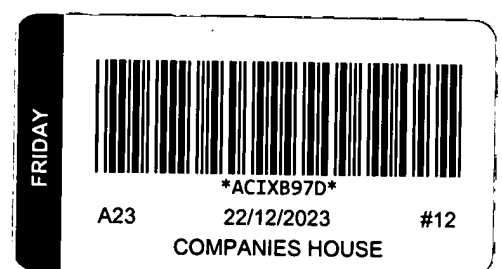


CONNECT ACADEMY TRUST
(A company limited by guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



<p>CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

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CONNECT ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	C Jenkins N Murray S Fowler S Widdecome (appointed 1 September 2022) S Blandford (appointed 11 October 2023)
Trustees	C Jenkins, Chair of Trustees (resigned 11 October 2023) I Mitchell, Chair of Trustees (from 12 October 2023) S Bellworthy, Chief Executive Officer L Le Marquand P Osborne S Jones A Young (resigned 22 February 2023) T Lamb (appointed 30 March 2023) K Reeves (appointed 30 March 2023) G Freathy (appointed 1 September 2022)
Company registered number	10192252
Company name	Connect Academy Trust
Principal and registered office	Leigham Primary School Cockington Close Leigham Plymouth PL6 8RF
Company secretary	R Field
Chief executive officer	S Bellworthy
Senior management team	S Bellworthy, Chief Executive Officer R Field, Chief Operating Officer A Swainson, Cockington Headteacher I Morgan, Eden Park Headteacher C Hardisty, Thornbury Headteacher H Gilbride, Manadon Headteacher S Barker, Leigham Headteacher S Ord, Preston Headteacher S Nicholls, Widey Court Headteacher S Carroll, Egguckland Vale Headteacher S Ryder, School Improvement Lead
Independent auditors	Griffin Chartered Accountants Courtenay House Pynes Hill Exeter EX2 5AZ

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

Bankers	Lloyds Bank plc 37 The Ridgeway Plympton Plymouth Devon PL7 2AP
Solicitors	Browne Jacobson Ground Floor, Keble House Southernhay Gardens Exeter Devon EX1 1NT

CONNECT ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report, and a directors' report and strategic report under company law.

The Trust operates 8 primary schools, including 3 nurseries for pupils aged 2 to 11 in Plymouth and Torbay. It has a pupil capacity of 3,470 and had a roll of 3,289 in September 2023.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the Academy.

The Trustees of Connect Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Connect Academy Trust.

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

b. 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.

c. Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which, by virtue of any rule of law, would otherwise attach to them in respect of an negligence, default of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or not, and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £1,000,000.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- Up to 10 Trustees who are appointed by members

Trustees are appointed for a four-year period except that this limit does not apply to the Chief Executive Officer. Any Trustees can be reappointed or re-elected.

While appointing new Trustees, the Board will consider the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development.

e. Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the member schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. In addition, they are provided with training on Safeguarding, GDPR, and other relevant training on Smartlog. As there are normally only two or three new Trustees appointed in a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies as well as those offered on the National College and through CST.

f. Organisational structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Headteacher and Governance Professional to the Trustees, to approve the Annual Development Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day-to-day management of each School to the respective Headteacher and Senior Leadership Team (SLT), as well as the Executive Leadership Team (ELT) for the Trust. The ELT comprises the Trust CEO, COO and School Improvement Lead. The ELT implement the policies laid down by the Trustees and report back to them on performance.

The Chief Executive Officer is the Accounting Officer, and the Chief Operating Officer is the CFO.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees, CEO, the Headteachers of individual schools and the school improvement lead comprise the key management personnel of the Trust in charge of directing, controlling, running and operating of the schools on a day to day basis. All Trustees give their time freely and no Trustee, other than the CEO, received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts. The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings.

The Trustees benchmark remuneration against guidance in the teacher's pay and conditions documents.

h. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	-
1%-50%	2
51%-99%	-
100%	-
Percentage of pay bill spent on facility time	£
Total cost of facility time	-
Total pay bill	-
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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i. Related parties and other connected charities and organisations

Transactions with related parties have been disclosed in note 29 of the financial statements.

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

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

Structure, governance and management (continued)

j. Engagement with employees (including disabled persons)

The Trust engages with their employees through many means and methods, including:

- Consulting with employees on key matters, including engaging the relevant union officials;
- Have a staff representative on the Local Governing Bodies (LGBs);
- Regular updates to all staff members, via termly updates and newsletters, including covering both financial and non-financial performance.

k. Engagement with suppliers, customers and others in a business relationship with the Academy

The Trust engages with their suppliers, customers and stakeholders through many means and methods, including:

- To ensure best value quotations are obtained in line with the Finance Policy.
- Where appropriate Crown Commercial Services and Litmus are contacted as part of the procurement process to ensure best value;
- Where appropriate local suppliers are given the opportunity to quote to ensure our carbon footprint is reduced

Objectives and activities

a. Objects and aims

The principal object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum for children of all abilities.

The aims of the Trust during the year ended 31 August 2023 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils;
- To foster learning environments where children can develop physically, emotionally, spiritually, morally and culturally, as well as academically;
- To provide a broad and balanced curriculum, including extra-curricular activities;
- To support the development of staff in order to continually improve teaching and learning;
- To develop pupils as more effective learners;
- To improve the effectiveness of each Trust school, by keeping the knowledge based and progressive curriculum under continual review;
- To provide value for money for the funds expended;
- To develop greater coherence, clarity and effectiveness in school systems;
- To comply with all appropriate statutory and curriculum requirements;
- To develop the Trust's capacity to manage growth and change;
- To conduct the Trust's operational arm in accordance with the highest standards of integrity, probity and openness.

At Connect Academy Trust we aim to achieve the best for, and from, each child. We intend to enable each child to realise their full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a happy and caring learning environment.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Key priorities for the year are contained in our Trust Strategy Plan. The Key Themes are available via the Trust website. Improvement foci identified for this year included:

The Big Three Themes of our 2023-26 Strategic Plan:

1. Sustainability
2. Excellent Outcomes
3. Civic Responsibility

c. Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities. As a Multi Academy Trust we have a duty to support our schools. The named schools in our Trust are:

Cockington Primary School
Eden Park Primary and Nursery School,
Eggbuckland Vale Primary School,
Leigham Primary School,
Manadon Vale Primary School,
Preston Primary School,
Thornbury Primary School
Widey Court Primary School.

We support these schools through regular meetings, dialogue, support and challenge and school-to-school support.

Strategic report

Achievements and performance

A summary of our 2023 outcomes:

- 7 out of 8 schools achieved above the national average in the expected phonics standard at Year 1.
- Cockington Primary improved outcomes in nearly all measures, compared to 2022 outcomes.
- Most schools had improved outcomes in Reading, Writing and Maths at Year 6.
- 5 out of 8 schools achieved above the national average in Maths.
- Some schools had very high greater depth achievement at Y6 in Maths, Reading & spelling, punctuation and grammar, in particular.

Ofsted judgements: Most schools are currently judged as securely good schools. Cockington primary is on a journey of rapid improvement, having been graded as inadequate before the school joined Connect Academy Trust and therefore is 'yet to be inspected' as part of Connect.

Both Eden Park Primary and Preston Primary had Ofsted inspections in 2023, with very successful outcomes.

CONNECT ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

Staff Cost % of Revenue Income	81%
Teaching Staff Cost % of Total Staff Cost	62%
Educational Support Staff Cost % of Total Staff Cost	34%
Support Staff Cost % of Total Staff Cost	14%
Income and Expenditure	
Spend per pupil for non-pay expenditure	£1,204.41
Surplus % of income	0%

b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they 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 accounting policies.

Financial review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, to use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Trust also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Trust's accounting policies.

During the year 31 August 2023, the Trust received total income of £20,829,651 (2022: £24,820,442) and incurred total expenditure of £21,622,612 (2022: £15,817,356). This resulted in a £792,961 deficit in year (2022: £9,003,086 surplus due to amounts transferred from existing Trusts).

At 31 August 2023 the net book value of fixed assets was £31,655,519 (2022: £31,876,467) and movements in tangible fixed assets are shown in Note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services for the pupils of the Trust.

The Trustees consider the overall funds position of £31,476,360 (2022: £28,692,321) comprising £31,710,662 (2022: £31,880,265) of restricted fixed asset funds, together with £Nil (2022: £434,542) of restricted funds and £1,035,698 (2022: £627,514) of unrestricted funds to be satisfactory.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 20 to the Financial Statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teachers, managers, budget holders, and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Asset Management and Insurance.

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

a. Reserves policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves to aim for would be 5% of the Trust income which equate to the region of £1 million. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, as well as support the Trust's vision to be more environmentally sustainable.

The defined benefit pension reserve scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. While the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the academy trust.

b. Investment policy

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its immediate requirements. The Trustees have authorised the opening of additional short-term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

CONNECT ACADEMY TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Principal risks and uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Trust are as follows:

Financial - the Trust has considerable reliance on continued Government funding through the EFSA. In the last year, 97% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to manage effectively the Trust's finances, internal controls, compliance with, inter alia, regulations and legislation and statutory returns. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk, Trustees ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The Trust has appointed an internal auditor to carry out checks on financial systems and records as required by the Academies Trust Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust continues to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees examine the financial health of the Trust formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Resource Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

The Board of Trustees regularly reviews the Trust risk register which is maintained by the Executive Leadership team. Our Principal risks are around falling pupil numbers in our area, and the associated financial risks, the Trust have an action plan to address this.

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees regularly reviews the Trust risk register which is maintained by the Executive Leadership team. Our Principal risks are around falling pupil numbers in our area, and the associated financial risks, the Trust have an action plan to address this.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 20 to the Financial Statements, represents a significant potential liability.

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

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

However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimized.

d. Value for Money

We have focused on consolidating systems this year, so have undertaken procurement for our MIS system, Safeguarding system, and assessment software. All of our Schools now use the same software which we were able to obtain Trust discounts for as well as support staff across the Trust with group training. In addition, we have undertaken group procurement for energy saving changes such as LED lighting.

Fundraising

The Trust does not work with, or have oversight of, any commercial participators and/or professional fundraisers.

Streamlined energy and carbon reporting

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse emissions are those assets owned or operated within the UK only as defined by the operational control boundary. This includes all 8 school controlled during the reporting period and minibuses along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

Reporting Period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

Qualification and Reporting Methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2022 UK Government GHG Conversion Factors for company reporting were used in emission calculations.

The electricity, gas, oil and minibus diesel consumption were compiled from invoice records. Where required pro rata estimation has been used to estimate for gaps in data. Mileage claims were used to calculate energy use and emissions associated with grey fleet. On site renewable solar photovoltaic electricity is provided by a third party and therefore included within scope 2 and excludes exported energy. Generally gross calorific value were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities but occur from sources not owned or controlled by the organisation.

<p align="center">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

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

Streamlined energy and carbon reporting (continued)

Breakdown of energy consumption used to calculate emissions (kWh):

Energy Type	2021/22	2022/23
<u>Mandatory Requirements</u>		
Gas	1,392,299	1,397,656
Purchased electricity from the grid	654,136	612,885
Purchased electricity from on-site renewable sources	81,135	77,126
Transport fuel	27,041	47,980
Total energy (Mandatory)	2,154,611	2,135,647
<u>Voluntary requirements:</u>		
Oil	122,188	110,431
Total energy (voluntary)	122,188	110,431
Total energy (mandatory and voluntary)	2,276,798	2,246,078

Breakdown of emissions associated with the reported energy use (tCO₂e)

Emission Source	2021/22	2022/23
<u>Mandatory requirements:</u>		
Scope 1		
Natural gas	254.2	255.7
Company owned vehicle (minibuses)	3.9	4.3
Scope 2		
Purchased electricity (location-based)	126.5	126.9
Purchased electricity from on-site renewable sources	0	0
Scope 3		
Category 6: Business travel (grey fleet)	2.9	7.5
Total gross emissions (mandatory)	387.4	394.4
Intensity ratios (mandatory emissions only)		
Tonnes of CO ₂ e per pupil	0.123	0.122
Tonnes of CO ₂ e per square meter floor area	0.021	0.021

Voluntary Requirements

CONNECT ACADEMY TRUST (A company limited by guarantee)

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

Streamlined energy and carbon reporting (continued)

Scope 1		
Oil	31.7	28.7
Total gross emissions (voluntary)	31.7	28.7
Total gross emissions (mandatory and voluntary)	419.1	423.1
Intensity ratios (mandatory and voluntary emissions)		
Tonnes of CO2e per pupil	0.133	0.131
Tonnes of CO2e per square meter floor area	0.022	00.23

Intensity ratio

Two intensity ratios are reported showing emissions (tCO2e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2022 Census. Emissions per square meter floor area is reported to reflect the energy efficiency of the buildings, which are the source of most emissions.

Plans for future periods

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives. The Trust will continue to work with partners to improve the educational opportunities for students in the wider community.

Funds held as custodian on behalf of others

Connect Academy Trust and its Trustees do not act as the Custodian Trustees of any other Charity.

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

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

Section 172 Statement

Promoting the success of the Trust

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes. The Act states that, in doing so, the directors should have regard, amongst other matters, to:

The likely consequence of any decision in the long term

The Trust makes all key decisions in line with strategic development plan. This strategy is primarily designed around the objective to improve educational outcome for pupils, but every decision and operational approach is regularly reviewed for its impact and the need for any changes or modifications to decisions previously taken.

The interests of the Company's employees

Our employees are vital to the Trust, and we regard ongoing, regular engagement with them as a top priority. We measure employee engagement through regular feedback and joint communication sessions. We address any issues raised by our employees as quickly as possible and respond with outcomes for resolution. The Trust seeks to ensure that staff welfare is actively considered and addressed. Through our health and safety policies, as well as through meetings, we actively seek to ensure that the working environment meets high standards of safety and security.

The need to foster the Company's business relationships with suppliers, customers and others

Our relationships with partners and suppliers are key to our effectiveness. The Trust actively seeks to engage in service reviews with key suppliers. These reviews are focused on a two-way relationship with the Trust based with an aim of helping one another to achieve an optimum service as possible and according to the best value for money.

The impact of the Company's operations on the community and the environment

We recognise our responsibility to care for the environment and aim to minimise our environmental impact in all our activities. As well as covering environmental issues in our school curriculum, the Trust encourages all staff and pupils to participate in initiatives to reduce negative environmental impacts. These include the promotion of recycling waste and actions to maximise efficiency in energy consumption.

The desirability of the Company maintaining a reputation for high standards of business conduct

Our reputation and public trust in our constituent schools is fundamental to our future success. We used our organisational values and behaviours in our recruitment and training for our employees to ensure that we maintain high standards, and these are used in our appraisal process. Our procurement and policies and procedures ensure that our values are also part of our selection partners and suppliers.

The need to act fairly as a Company

In terms of the Academy Trust, fairness in our dealings is upheld through having a clear and well communicated strategy, and financial discipline backed by strong internal controls. We have transparent reporting at regular intervals through the year and continual access to senior management. We aim to be a fully inclusive organisation and we will not unfairly discriminate against our pupils, staff or any other member of our community and stakeholders.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

Disclosure of information to auditor

Insofar as the Trustees are aware:

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

The auditors, Griffin, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 7 December 2023 and signed on its behalf by:



I Mitchell
Chair of Trustees



S Bellworthy
Accounting Officer

CONNECT ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Connect Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of trustees' responsibilities. The Board of Trustees has formally met 4 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
C Jenkins(Resigned 11 October 2023)	4	4
I Mitchell, Chair of Trustees	4	4
S Bellworthy, Chief Executive Officer	4	4
L Le Marquand	4	4
P Osborne	4	4
S Jones	3	4
A Young (resigned 22 February 2023)	2	4
T Lamb (appointed 1 September 2023)	1	4
K Reeves (appointed 1 September 2023)	1	4
G Freathy (appointed 1 September 2022)	3	4

The Board of Trustees has remained consistent this year, with limited changes in Trustees. Trustees now have a "Link school" within the Trust for whom they have a more direct relationship with, this was to improve the coverage of the Trustees work. Each Trustee is on the Board as well as either the Resources or Curriculum and Standards Committee.

We recently had a governance review before our merger with Coast Academies and were pleased to receive very positive feedback from the NGA. We feel the addition of a link School has strengthened our effectiveness, as well as relationships with the Schools themselves. Governance and leadership have also been commented on positively by Ofsted during the inspection of Eden Park and Preston Primary Schools, which we are very proud of.

The Board receives regular reporting from the CEO, COO and other Heads of department, and feels the quality of data presented is both high quality and reliable. The Board also hears feedback from LGB meetings through the link Trustee.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The Trust maintains a register of interests, which is kept up to date by our Governance Professional. This is utilised within every Trustee meeting, as well as being a standing agenda point on all Committees so it is kept up to date. Where appropriate, a Trustee with a conflicting interest in a specific agenda item would be excused from the meeting while a discussion takes place and a decision is made, then they would be invited back to the meeting for the rest of the agenda.

The Trust has utilised the NGA review to evaluate any changes required which have been swiftly actioned this financial year. In addition, we will complete an annual skills audit to ensure the composition of the Board and Committees is appropriate and where any gaps are identified, a new Trustee is sought on that basis. In addition, we will look to complete an annual self-assessment.

The Board of Trustees maintains effective oversight through a presence on either the Curriculum and Standards Committee, or the Resources Committee who meet 6 times a year in addition to Full Board meetings. In addition, Trustees have a link School within the Trust who they support through School healthchecks and meeting with the LGB Chairs.

The Resources Committee is a sub-committee of the main Board of Trustees. Its had a broad range of oversight including: financial responsibilities, health & safety, safeguarding and risk & audit.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Bellworthy	6	6
C Jenkins	4	6
I Mitchell	6	6
L Le Marquand, Chair	6	6
A Young (resigned 22 February 2023)	3	3
P Osborne	6	6

The Curriculum and Standards Committee is also a sub-committee of the main Board of Trustees. It is responsible for the oversight of: wellbeing & support, curriculum & quality and performance & standards.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Bellworthy	3	3
C Jenkins	2	3
I Mitchell	3	3
G Freathy	3	3
S Jones	2	3
P Osborne	2	3
T Lamb (appointed 1 September 2023)	1	3
K Reeves (appointed 1 September 2023)	1	3

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Chief Executive Officer 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 considers how the Academy's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Academy has delivered improved value for money during the year by:

- Robust financial governance and budget management.
- Overseeing of the work of the School Business Managers, by the CFO in each school, ensures sound financial prudence and best value.
- Value for money purchasing
- Ensuring the Schools work together on purchasing to gain best value. For example, favourable costs when we negotiated the contracts across the Trust.
- Deploying staff effectively
Lead Practitioners have been used to support teaching improvements across the Trust. Headteachers have been used to support each other where needed and provide an external viewpoint
- Reviewing quality of curriculum provision and quality of teaching
Continuing Close and Distant Supervisors and undertaking school enquiries to support and challenge developments with the schools. School-on-a-page summary report enables holistic picture of quality of learning and teaching

We have focused on consolidating systems this year, so have undertaken procurement for our MIS system, Safeguarding system, and assessment software. All of our Schools now use the same software which we were able to obtain Trust discounts for as well as support staff across the Trust with group training. In addition, we have undertaken group procurement for energy saving changes such as LED lighting.

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. The system of internal control has been in place in Connect Academy Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees 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 Trustees 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 Trustees.

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 Trustees
- regular reviews by the Finance and General Purposes 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 Trustees has decided to employ Bishop Fleming as internal auditor.

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

- Budget & Financial Monitoring
- Fixed Assets - additions, disposals and progress of capital projects
- Income - DfE and LA income testing, trip and catering income testing and aged debtor review
- Payroll - confirmation of salary details, expense claims, new starters, severance payments
- Expenditure - purchase testing, regularity testing, approved suppliers and change in bank details
- Compliance with the ATH

On a semi-annual basis, the internal auditor reports to the Board of Trustees through the Resources Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis the internal auditor prepares 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.

No significant issues were reported.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

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

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

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on their behalf by:



I Mitchell
Chair of Trustees



S Bellworthy
Accounting Officer

CONNECT ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the Academy Board of Trustees 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 Academy Trust Handbook 2022.

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



S Bellworthy
Accounting Officer
Date: 7 December 2023

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' 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 Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees 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 Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform 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 Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of Trustees on 7 December 2023 and signed on its behalf by:



I Mitchell
Chair of Trustees



S Bellworthy
Accounting Officer

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONNECT ACADEMY TRUST**

Opinion

We have audited the financial statements of Connect Academy 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 Auditors' 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONNECT ACADEMY TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees 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 Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 Trustees' report including the Strategic report.

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

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

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONNECT ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 Auditors' 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 audit procedures have reviewed for evidence of management override, any ongoing legal cases, completeness of related party transactions, as well as ongoing consideration of fraud and irregularities during the whole audit process.

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

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 Auditors' report.

<p>CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
CONNECT ACADEMY TRUST (CONTINUED)**

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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Laura Waycott FCA (Senior statutory auditor)

Reporting Accountant

Statutory Auditor

Courtenay House

Pynes Hill

Exeter

EX2 5AZ

12 December 2023

CONNECT ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CONNECT ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 February 2023 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Connect Academy 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 Connect Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Connect Academy 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 Connect Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Connect Academy Trust's funding agreement with the Secretary of State for Education dated 30 August 2016 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 conclusion includes:

- Review of governance procedures
- Evaluation and testing of the system of internal controls, such as authorisation and value for money procedures
- Substantive testing on relevant transactions

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CONNECT
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

Conclusion

In the course of our work, nothing 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.



Laura Waycott FCA (Senior statutory auditor)
Reporting Accountant
Griffin
Courtenay House
Pynes Hill
Exeter
EX2 5AZ

12 December 2023

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

		Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
	Note					
Income from:						
Donations and capital grants:	3					
Amounts transferred from existing Trusts		-	-	-	-	10,879,633
Other donations and capital grants		20,777	-	678,210	698,987	43,368
Other trading activities	5	432,159	-	-	432,159	324,508
Investments	6	13,044	-	-	13,044	787
Charitable activities	5	563,544	19,121,917	-	19,685,461	13,572,146
Total income		1,029,524	19,121,917	678,210	20,829,651	24,820,442
Expenditure on:						
Raising funds		-	251,677	12,954	264,631	210,849
Charitable activities	7	621,340	19,876,838	859,803	21,357,981	15,606,507
Total expenditure		621,340	20,128,515	872,757	21,622,612	15,817,356
Net income/(expenditure)		408,184	(1,006,598)	(194,547)	(792,961)	9,003,086
Transfers between funds	19	-	(24,944)	24,944	-	-
Net movement in funds before other recognised gains		408,184	(1,031,542)	(169,603)	(792,961)	9,003,086
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	26	-	3,577,000	-	3,577,000	9,011,000
Net movement in funds		408,184	2,545,458	(169,603)	2,784,039	18,014,086

CONNECT ACADEMY TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted funds - class ii 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Reconciliation of funds:					
Total funds brought forward	627,514	(3,815,458)	31,880,265	28,692,321	10,678,235
Net movement in funds	408,184	2,545,458	(169,603)	2,784,039	18,014,086
Total funds carried forward	1,035,698	(1,270,000)	31,710,662	31,476,360	28,692,321

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

The notes on pages 34 to 70 form part of these financial statements.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Tangible assets	14	31,655,519	31,876,467
		<u>31,655,519</u>	<u>31,876,467</u>
Current assets			
Debtors	15	992,807	672,532
Cash at bank and in hand		1,612,798	1,905,254
		<u>2,605,605</u>	<u>2,577,786</u>
Creditors: amounts falling due within one year	16	(1,452,151)	(1,428,891)
Net current assets		<u>1,153,454</u>	<u>1,148,895</u>
Total assets less current liabilities		<u>32,808,973</u>	<u>33,025,362</u>
Creditors: amounts falling due after more than one year	17	(62,613)	(83,041)
Net assets excluding pension liability		<u>32,746,360</u>	<u>32,942,321</u>
Defined benefit pension scheme liability	26	(1,270,000)	(4,250,000)
Total net assets		<u><u>31,476,360</u></u>	<u><u>28,692,321</u></u>
Funds of the Academy			
Restricted funds:			
Fixed asset funds	19	31,710,662	31,880,265
Restricted income funds	19	-	434,542
		<u>31,710,662</u>	<u>32,314,807</u>
Restricted funds excluding pension asset	19	31,710,662	32,314,807
Pension reserve	19	(1,270,000)	(4,250,000)
Total restricted funds	19	<u>30,440,662</u>	<u>28,064,807</u>
Unrestricted income funds	19	<u>1,035,698</u>	<u>627,514</u>
Total funds		<u><u>31,476,360</u></u>	<u><u>28,692,321</u></u>

The financial statements on pages 29 to 70 were approved by the Trustees, and authorised for issue on 07 December 2023 and are signed on their behalf, by:

CONNECT ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023



I Mitchell
Chair of Trustees

The notes on pages 34 to 70 form part of these financial statements.

CONNECT ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	<i>As restated</i> 2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(312,263)	652,776
Cash flows from investing activities	23	46,589	(489,915)
Cash flows from financing activities	22	(26,782)	154,861
Change in cash and cash equivalents in the year		(292,456)	317,722
Cash and cash equivalents at the beginning of the year		1,905,254	1,587,532
Cash and cash equivalents at the end of the year	24, 25	1,612,798	1,905,254

The notes on pages 34 to 70 form part of these financial statements

CONNECT ACADEMY 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 (Charities SORP (FRS 102)), the Academies Accounts Direction 2022 to 2023 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate 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 Trustees 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.

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.

• **Sponsorship income**

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

CONNECT ACADEMY TRUST (A company limited by guarantee)
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

1. Accounting policies (continued)

1.3 Income (continued)

- **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.

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.

- **Expenditure on raising funds**

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

- **Charitable activities**

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

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 Taxation

The Academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

Depreciation is provided on the following basis:

Freehold property	-	2% Straight line
Long-term leasehold property	-	2% Straight line
Furniture and equipment	-	20% Straight line
Computer equipment	-	33% Straight line

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

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

1.8 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.

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 notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 Operating leases

Rentals paid under operating leases are charged to the Statement of financial activities on a straight-line basis over the lease term.

1.13 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 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 based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the Academy 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.

CONNECT ACADEMY TRUST (A company limited by guarantee)

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

1. Accounting policies (continued)

1.14 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 Trustees.

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 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 26, 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 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	-	-	31,917	31,917
Donations	20,777	-	-	20,777
Grants	-	-	646,293	646,293
	<u>20,777</u>	<u>-</u>	<u>678,210</u>	<u>698,987</u>

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Transferred from existing Academy Trust	283,347	(2,693,000)	13,289,286	10,879,633
Donations	8,438	-	-	8,438
Grants	-	-	34,930	34,930
	<u>291,785</u>	<u>(2,693,000)</u>	<u>13,324,216</u>	<u>10,923,001</u>

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

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Education			
DfE/ESFA grants			
General Annual Grant (GAG)	-	14,865,850	14,865,850
Other DfE/ESFA grants			
UIFSM	-	402,271	402,271
Pupil Premium	-	1,241,399	1,241,399
Supplementary Grant	-	599,439	599,439
Others	-	658,871	658,871
	-	17,767,830	17,767,830
Other Government grants			
Higher Needs	-	1,168,264	1,168,264
Other Government grants	-	185,823	185,823
Early Years	386,085	-	386,085
	386,085	1,354,087	1,740,172
Other income from the Academy's education	177,459	-	177,459
	563,544	19,121,917	19,685,461
	563,544	19,121,917	19,685,461

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

4. Funding for the Academy's charitable activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Education			
DfE/ESFA grants			
General Annual Grant	-	10,601,395	10,601,395
Other DfE/ESFA grants			
UFSM	-	326,339	326,339
Pupil Premium	-	821,944	821,944
Others	-	480,382	480,382
	-	12,230,060	12,230,060
Other Government grants			
High Needs	-	684,844	684,844
Other Government Grants	-	116,474	116,474
Early Years Funding	231,840	-	231,840
	231,840	801,318	1,033,158
Other income from the Academy's education	285,082	-	285,082
COVID-19 additional funding (DfE/ESFA)			
COVID Workforce Fund	-	23,846	23,846
	-	23,846	23,846
	516,922	13,055,224	13,572,146
	516,922	13,055,224	13,572,146

5. Income from other trading activities

	<i>Unrestricted funds 2023 £</i>	<i>Total funds 2023 £</i>
Lettings	39,596	39,596
Fees received	392,563	392,563
	432,159	432,159

<p style="text-align: center;">CONNECT ACADEMY TRUST (A company limited by guarantee)</p>
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

5. Income from other trading activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Lettings	14,380	14,380
Fees received	310,128	310,128
	<u>324,508</u>	<u>324,508</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £
Bank interest	13,044	13,044

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Bank interest	787	787

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

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Expenditure on fundraising trading activities:				
Direct costs	251,677	12,954	-	264,631
Education:				
Direct costs	14,220,131	613,806	1,198,004	16,031,941
Allocated support costs	2,768,837	1,007,966	1,549,237	5,326,040
	<u>17,240,645</u>	<u>1,634,726</u>	<u>2,747,241</u>	<u>21,622,612</u>

	Staff Costs 2022 £	As restated Premises 2022 £	Other 2022 £	As restated Total 2022 £
Expenditure on fundraising trading activities:				
Direct costs	173,906	21,037	15,906	210,849
Education:				
Direct costs	10,086,814	370,341	1,037,224	11,494,379
Allocated support costs	1,792,075	963,087	1,356,966	4,112,128
	<u>12,052,795</u>	<u>1,354,465</u>	<u>2,410,096</u>	<u>15,817,356</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Education	<u>16,031,941</u>	<u>5,326,040</u>	<u>21,357,981</u>

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

8. Analysis of expenditure by activities (continued)

	<i>As restated Activities undertaken directly 2022 £</i>	<i>As restated Support costs 2022 £</i>	<i>As restated Total funds 2022 £</i>
Education	11,494,379	4,112,128	15,606,507

Analysis of direct costs

	Education 2023 £	Total funds 2023 £
Staff costs	14,220,131	14,220,131
Depreciation	731,918	731,918
Educational supplies	507,025	507,025
Staff training	46,976	46,976
School trips	138,538	138,538
Supply teachers	284,206	284,206
Educational consultancy	103,147	103,147
	<u>16,031,941</u>	<u>16,031,941</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 direct costs (continued)

	<i>As restated Education 2022 £</i>	<i>As restated Total funds 2022 £</i>
Pension finance costs	126,000	126,000
Staff costs	10,003,449	10,003,449
Depreciation	492,974	492,974
Educational supplies	530,697	530,697
Staff training	27,057	27,057
School trips	140,229	140,229
Supply teachers	67,573	67,573
Educational consultancy	106,400	106,400
	<u>11,494,379</u>	<u>11,494,379</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

	Education 2023 £	Total funds 2023 £
Pension finance costs	165,000	165,000
Staff costs	2,484,631	2,484,631
Depreciation	127,885	127,885
Recruitment and support	16,227	16,227
Other premises and support costs	69,161	69,161
Maintenance of premises and equipment	352,310	352,310
Cleaning	219,773	219,773
Rent and rates	88,635	88,635
Energy costs	240,000	240,000
Insurance	12,758	12,758
Security and transport	36,450	36,450
Catering	641,546	641,546
Technology costs	95,821	95,821
Office overheads	539,522	539,522
Legal and professional	187,418	187,418
Bank interest and charges	112	112
Bad debts	9,560	9,560
Governance costs	39,231	39,231
	<u>5,326,040</u>	<u>5,326,040</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 (continued)

	<i>As restated</i> <i>Education</i> <i>2022</i> £	<i>As restated</i> <i>Total</i> <i>funds</i> <i>2022</i> £
Pension finance costs	54,000	54,000
Staff costs	1,792,075	1,792,075
Depreciation	86,995	86,995
Recruitment and support	20,881	20,881
Other premises and support costs	16,493	16,493
Maintenance of premises and equipment	347,943	347,943
Cleaning	82,097	82,097
Rent and rates	41,638	41,638
Energy costs	91,445	91,445
Insurance	198,496	198,496
Security and transport	17,238	17,238
Catering	647,438	647,438
Technology costs	220,025	220,025
Office overheads	210,951	210,951
Legal and professional	251,338	251,338
Bank interest and charges	665	665
Governance costs	32,410	32,410
	<u>4,112,128</u>	<u>4,112,128</u>

9. Net income/(expenditure)

Net income/expenditure for the year includes:

	2023 £	<i>As restated</i> <i>2022</i> £
Operating lease rentals	17,180	6,887
Depreciation of tangible fixed assets	872,757	624,726
Fees paid to auditors for:		
- audit	12,250	13,750
- other services	2,150	5,660
	<u>891,937</u>	<u>646,223</u>

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	12,726,161	8,247,439
Social security costs	1,089,754	736,270
Pension costs	3,122,520	2,985,721
	<u>16,938,435</u>	<u>11,969,430</u>
Agency staff costs	284,206	83,365
Staff restructuring costs	18,004	-
	<u><u>17,240,645</u></u>	<u><u>12,052,795</u></u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	18,004	-
	<u>18,004</u>	<u>-</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	179	124
Administration and support	395	276
Management	11	9
	<u>585</u>	<u>409</u>

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

10. Staff (continued)

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	5	4
In the band £70,001 - £80,000	4	1
In the band £80,001 - £90,000	2	-
In the band £90,001 - £100,000	-	1
In the band £110,001 - £120,000	1	-
	<u>1</u>	<u>-</u>

d. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £1,207,034 (2022 - £839,233).

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

11. Central services

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

- Financial services
- Management costs
- Human resources
- Legal services
- Educational support services
- Premises and health and safety services
- IT services
- Others as arising

The Academy charges for these services on the following basis:

The cost of provision of central services is recharged to the academies of a 6% (2022: 6%) of income basis for the legacy schools and based on actual costs incurred centrally for newly joined schools.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Cockington Primary School	183,889	56,017
Eden Park Primary & Nursery School	128,328	43,208
Eggbuckland Vale Primary School	124,440	96,804
Leigham Primary School	130,764	104,784
Manadon Primary School	139,080	105,084
Preston Primary School	111,359	40,905
Thornbury Primary School	98,159	76,428
Widey Court Primary School	199,308	152,484
Total	1,115,327	675,714

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

12. Trustees' remuneration and expenses

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

		2023 £	2022 £
S Bellworthy, Chief Executive Officer	Remuneration	115,000 - 120,000	100,000 - 105,000
	Pension contributions paid	25,000 - 30,000	20,000 - 25,000

During the year ended 31 August 2023, travel expenses totalling £334 were reimbursed or paid directly to 1 Trustee (2022 - £475 to 2 Trustees).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £77,415 however this was 'All Risk Insurance' and hence it isn't possible to quantify the Trustees' and Officers' indemnity element from the overall cost of the insurance.

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

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022	21,025,542	15,116,841	1,069,074	1,087,531	38,298,988
Additions	285,493	253,591	22,275	90,450	651,809
At 31 August 2023	<u>21,311,035</u>	<u>15,370,432</u>	<u>1,091,349</u>	<u>1,177,981</u>	<u>38,950,797</u>
Depreciation					
At 1 September 2022	2,769,978	1,755,152	967,731	929,660	6,422,521
Charge for the year	393,968	306,671	57,084	115,034	872,757
At 31 August 2023	<u>3,163,946</u>	<u>2,061,823</u>	<u>1,024,815</u>	<u>1,044,694</u>	<u>7,295,278</u>
Net book value					
At 31 August 2023	<u>18,147,089</u>	<u>13,308,609</u>	<u>66,534</u>	<u>133,287</u>	<u>31,655,519</u>
<i>As restated</i>					
At 31 August 2022	<u>18,255,564</u>	<u>13,361,689</u>	<u>101,343</u>	<u>157,871</u>	<u>31,876,467</u>

The value of land not depreciated included in the net book value of freehold property displayed above is £899,250 (2022: £899,250)

The Academy's transactions relating to land and buildings included the granting of a leasehold on one of the school's land for £7,752 per annum over a term of 3 years, which increases after this time period.

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

15. Debtors

	2023 £	2022 £
Due after more than one year		
Prepayments and accrued income	114,290	-
	<u>114,290</u>	<u>-</u>
Due within one year		
Trade debtors	10,043	7,974
Other debtors	131	-
Prepayments and accrued income	743,071	481,269
Tax recoverable	125,272	183,289
	<u>992,807</u>	<u>672,532</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	18,013	24,367
Trade creditors	366,145	413,793
Other taxation and social security	244,948	140,227
Other creditors	318,685	289,178
Accruals and deferred income	504,360	561,326
	<u>1,452,151</u>	<u>1,428,891</u>

Included with ESFA loans are Condition Improvement Fund (CIF) loans of £6,294 and £22,092 repayable in monthly installments over 5 years with an applicable annual interest of 2.01%; a CIF loan of £12,981 repayable in 6 monthly installments over 8 years with an applicable annual interest rate of 2.01%; a CIF loan of £29,643 repayable in monthly installments over 7 years with an applicable annual interest rate of 2.01%; a Salix loan of £27,273 repayable in annual installments over 5 years with an applicable annual interest rate of 0.00%; a Salix loan of £21,301 repayable in annual installments over 5 years with an applicable annual interest rate of 0.00%; a UCS loan of £12,296 repayable in monthly installments over 5 years with an applicable of 2.01% and a CIF loan of £20,658 repayable in monthly installments over 7 years with an applicable annual interest of 2.01%.

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	2023 £	2022 £
Deferred income		
Deferred income at 1 September 2022	466,873	295,588
Resources deferred during the year	337,845	466,873
Amounts released from previous periods	(466,873)	(295,588)
	<u>337,845</u>	<u>466,873</u>

At the balance sheet date the academy trust was holding the following funds in advance: £246,345 of UIFSM, £55,356 of high needs, £32,398 of early years and £3,746 of other income.

17. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	<u>62,613</u>	<u>83,041</u>

Included with ESFA loans are Condition Improvement Fund (CIF) loans of £6,294 and £22,092 repayable in monthly installments over 5 years with an applicable annual interest of 2.01%; a CIF loan of £12,981 repayable in 6 monthly installments over 8 years with an applicable annual interest rate of 2.01%; a CIF loan of £29,643 repayable in monthly installments over 7 years with an applicable annual interest rate of 2.01%; a Salix loan of £27,273 repayable in annual installments over 5 years with an applicable annual interest rate of 0.00%; a Salix loan of £21,301 repayable in annual installments over 5 years with an applicable annual interest rate of 0.00%; a UCS loan of £12,296 repayable in monthly installments over 5 years with an applicable of 2.01% and a CIF loan of £20,658 repayable in monthly installments over 7 years with an applicable annual interest of 2.01%.

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18. Prior year adjustments

Thornbury Primary School's Land and Buildings were professionally valued at 31st August 2017. The value at that date was £2,919,000. The value present in the accounts was £3,488,297, suggesting that an impairment was required. Furthermore, the clients Fixed Asset Register did not agree to the carrying value of Tangible Fixed Assets stated in the Statutory Accounts. Prior year adjustments has been included to reflect this impairment and the subsequent reduction in depreciation as well as agreeing the carrying value of Tangible Fixed Assets to the clients Fixed Asset Register. This has effected the statement of financial activities as per below:

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Restricted Fixed Asset Fund 2022 £	Total Funds 2022 £
Net Movement in funds as previously stated	46,942	5,015,204	12,913,851	17,975,997
Prior year adjustment			38,089	
Net Movement as restated	46,942	5,015,204	12,951,940	18,014,086

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	627,514	1,029,524	(621,340)	-	-	1,035,698
Restricted general funds						
General Annual Grant (GAG)	433,987	14,865,850	(15,274,893)	(24,944)	-	-
Higher needs	-	1,168,264	(1,168,264)	-	-	-
Pupil Premium	-	1,241,399	(1,241,399)	-	-	-
PE & Sports grant	-	157,034	(157,034)	-	-	-
Other DfE/ESFA grants	555	464,397	(464,952)	-	-	-
UIFSM funding	-	402,271	(402,271)	-	-	-
Supplementary grant	-	599,439	(599,439)	-	-	-
Other Government grants	-	223,263	(223,263)	-	-	-
Pension reserve	(4,250,000)	-	(597,000)	-	3,577,000	(1,270,000)
	<u>(3,815,458)</u>	<u>19,121,917</u>	<u>(20,128,515)</u>	<u>(24,944)</u>	<u>3,577,000</u>	<u>(1,270,000)</u>

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

	<i>As restated Balance at 1 September 2022</i>	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2023
	£	£	£	£	£	£
Restricted fixed asset funds						
Tangible fixed asset fund	18,403,827	-	(395,168)	110,280	-	18,118,939
Tangible fixed asset funds transferred from existing Trusts	13,472,640	-	(364,740)	-	-	13,107,900
DfE/ESFA capital grants	111,206	678,210	(112,849)	(112,118)	-	564,449
ESFA loans	(107,408)	-	-	26,782	-	(80,626)
	<u>31,880,265</u>	<u>678,210</u>	<u>(872,757)</u>	<u>24,944</u>	<u>-</u>	<u>31,710,662</u>
Total Restricted funds	<u>28,064,807</u>	<u>19,800,127</u>	<u>(21,001,272)</u>	<u>-</u>	<u>3,577,000</u>	<u>30,440,662</u>
Total funds	<u>28,692,321</u>	<u>20,829,651</u>	<u>(21,622,612)</u>	<u>-</u>	<u>3,577,000</u>	<u>31,476,360</u>

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

Restricted Funds

General Annual Grant (GAG)

Income from the ESFA which is to be used for the normal running costs of the academy, including education and support costs.

Pupil Premium

Funding received from the ESFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Higher needs

Income received from the Local Authority to fund further support for pupils with additional needs.

UIFSM

Funding received from the ESFA to provide school meals to infant children.

PE and sports grant

This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

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19. Statement of funds (continued)

Other DfE/ESFA grants

Other restricted funding from the DfE/ESFA. This years funding includes: recovery premium, school led tutoring grant, national tutoring grants and teachers pay and pension grants.

Supplementary grant

Additional ESFA funding allocated to mainstream schools and academies to provide support for the costs of the Health and Social Care Levy and wider costs.

Other Government grants

Other restricted income from the local authority

Pension reserve

This represents the Academy Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy Trust.

Restricted Fixed Asset Funds

Tangible fixed asset fund

This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy and capital purchases funded by GAG.

Tangible fixed asset fund transferred from existing Trusts

This represents buildings and equipment donated to the school from academies joining the trust.

DfE/ESFA capital grants

Devolved Formula Capital funding, Condition Improvement Fund and School Condition Allowance from the ESFA to cover the maintenance and purchase of the academy's assets.

ESFA loans

This represent Salix and CIF loans from the ESFA for building improvement works and works to improve energy efficiency.

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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19. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
General Funds	580,572	1,134,002	(992,398)	(94,662)	-	627,514
Restricted general funds						
General Annual Grant (GAG)	261,783	10,601,395	(10,309,492)	(119,699)	-	433,987
Higher needs	-	684,844	(684,844)	-	-	-
Pupil Premium	-	821,944	(821,944)	-	-	-
PE & Sports grant	-	98,220	(98,220)	-	-	-
Other DfE / ESFA grants	4,555	382,162	(386,162)	-	-	555
UIFSM funding	-	326,339	(326,339)	-	-	-
Other Government grants	-	71,871	(71,871)	-	-	-
Other curriculum income	-	44,603	(44,603)	-	-	-
COVID Workforce grant	-	23,846	(23,846)	-	-	-
Pension reserve	(9,097,000)	(2,693,000)	(1,471,000)	-	9,011,000	(4,250,000)
	<u>(8,830,662)</u>	<u>10,362,224</u>	<u>(14,238,321)</u>	<u>(119,699)</u>	<u>9,011,000</u>	<u>(3,815,458)</u>

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

	<i>As restated Balance at 1 September 2021 £</i>	<i>As restated Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>As restated Balance at 31 August 2022 £</i>
Restricted fixed asset funds						
Tangible fixed asset funds	18,532,971	-	(551,463)	422,319	-	18,403,827
Tangible fixed asset funds transferred from existing Trusts	-	13,440,364	(73,263)	105,539	-	13,472,640
DfE / ESFA capital grants	400,584	34,930	-	(324,308)	-	111,206
ESFA loans	(53,957)	(64,262)	-	10,811	-	(107,408)
	<u>18,879,598</u>	<u>13,411,032</u>	<u>(624,726)</u>	<u>214,361</u>	<u>-</u>	<u>31,880,265</u>
Total Restricted funds	<u>10,048,936</u>	<u>23,773,256</u>	<u>(14,863,047)</u>	<u>94,662</u>	<u>9,011,000</u>	<u>28,064,807</u>
Total funds	<u>10,629,508</u>	<u>24,907,258</u>	<u>(15,855,445)</u>	<u>-</u>	<u>9,011,000</u>	<u>28,692,321</u>

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

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances for each academy at 31 August 2023 and 31 August 2022 were zero, hence a breakdown by academy is not included in these accounts.

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
Cockington Primary School	2,326,304	114,837	79,554	606,319	3,127,014
Eden Park Primary & Nursery School	1,603,655	347,780	25,704	375,559	2,352,698
Eggbuckland Vale Primary School	1,957,893	200,576	65,252	265,270	2,488,991
Leigham Primary School & Nursery	1,618,222	169,945	95,098	287,154	2,170,419
Manadon Primary School	1,477,231	169,757	70,840	277,873	1,995,701
Preston Primary School	1,513,450	93,885	39,506	326,441	1,973,282
Thornbury Primary School	1,298,410	183,189	35,743	219,124	1,736,466
Widey Court Primary School	2,113,464	254,033	81,155	422,526	2,871,178
Central	563,179	518,629	14,173	341,125	1,437,106
Academy	14,471,808	2,052,631	507,025	3,121,391	20,152,855

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

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>As restated Educational supplies £</i>	<i>As restated Other costs excluding depreciation £</i>	<i>Total 2022 £</i>
Cockington Primary School	564,183	24,096	35,682	111,443	735,404
Eden Park Primary & Nursery School	424,251	38,079	22,054	69,899	554,283
Eggbuckland Vale Primary School	1,744,797	250,395	94,065	371,303	2,460,560
Leigham Primary School & Nursery	1,480,734	203,557	104,060	381,329	2,169,680
Manadon Primary School	1,288,548	192,627	69,605	313,360	1,864,140
Preston Primary School	335,835	20,330	16,032	77,819	450,016
Thornbury Primary School	1,165,645	212,794	65,688	230,964	1,675,091
Widey Court Primary School	1,968,377	280,709	77,671	456,428	2,783,185
Central	359,692	216,344	45,840	445,484	1,067,360
Academy	9,332,062	1,438,931	530,697	2,458,029	13,759,719

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

20. 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	-	-	31,655,519	31,655,519
Debtors due after more than one year	114,290	-	-	114,290
Current assets	2,436,172	-	55,143	2,491,315
Creditors due within one year	(1,452,151)	-	-	(1,452,151)
Creditors due in more than one year	(62,613)	-	-	(62,613)
Provisions for liabilities and charges	-	(1,270,000)	-	(1,270,000)
Total	1,035,698	(1,270,000)	31,710,662	31,476,360

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	As restated Restricted fixed asset fund 2022 £	As restated Total funds 2022 £
Tangible fixed assets	-	-	31,876,467	31,876,467
Current assets	627,514	1,839,066	111,206	2,577,786
Creditors due within one year	-	(1,404,524)	(24,367)	(1,428,891)
Creditors due in more than one year	-	-	(83,041)	(83,041)
Provisions for liabilities and charges	-	(4,250,000)	-	(4,250,000)
Total	627,514	(3,815,458)	31,880,265	28,692,321

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

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

	2023 £	As restated 2022 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(792,961)	9,003,086
Adjustments for:		
Depreciation	872,757	579,969
Capital grants from DfE and other capital income	(678,210)	(34,930)
Interest receivable	(13,044)	(787)
Defined benefit pension scheme cost less contributions payable	439,000	1,291,000
Defined benefit pension scheme finance cost	158,000	180,000
(Increase)/decrease in debtors	(323,557)	469,727
Increase in creditors	25,752	44,344
Net income on assets and liabilities from existing Trusts transferred in	-	(10,879,633)
Net cash (used in)/provided by operating activities	(312,263)	652,776

22. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(26,782)	(10,881)
Cash received from existing Trusts transferred in	-	165,742
Net cash (used in)/provided by financing activities	(26,782)	154,861

23. Cash flows from investing activities

	2023 £	As restated 2022 £
Dividends, interest and rents from investments	13,044	787
Purchase of tangible fixed assets	(647,947)	(490,702)
Capital grants from DfE Group	649,575	-
Capital funding received from sponsors and others	31,917	-
Net cash provided by/(used in) investing activities	46,589	(489,915)

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24. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	900,442	1,194,373
Notice deposits (less than 3 months)	712,356	710,881
Total cash and cash equivalents	1,612,798	1,905,254

25. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,905,254	(292,456)	1,612,798
Debt due within 1 year	(24,367)	6,354	(18,013)
Debt due after 1 year	(83,041)	20,428	(62,613)
	1,797,846	(265,674)	1,532,172

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**NOTES TO THE FINANCIAL STATEMENTS
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26. 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 Devon County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

Contributions amounting to £318,680 were payable to the schemes at 31 August 2023 (2022 - £168,551) and are included within creditors.

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 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £1,624,994 (2022 - £928,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.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.

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

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 £1,389,734 (2022 - £895,000), of which employer's contributions totalled £1,073,677 (2022 - £704,000) and employees' contributions totalled £316,058 (2022 - £191,000). The agreed contribution rates for future years are 17.6 per cent for employers and 5.5-12.5 per cent for employees.

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

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.85	2.95
Discount rate for scheme liabilities	5.30	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	21.4	21.7
Females	22.6	22.9
<i>Retiring in 20 years</i>		
Males	22.7	23.0
Females	24.0	24.3

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

26. Pension commitments (continued)

Sensitivity analysis

	2023	<i>As restated</i> 2022
	£000	£000
Discount rate +0.1%	(299)	(399)
Discount rate -0.1%	308	409
Mortality assumption - 1 year increase	408	489
Mortality assumption - 1 year decrease	(397)	(475)
CPI rate +0.1%	297	385
CPI rate -0.1%	(289)	(376)

Share of scheme assets

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

	At 31 August 2023	<i>At 31 August</i> 2022
	£	£
Equities	7,745,000	6,814,000
Corporate bonds	3,161,000	2,552,000
Property	1,223,000	1,281,000
Cash and other liquid assets	194,000	185,000
Target return portfolio	882,000	1,068,000
Other	1,323,000	947,000
Total market value of assets	14,528,000	12,847,000

The actual return on scheme assets was £371,000 (2022 - £275,000).

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

	2023	<i>As restated</i> 2022
	£	£
Current service cost	(1,506,000)	(1,995,000)
Interest income	572,000	151,000
Interest cost	(730,000)	(327,000)
Administrative expenses	(7,000)	(4,000)
Total amount recognised in the Statement of financial activities	(1,671,000)	(2,175,000)

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

26. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	17,097,000	16,698,000
Transferred in on existing academies joining the trust	-	7,534,000
Current service cost	1,506,000	1,995,000
Interest cost	730,000	327,000
Employee contributions	316,000	191,000
Actuarial gains	(3,689,000)	(9,437,000)
Benefits paid	(162,000)	(211,000)
At 31 August	15,798,000	17,097,000

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

	2023 £	2022 £
At 1 September	12,847,000	7,601,000
Transferred in on existing academies joining the trust	-	4,841,000
Interest income	572,000	151,000
Actuarial losses	(112,000)	(426,000)
Employer contributions	1,074,000	704,000
Employee contributions	316,000	191,000
Benefits paid	(162,000)	(211,000)
Administration expense	(7,000)	(4,000)
At 31 August	14,528,000	12,847,000

27. 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	12,714	8,251
Later than 1 year and not later than 5 years	10,560	9,181
	23,274	17,432

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**NOTES TO THE FINANCIAL STATEMENTS
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28. 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.

29. Related party transactions

Owing to the nature of the Academy and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. 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.

The following related party transactions took place in year:

C Young, spouse of A Young, a Trustee, is employed by the Trust as a Teaching Assistant. C Young's appointment was made before A Young became a Trustee, in open competition and A Young was not involved in the decision making process regarding appointment. C Young is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

M Le Marquand, spouse of L Le Marquand, a Trustee, is employed by the Trust as a Teaching Assistant. M Le Marquand's appointment was made before L Le Marquand became a Trustee, in open competition and L Le Marquand was not involved in the decision making process regarding appointment. M Le Marquand is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

J Mitchell, spouse of I Mitchell, Chair of Trustees, is employed by the Trust as a Teaching Assistant. J Mitchell's appointment was made before I Mitchell became a Trustee, in open competition and I Mitchell was not involved in the decision making process regarding appointment. J Mitchell is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.