible education for each child within the context of a caring and safe community. School life centres on the students and every effort is made to provide them with opportunities and experiences to further their development and be successful both socially and academically.

We believe that every child is unique. Our aim is to provide broad, balanced, personalised learning experiences that will enable our students to be healthy, stay safe, enjoy and achieve, make a positive contribution to society and achieve economic well-being.

Objectives, strategies and activities

Our ethos:

- We see education in its widest sense; a life-long experience that gives equal importance to positive values, attitudes and beliefs as to the acquisition of knowledge, skills and ideas.
- Develop students as decent human beings with a sense of personal worth and to value the rights of others.
- Develop an atmosphere of positive encouragement where school, home and community work together to support learning.

We will develop a community in which:

- A student's chances of success are not related to their socio-economic background, gender or ethnicity.
- Provision is designed around the needs of each student with the expectation that all learners will achieve high standards.
- All students leave the school with functional skills in English and Mathematics, understanding how to learn, think creatively, take risks and handle change.
- Teachers use their skills and knowledge to engage students as partners in learning, acting quickly to adjust their teaching in response to students' learning.
- Parents/carers are seen as equal partners in supporting students' learning.
- Teaching and learning responds to the needs of an ever changing society that is ethnically and socially diverse, increasingly reliant on technology, complex, knowledge-based and concerned about sustaining the environment.

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

Objectives and activities (continued)

Public benefit

In setting our objectives and planning our activities our governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Our key objectives for the year included:

- To broaden our academic curriculum to meet the needs of all our students.
- To enhance and improve the personal development provision for students.
- To continue to develop the first class pastoral care we provide for students.

The school's outcomes and ethos enables students to achieve economic well-being and be able to make a positive contribution to society. Resources are deployed effectively in order to achieve value for money.

Achievements and performance

Achievements and performance indicators

Following the two year disruption caused by COVID-19, this academic year saw formal public exams since the academic year 2018-2019. The awarding bodies made adjustments to some subjects to make them more accessible. All students however, were expected to sit external examinations in all of their subjects.

Key Stage 4

As a school we strive for breadth of curriculum, which means the range of GCSEs on offer is impressive.

The results for 2022-2023 are as follows and show an improvement:

- In Maths 65.0% gained a 9-4 pass and 45.5% grades 9-5
- In English Language 71.0% gained a 9-4 pass and 55.5% grades 9-5
- The combined English and Maths for grades 9-4 was 60.5% and 38.0% for grades 9-5

Key Stage 5

The Key Stage 5 results have shown a decline, this is linked to a significant increase in grade boundaries and this cohort having not sat their GCSE exams due to COVID-19; instead, they completed Teacher Assessed Grades (TAGs) in the summer of 2021. For Year 13 students there was a 95.7% pass rate across all subjects with A*-B grades at 38.4% and A*-C grades at 69.8%. One student resat the GCSE English exam and secured a grade 4. Three students were required to resit their GCSE Maths; one student was withdrawn due to medical needs at the request of their parents/carers, one student secured a grade three and another achieved a grade 4.

Going concern

After making appropriate enquiries, the board of governors has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For these reasons the governors continue 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.

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

Financial review

Most of the academy trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities. The academy trust also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP FRS102), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023 total income (excluding capital funding) was £9,363,722 and expenditure was £9,433,096 excluding capital expenditure, depreciation and the movement on the LGPS actuary valuation). The excess of revenue expenditure over revenue income for the year was £69,374.

At 31 August 2023 the net book value of fixed assets was £11,911,467 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to pupils.

The academy trust held fund balances at 31 August 2023 of £13,644,023. This comprised restricted fixed asset funds of £12,073,220, restricted fund of £1,389,833, pension reserve deficit of £1,000, and £181,970 of unrestricted general funds.

Reserves policy

The Finance, Property and Health and Safety Committee review the reserve levels of the academy every half term. This review examines the income and expenditure streams against the forecasts to match commitments, and to identify or forecast any potential shortfall. The Governors have determined that the appropriate level of reserves should be at least 2% of income. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of income from the applicable streams or to provide a cushion for unexpected emergency expenditure and to manage any reduction in income from one year to the next. The Academy will continue to keep reserves at this level subject to constant and on-going review.

The governors have given careful consideration to the level of reserves held by the academy. The academy seeks to maintain its commitment to delivering high quality education at the best value for money, within the funding available from the ESFA and other sources (the cumulative carry forward from 2022-2023 is £1.6m). The budgeted surplus is in line with the School Development Plan and is considered necessary in order to provide adequate funds for the future development of the Academy Trust.

Investment policy

The Governing Body will agree a treasury management policy when applicable for the investment of surplus funds. Short term investments are restricted to the transfer to the Academies Business Reserves Account managed by the Finance Manager and certified by the School Business Manager. The investment will be in accordance with a prudent low risk policy and must observe the guidelines issued by the Education Funding Agency. Sums that will be invested for a longer term will be given careful consideration.

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

Principal risks and uncertainties

The Governors acknowledge responsibility for safeguarding the assets of Mark Rutherford School Trust and hence take reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- Mark Rutherford School Trust is operating efficiently and effectively.
- Our assets are safeguarded against unauthorised use or disposition.
- The proper records are maintained and financial information used within the academy's publication is reliable.
- Mark Rutherford School Trust complies with relevant laws and regulations.

Risk management and internal scrutiny

The Governors are responsible for the management of the risks faced by the Academy in particular the risks associated with the teaching of certain subjects, provision of facilities, the control of finance and other operational factors in relation to health and safety. The governors are assisted in this task by the Risk Management Group and the Academy's Risk and Opportunity Management Policy Statement. The aims of the Risk Management Group are to:

- Evaluate the suitability of, and level of compliance with, financial and other controls. This includes assessing whether procedures are designed effectively and efficiently, and checking transactions to confirm whether agreed procedures have been followed.
- Offer advice and insight to the board on how to address weaknesses in financial and other controls, acting as a catalyst for improvement, but without diluting management's responsibility for day-to-day running of the Academy Trust.
- Ensure all categories of risk are being adequately identified, reported and managed.

The key robust controls used by the academy include:

- A risk register
- A robust and effective system of internal financial controls
- A disaster management plan with critical incident plan covering any disruption to normal working
- Adequate insurance cover
- Formal written policies
- Comprehensive strategic planning, budgeting and management accounting
- School improvement plan
- Detailed terms of reference for all Governors' committees

Financial and Risk Management Objectives and Policies

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 the academy's 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

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

Statement of internal control

The governors acknowledge that we have overall responsibility for ensuring that Mark Rutherford School Trust has an effective and robust system of control. The governors are also responsible for keeping proper accounting records which show as accurately as possible the financial position of the academy at any one time and which ensures that financial statements comply with the Companies Act. They are responsible for safeguarding the assets of the academy and for taking appropriate steps to detect and prevent fraud or irregularities and which provide assurance that:

- The academy is operating efficiently and effectively.
- The assets are safeguarded against unauthorised use or disposition.
- The proper records are maintained and financial information used or published is reliable.
- The academy complies with relevant laws and regulations.

The Academy's system of internal financial control is based upon a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. More specifically it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed with the Governing Body.
- Regular reviews by the Finance, Property and Health and Safety Committee of reports stating financial performance against forecasts of annual budgets and any special projects.
- Setting targets to measure financial and other performance.
- Delegation and segregation of duties.
- Identification and management of risks.
- Buyback of Health & Safety advice and training for staff.

In addition the Internal Scrutiny checks have been outsourced to an external Educational Specialist company. In conjunction with the risk register the trustees will decide on which areas to review each year to address the key risks. The internal scrutiny programme will cover the following categories and, in conjunction with the risk process, the governors will decide on the categories to cover:

- Governance
- Finance
- Payroll
- Human Resources
- Premises
- Information Technology
- Safeguarding
- Business Continuity Planning

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

Fundraising

As there are no arrangements with professional fundraisers, the Trustees have adopted an approach to fundraising which ensures the Academy maintains effective control over the school's fundraising and ensures compliance with legal duties. The school has established a Fundraising Lead (the School Business Manager) who:

- Acts in the best interests of the Academy.
- Manages the Academy resources responsibly, which includes protecting and safeguarding its reputation.
- Acts with reasonable care and skill.

The role of the Fundraising Lead is to take responsibility for fundraising applying the following principles:

- Plan effectively.
- Ensure adequate supervision for fundraisers.
- Protect the Academy's reputation, money raised and other assets.
- Identify and ensure compliance with the laws or regulations.
- Identify and following any recognised standards that apply.
- Being open and accountable.

Plans for future periods

The school has a clear improvement plan based on five key areas:

- Quality of Education
- Behaviour and Attitudes
- Leadership and Management
- Personal Development
- Sixth Form

These are reflected in appraisal targets for all staff which are monitored regularly by the governors. The school is popular with parents/carers and oversubscribed, particularly in Years 8 to 11.

We want our teaching facilities to have a profound and positive impact on our students' experiences and we endeavour to make the school a better, safer environment for all. With this focus in mind Trustees are pleased with the recent building improvement projects.

In the last academic year, governors released funds to update our IT infrastructure by installing WIFI and over 75 interactive screens with more to follow. We have also invested in upgrading many of our staff and student laptops. In addition, our safeguarding measures have improved with maglocks being installed on every external door.

The focus over this forthcoming academic year is apply for a CIF bid for an upgrade on our fire doors along with a CIF bid for heating to be upgraded in the main school block. In addition, we are looking at improving our PE changing rooms in relation to staff and student facilities. This will also enable us to let our sports facilities to generate more funds.

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

Plans for future periods (continued)

COVID-19

Although there is no current school related guidance in relation to COVID-19, this pandemic triggered significant changes in education systems worldwide. We continue to find ourselves navigating the impact of the pandemic, to include:

- The capacity of children's services to support the most vulnerable children and young people. We have seen a significant increase in concerns relating to the SEMH of our students.
- The effect of lost curriculum time in conjunction with the return of formal exams; this could potentially impact on students' progression to the next stage of education or employment.
- The continued support, emotionally and financially, for students and their families.
- The long-term effect on disadvantaged groups, including the Governments' approach to free school meals.
- The long-term impact on the most vulnerable groups (such as pupils with special educational needs, disabilities and children in need).

Auditor

As the Governors are aware, there is no information relevant to annual audit of which the Academy's auditor is unaware. The governors have taken all steps to make themselves aware of any relevant audit information.

The trustees report, incorporating a strategic report, approved by order of the board of trustees as the company directors on 11th December 2023, is signed by myself on behalf of the board.

The Governors' report was approved by order of the Board of Governors, as the company directors, on and signed on its behalf by:


.....
Mr J Warehand
Chair of Governors

Date: 11/12/23


.....
Mrs K Foster
Accounting Officer

MARK RUTHERFORD SCHOOL TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that Mark Rutherford School 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 Governors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

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

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of governors' responsibilities. The board of Governors has formally met 5 times during the year.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
J Warehand, Chair from 15th May 2023	5	5
W Browning, Responsible Officer	0	1
J Roche	3	5
J Campbell, Chair	1	1
S Field	5	5
P Page	4	5
N Stout	5	5
A Hare	1	1
N Foster	4	5
S Harker, Chair to 10 May 2023	3	3
K Foster, Head Teacher	5	5
R Hubbard	1	2
E Palmer	4	4
S Harnan	3	3
T Di Piano	2	2
K Larkworthy	3	3
D Harman	1	3
J Bennett	2	3

We are sad to report the passing of Mr J Marsh since his retirement. He was a dedicated and committed governor who served for a significant period of time and we are grateful for all that he has done for the school.

Conflicts of Interest

An up-to-date and complete register of interest is maintained, each board and committee meeting includes an agenda point for declaration of interests. Any staff declaration of interests are noted and the register is managed by the finance/purchasing team, with regular reviews by the Business Manager.

Conflicts of interests may arise where an individual's personal or family interests and/or loyalties conflict with those of the school. Such conflicts may create problems; they can:

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- Inhibit free discussion
- Result in decisions or actions that are not in the interests of the school
- Risk the impression that the school has acted improperly

Our governors, managers, teachers and other staff are expected to declare all and any potential conflict of interests at the earliest opportunity. These are also reviewed annually. Where any potential conflict of interests may arise in relation to contracts, negotiations, pricing or other factor, where the person is directly related or has interest in the other party, they are expected to recuse themselves from discussions and negotiations.

No person may be involved in managing or monitoring a contract where they have a direct interest

Meetings

The board met five times during 2022/2023. Financial systems and controls are in place to maintain effective management of funds. Due to key staff absence and a delay in appointing a Business Manager there has been a period of adjustment during this financial year. The new Business Manager was appointed on 1st January 2023, a full review of financial systems and a governance audit has been undertaken to ensure robust reporting. Six board meetings have been arranged for 2023/2024.

Governance reviews

Governance is included as an item on the full board of governors meeting agenda annually, at which meeting the issue of risk is discussed.

The Finance, Premises, Health & Safety and Audit Committee is a sub-committee of the main board of Governors. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, comply with reporting and regulatory requirements, receive reports from the responsible officer and auditors and draft the annual budget.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
A Hare	1	1
K Foster, Head Teacher	4	5
J Marsh	1	1
J Warehand	1	1
N Foster	5	5
W Browning	0	1
S Harnan	1	3
L Palmer	3	4
J Bennett	1	2
D Harman	0	2
J Campbell	1	1
S Harker	3	3

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

The accounting officer effectively uses relevant funding to ensure the trust's estate is safe, well-maintained, and complies with regulations. The School Business Manager and Site Manager both successfully completed an IOSH approved training course on Managing Health & Safety in Schools and Early Years Settings.

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 governors where value for money can be improved, including the use of benchmarking data where available.

The accounting officer for the academy trust has delivered improved value for money during the year by;

- Ensuring that all relevant staff are aware of our purchasing procedures
- Ensuring quotes are received at the correct levels
- Undertaking regular reviews of long-term contracts
- Having a robust system of segregation of duties and signatory levels
- Using well know and recommended suppliers, checking reviews and testimonials
- Buyback professional Health & Safety advise and expertise
- Buyback support contracts in areas of expertise from the Local authority
- Introduction of a new Health & Safety software system to streamline reporting and policies

A new finance system has been introduced from 1st September 2023 to enable more effective financial reporting alongside a detailed 5-year budget planning software. Decisions are analysed following the four principles of best value. We challenge, compare, consult and compete on all financial aspects.

Self-evaluation

We are continuing to embed the integrated curriculum and financial planning approach to ensure our curriculum is managed and delivered in the most cost-effective way. This approach has already enabled us to ensure we can deliver the broad and balanced curriculum we aim for whilst ensuring it is as cost effective as possible too.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of Academy 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. Due to a change in governors and the resignation of the Responsible Officer the system of internal control has been reviewed during this financial year.

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GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Governors has decided to buy-in an internal audit service from Strictly Education. This option was decided due to a change in personnel and the resignation of the governor who was the Responsible Officer.

In conjunction with the risk register the trustees will decide on which areas to review each year to address the key risks from the following categories:

- Governance
- Finance
- Payroll
- Human Resources
- Premises
- Information Technology
- Safeguarding
- Business Continuity Planning

Human Resources was decided as the focus of the 22/23 internal scrutiny, following staff changes and re-evaluation of the HR staffing structure in school. A separate external audit of our Health & Safety procedures and systems will also be taking place in November 2023.

The focus if the 23/24 internal scrutiny areas will be decided by the governors, working in conjunction with the risk process.

On an annual basis the board of Governors through the Finance, Premises, Health & Safety and Audit Committee will review the operation of the systems of control and on the discharge of the Governors' financial responsibilities. On an annual basis the auditor will prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the financial management and governance self-assessment process
- the work of the reviewer
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditor;

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

Approved by order of the members of the Board of Governors and signed on their behalf by:


.....
Mr J Warehand
Chair of Governors

Date: 11/12/23


.....
Mrs K Foster
Accounting Officer

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Mark Rutherford School Trust I have considered my responsibility to notify the Academy board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy, under the funding agreement in place between the Academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022.

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


.....
Mrs K Foster
Accounting Officer

Date: 11. 12. 23

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

**STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023**

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Academies Accounts Direction published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the Board of Governors and signed on its behalf by:


.....
Mr J Warehand
Chair of Governors

Date: 11/12/23

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MARK RUTHERFORD SCHOOL TRUST

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Academy's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' 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'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 Governors with respect to going concern are described in the relevant sections of this report.

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MARK RUTHERFORD SCHOOL TRUST (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report.

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

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

Responsibilities of governors

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

In preparing the financial statements, the Governors are responsible for assessing the Academy'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 Governors either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MARK RUTHERFORD SCHOOL TRUST (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the academy through discussions with management, and from our knowledge and experience of the sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including relevant DfE and ESFA guidance, the Companies Act 2006, taxation legislation and employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MARK RUTHERFORD SCHOOL TRUST (CONTINUED)

- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims

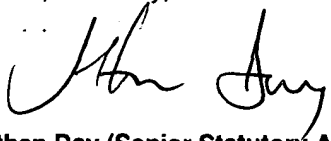
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the governors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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



Jonathan Day (Senior Statutory Auditor)

for and on behalf of

Streets Audit LLP

Potton House

Wyboston Lakes

Great North Road

Wyboston

Bedford

MK44 3BZ

Date:

20 December 2023

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MARK
RUTHERFORD SCHOOL TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 5 November 2018 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 Mark Rutherford School Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Mark Rutherford School Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Mark Rutherford School 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 Mark Rutherford School Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Mark Rutherford School Trust's accounting officer and the reporting accountant

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

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Review of the Academy's systems and controls to ensure effective design;
- Confirmation of satisfactory operation of controls during the year, including authorisation of invoices and salary;
- Review a sample of expenses focussing on nominal codes considered to be of a greater risk;
- Review the reports from internal scrutiny work undertaken during the year;
- Discussions with the finance team.

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MARK RUTHERFORD SCHOOL TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, except for the matters listed below has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

It is a requirement per Academies Trust Handbook for academy trusts to conduct checks to ensure systems are effective and compliant and that the trust must have a programme of internal scrutiny to provide independent assurance. Whilst no financial internal security was carried out during this financial year, the Board has prepared a revised programme of internal scrutiny that will cover wider financial and non financial matters. Financial internal scrutiny will be reintroduced into the 23/24 academic year alongside non-financial internal scrutiny.



Jonathan Day (Senior Statutory Auditor)
Streets Audit LLP

Potton House
Wyboston Lakes
Great North Road
Wyboston
Bedford
MK44 3BZ

Date:

20 December 2023

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	35,942	114,722	150,664	495,810
Other trading activities		30,766	-	-	30,766	19,973
Investments	6	23,121	-	-	23,121	899
Charitable activities		-	9,159,171	-	9,159,171	8,368,652
Total income		53,887	9,195,113	114,722	9,363,722	8,885,334
Expenditure on:						
Charitable activities		-	8,770,431	662,665	9,433,096	9,562,793
Total expenditure		-	8,770,431	662,665	9,433,096	9,562,793
Net income/(expenditure)		53,887	424,682	(547,943)	(69,374)	(677,459)
Transfers between funds	17	(332,240)	-	332,240	-	-
Net movement in funds before other recognised gains/(losses)		(278,353)	424,682	(215,703)	(69,374)	(677,459)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	24	-	442,000	-	442,000	4,862,000
Net movement in funds		(278,353)	866,682	(215,703)	372,626	4,184,541

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	460,323	522,151	12,288,923	13,271,397	9,086,856
Net movement in funds	(278,353)	866,682	(215,703)	372,626	4,184,541
Total funds carried forward	<u>181,970</u>	<u>1,388,833</u>	<u>12,073,220</u>	<u>13,644,023</u>	<u>13,271,397</u>

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

The notes on pages 30 to 56 form part of these financial statements.

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08316719

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	13		11,911,467		11,831,012
			<u>11,911,467</u>		<u>11,831,012</u>
Current assets					
Stocks	14	1,176		1,176	
Debtors	15	326,999		609,012	
Cash at bank and in hand		1,927,363		1,482,929	
		<u>2,255,538</u>		<u>2,093,117</u>	
Creditors: amounts falling due within one year	16	(521,982)		(317,732)	
Net current assets			<u>1,733,556</u>		<u>1,775,385</u>
Total assets less current liabilities			<u>13,645,023</u>		<u>13,606,397</u>
Net assets excluding pension liability			<u>13,645,023</u>		<u>13,606,397</u>
Defined benefit pension scheme liability	24		(1,000)		(335,000)
Total net assets			<u><u>13,644,023</u></u>		<u><u>13,271,397</u></u>

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08316719

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023


	Note	2023 £	2023 £	2022 £	2022 £
Funds of the Academy					
Restricted funds:					
Fixed asset funds	17	12,073,220		12,288,923	
Restricted income funds	17	1,389,833		857,151	
Restricted funds excluding pension asset	17	13,463,053		13,146,074	
Pension reserve	17	(1,000)		(335,000)	
Total restricted funds	17	13,462,053		12,811,074	
Unrestricted income funds	17	181,970		460,323	
Total funds		13,644,023		13,271,397	

The financial statements on pages 25 to 56 were approved and authorised for issue by the Governors and are signed on their behalf, by:



Mr J Warehand
 Chair of Governors

Date: 11/12/23



Mrs K Foster
 Accounting Officer

The notes on pages 30 to 56 form part of these financial statements.

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	19	1,034,577	481,190
Cash flows from investing activities	21	(590,143)	899
Cash flows from financing activities	20	-	(10,500)
Change in cash and cash equivalents in the year		444,434	471,589
Cash and cash equivalents at the beginning of the year		1,482,929	1,011,340
Cash and cash equivalents at the end of the year	22, 23	<u>1,927,363</u>	<u>1,482,929</u>

The notes on pages 30 to 56 form part of these financial statements

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Mark Rutherford School Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the Academy 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 year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

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

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

MARK RUTHERFORD SCHOOL TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold property	- 4% per annum straight line from 1 April 2013
Furniture and equipment	- 20% per annum straight line
Computer equipment	- 33.3% per annum straight line

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

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.10 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 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.

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

1. Accounting policies (continued)

1.11 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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. Amounts due to the Academy's wholly owned subsidiary are held at face value less any impairment.

1.12 Pensions

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

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

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

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

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

1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The annual depreciation charge for each class of tangible fixed asset is based on an estimate of the useful economic life of the respective assets. This is reviewed periodically by the directors to ensure that they reflect both the external and internal factors.

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3. Income from donations and capital grants

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	35,942	-	35,942	8,212
Capital Grants	-	114,722	114,722	487,598
	<u>35,942</u>	<u>114,722</u>	<u>150,664</u>	<u>495,810</u>
<i>Total 2022</i>	<u>8,212</u>	<u>487,598</u>	<u>495,810</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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4. Funding for the academy's educational operations

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
DfE/ESFA grants			
General Annual Grant (GAG)	7,892,061	7,892,061	7,398,673
Other DfE/ESFA grants			
Pupil Premium	280,625	280,625	272,083
Teachers Pay & Pension grant	-	-	50,677
Supplementary grant	208,120	208,120	86,899
Others	271,002	271,002	89,455
	<u>8,651,808</u>	<u>8,651,808</u>	<u>7,897,787</u>
Other Government grants			
Local Authority grants	431,275	431,275	375,837
	<u>431,275</u>	<u>431,275</u>	<u>375,837</u>
Other income from the academy trust's educational operations			
	76,088	76,088	95,028
	<u>9,159,171</u>	<u>9,159,171</u>	<u>8,368,652</u>

In the prior year, the academy received £Nil of funding for catch-up premium. Costs incurred in respect of this funding totalled £50,00, with the remaining £14,584 brought forward to the 2022/23 year.

During the year ended 31 August 2023, expenditure of £Nil and therefore catch-up premium of £14,584 has been carried forward to 2023/24.

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Hire of facilities	30,766	30,766	19,973

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest received	23,121	23,121	899

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Academy's Educational Operations:					
Direct costs	6,327,798	-	530,948	6,858,746	6,397,900
Support costs	805,727	708,899	1,059,724	2,574,350	3,164,893
	7,133,525	708,899	1,590,672	9,433,096	9,562,793
Total 2022	7,297,741	773,588	1,491,464	9,562,793	

8. Analysis of expenditure by activities

	Direct costs 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Academy's Educational Operations	6,858,746	2,574,350	9,433,096	9,562,793
Total 2022	6,397,900	3,164,893	9,562,793	

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Academy's Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	6,081,121	6,081,121	5,975,549
Educational supplies	349,720	349,720	253,747
Staff development	46,883	46,883	31,754
Examination fees	134,345	134,345	95,189
Supply staff costs	246,677	246,677	41,661
	<u>6,858,746</u>	<u>6,858,746</u>	<u>6,397,900</u>
<i>Total 2022</i>	<u>6,397,900</u>	<u>6,397,900</u>	

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Academy's Educational Operations 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	14,000	14,000	75,000
Staff costs	805,727	805,727	1,280,531
Depreciation	532,808	532,808	524,815
Maintenance of premises and equipment	280,284	280,284	307,554
Rent and rates	18,733	18,733	34,673
Heat and light	255,712	255,712	103,196
Insurance	33,194	33,194	43,766
Printing, postage and stationery	65,205	65,205	65,327
Other costs	79,488	79,488	76,543
Catering	70,965	70,965	57,258
Cleaning	146,377	146,377	141,829
Subscriptions and licences	101,796	101,796	104,197
Security and transport	19,776	19,776	21,122
Bank charges	3,459	3,459	2,190
CIF expenditure	129,857	129,857	312,654
Governance costs	16,969	16,969	14,238
	<u>2,574,350</u>	<u>2,574,350</u>	<u>3,164,893</u>
<i>Total 2022</i>	<u><u>3,164,893</u></u>	<u><u>3,164,893</u></u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	14,252	11,077
Depreciation of tangible fixed assets	532,809	524,815
Fees paid to auditor for:		
- audit	13,200	11,800
- other services	3,519	2,438
	<u>13,200</u>	<u>11,800</u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	5,144,006	5,087,718
Social security costs	506,959	517,894
Pension costs	1,224,981	1,595,667
	<u>6,875,946</u>	<u>7,201,279</u>
Staff restructuring costs	-	44,449
Apprenticeship levy	10,902	10,352
	<u>10,902</u>	<u>54,801</u>
Agency staff costs	246,677	41,661
	<u>7,133,525</u>	<u>7,297,741</u>
Staff restructuring costs comprise:		
Redundancy payments	-	44,449
	<u>-</u>	<u>44,449</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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10. Staff (continued)

b. Staff numbers

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

	2023 No.	2022 No.
Teaching / Educational Support	134	136
Administration / Support	65	56
	<u>199</u>	<u>192</u>

The average headcount expressed as full-time equivalents was:

	2023 No.	2022 No.
Teaching / Educational support	112	106
Administration / Support	27	33
	<u>139</u>	<u>139</u>

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	-	2
In the band £90,001 - £100,000	1	1
	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Academy comprise the Governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £700,383 (2022 £941,955).

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Governors' remuneration and expenses

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

		2023 £	2022 £
A MacLennan, Staff Governor (resigned 7 February 2022)	Remuneration		15,000 - 20,000
	Pension contributions paid		0 - 5,000
R F Barker, Staff Governor (resigned 11 February 2022)	Remuneration		30,000 - 35,000
	Pension contributions paid		5,000 - 10,000
K Foster, Head Teacher	Remuneration	95,000 - 100,000	90,000 - 95,000
	Pension contributions paid	20,000 - 25,000	20,000 - 25,000
R Hubbard (resigned 16 January 2023)	Remuneration		5,000 - 10,000
	Pension contributions paid		0 - 5,000

During the year ended 31 August 2023, expenses totalling £NIL were reimbursed or paid directly to Governor (2022 - £83). Expenses incurred were in respect of department resources and Covid testing equipment.

12. Governors' and Officers' insurance

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

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13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	16,024,369	13,700	12,005	16,050,074
Additions	299,673	4,601	308,990	613,264
At 31 August 2023	16,324,042	18,301	320,995	16,663,338
Depreciation				
At 1 September 2022	4,193,357	13,700	12,005	4,219,062
Charge for the year	524,816	653	7,340	532,809
At 31 August 2023	4,718,173	14,353	19,345	4,751,871
Net book value				
At 31 August 2023	11,605,869	3,948	301,650	11,911,467
At 31 August 2022	11,831,012	-	-	11,831,012

14. Stocks

	2023 £	2022 £
School uniforms	1,176	1,176

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	548	-
Other debtors	115,731	36,603
Prepayments and accrued income	210,720	572,409
	<u>326,999</u>	<u>609,012</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	-	5,250
Trade creditors	75	85,352
Other creditors	50,939	56,700
Accruals and deferred income	470,968	170,430
	<u>521,982</u>	<u>317,732</u>

No deferred income is included within the above figures.

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

17. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	460,323	53,887	-	(332,240)	-	181,970
Restricted general funds						
General Annual Grant (GAG)	692,829	7,892,061	(7,289,083)	-	-	1,295,807
Other DfE/ESFA Grants	17,592	366,622	(384,214)	-	-	-
Local Authority Grants	15,755	431,275	(447,030)	-	-	-
Pupil premium	109,062	280,625	(357,445)	-	-	32,242
Covid recovery premium	14,584	81,900	(34,700)	-	-	61,784
Other income	6,828	106,688	(113,516)	-	-	-
Donation	501	35,942	(36,443)	-	-	-
Pension reserve	(335,000)	-	(108,000)	-	442,000	(1,000)
	522,151	9,195,113	(8,770,431)	-	442,000	1,388,833
Restricted fixed asset funds						
Fixed Assets	11,831,012	-	(532,809)	613,264	-	11,911,467
Devolved Formula Capital	-	64,722	-	(64,722)	-	-
CIF - Electrical Safety Phase 2	333,643	-	(129,856)	(90,665)	-	113,122
CIF - Asbestos Removal	124,268	-	-	(75,637)	-	48,631
LA - paving works	-	50,000	-	(50,000)	-	-
	12,288,923	114,722	(662,665)	332,240	-	12,073,220

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

17. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Total Restricted funds	12,811,074	9,309,835	(9,433,096)	332,240	442,000	13,462,053
Total funds	13,271,397	9,363,722	(9,433,096)	-	442,000	13,644,023

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

General Funds:

The Academy's general funds represents income and expenditure relating to activities undertaken by the Academy as part of its charitable activities. The Academy can then use these fund for any purpose.

Restricted Funds:

The Academy received a number of grants during the year for the purpose of providing educational services to its pupils. These funds included grants from the ESFA for the General Annual Grant (GAG) and Pupil Premium. Special Educational Needs (High Needs) grants were also received from the Local Authority. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academy. The unspent funds have been carried forward to future accounting periods.

Restricted Fixed Asset Funds:

The Academy received Devolved Formula Capital funding to be spent on capital repairs and the purchase of new equipment. Assets which are capitalised in the accounts are represented by a separate fund within the Restricted Fixed Asset fund.

The Academy also received CIF funding from the ESFA for works to be completed in respect of electrical safety and asbestos removal.

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

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

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	482,531	20,872	-	(43,080)	-	460,323
Restricted general funds						
General Annual Grant (GAG)	541,152	7,105,703	(6,954,026)	-	-	692,829
Other DfE/ESFA Grants	69,243	792,084	(734,673)	-	-	126,654
Local Authority Grants	15,438	375,837	(375,520)	-	-	15,755
Covid recovery premium	8,443	95,028	(96,643)	-	-	6,828
Donation	501	8,212	(8,212)	-	-	501
Catch-up Premium	64,585	-	(50,001)	-	-	14,584
Pension reserve	(4,627,000)	-	(570,000)	-	4,862,000	(335,000)
	<u>(3,927,638)</u>	<u>8,376,864</u>	<u>(8,789,075)</u>	<u>-</u>	<u>4,862,000</u>	<u>522,151</u>
Restricted fixed asset funds						
Fixed Assets	12,355,826	-	(524,815)	-	-	11,831,011
Devolved Formula Capital	-	26,770	-	(26,770)	-	-
CIF - Electrical Safety	176,137	-	(187,067)	10,930	-	-
CIF - Electrical Safety Phase 2	-	333,644	-	-	-	333,644
CIF - Asbestos Removal	-	127,184	(2,916)	-	-	124,268
STEM Building	-	-	(58,920)	58,920	-	-

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
	12,531,963	487,598	(773,718)	43,080	-	12,288,923
Total Restricted funds	8,604,325	8,864,462	(9,562,793)	43,080	4,862,000	12,811,074
Total funds	9,086,856	8,885,334	(9,562,793)	-	4,862,000	13,271,397

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	11,911,467	11,911,467
Current assets	181,970	1,911,815	161,753	2,255,538
Creditors due within one year	-	(521,982)	-	(521,982)
Provisions for liabilities and charges	-	(1,000)	-	(1,000)
Total	181,970	1,388,833	12,073,220	13,644,023

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	11,831,012	11,831,012
Current assets	460,323	1,174,883	457,911	2,093,117
Creditors due within one year	-	(317,732)	-	(317,732)
Provisions for liabilities and charges	-	(335,000)	-	(335,000)
Total	460,323	522,151	12,288,923	13,271,397

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

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(69,374)	(677,459)
Adjustments for:		
Depreciation	532,809	524,815
Interest receivable	(23,121)	(899)
Defined benefit pension scheme cost less contributions payable	94,000	495,000
Defined benefit pension scheme finance cost	14,000	75,000
Decrease in stocks	-	1,972
Decrease/(increase) in debtors	282,013	(123,871)
Increase in creditors	204,250	186,632
Net cash provided by operating activities	1,034,577	481,190

20. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	-	(10,500)
Net cash provided by/(used in) financing activities	-	(10,500)

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21. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	23,121	899
Purchase of tangible fixed assets	(613,264)	-
Net cash (used in)/provided by investing activities	(590,143)	899

22. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	1,927,363	1,482,929
Total cash and cash equivalents	1,927,363	1,482,929

23. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,482,929	444,434	1,927,363
Debt due within 1 year	(5,250)	5,250	-
	1,477,679	449,684	1,927,363

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24. Pension commitments

The Academy'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 Bedford 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 of the LGPS 31 March 2019.

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

The employer's pension costs paid to TPS in the year amounted to £808,884 (2022 - £842,110).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy 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 contribution made for the year ended 31 August 2023 was £397,000 (2022 - £336,000), of which employer's contributions totalled £310,000 (2022 - £259,000) and employees' contributions totalled £ 87,000 (2022 - £77,000). The agreed contribution rates for future years are 22 per cent for employers and varying per cent for employees.

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

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.9	3.90
Rate of increase for pensions in payment/inflation	2.9	2.90
Discount rate for scheme liabilities	5.3	4.25

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

	2023 Years	2022 Years
<i>Retiring today</i>		
Males	21.1	22.0
Females	23.9	24.4
<i>Retiring in 20 years</i>		
Males	22.1	22.9
Females	25.5	26.1

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

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	(104)	(140)
Mortality assumption - 1 year increase	131	151
CPI rate +0.1%	101	133

The pension scheme surplus/deficit is based on the actuarial assumptions used as at the 31 August 2023. These can and do change after the year end. The above sensitivity analysis shows how the position stated can change significantly based on changes to the actuarial assumptions. A change in the markets is likely to result in an increased pension scheme deficit by next year end. Post year end valuations could be obtained to provide an indication, however, it is considered that the cost would outweigh the benefit to the users of the accounts, and would not be value for money.

Share of scheme assets

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	3,210,000	3,032,000
Corporate bonds	919,000	1,149,000
Property	745,000	702,000
Cash and other liquid assets	196,000	185,000
Total market value of assets	5,070,000	5,068,000

The actual return on scheme assets was £14000 (2022 - £81,000).

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

	2023	2022
	£	£
Current service cost	(404,000)	(754,000)
Interest income	211,000	81,000
Interest cost	(225,000)	(156,000)
Total amount recognised in the Statement of financial activities	(418,000)	(829,000)

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

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

	2023 £	2022 £
At 1 September	5,403,000	9,393,000
Current service cost	404,000	754,000
Interest cost	225,000	156,000
Employee contributions	-	77,000
Actuarial gains	(471,000)	(4,972,000)
Benefits paid	-	(5,000)
At 31 August	5,561,000	5,403,000

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

	2023 £	2022 £
At 1 September	5,068,000	4,766,000
Interest income	-	81,000
Actuarial losses	(29,000)	(110,000)
Employer contributions	310,000	259,000
Employee contributions	-	77,000
Benefits paid	-	(5,000)
At 31 August	5,349,000	5,068,000

25. Operating lease commitments

At 31 August 2023 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	10,505	8,604
Later than 1 year, and not later than 5 years	19,004	-
	29,509	8,604

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26. Members' liability

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

27. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Governors being drawn from local public and private sector organisations, transactions may take place with organisations in which the governors have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy's financial regulations and normal procurement procedures relating to connected and related party transactions.

See note 11 for details of Governors remuneration paid during the year.