

The Rigby Education Trust

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

For the year ended 31 August 2023

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Reference and Administrative Details For the Year Ended 31 August 2023

Members	S Guy K Podmore R A Peacock J Calvert Professor A Chetwynd
Trustees	L Hampson (Chair) M Tuson (Resigned 13 July 2023) E J Sutton (Resigned 30 March 2023) N J Burnham C A Roberts Professor A C R Belton D J Fletcher (Appointed 8 September 2022) Dr. J E Grabowski (Appointed 15 December 2022) K E James (Appointed 2 February 2023) D J Howard (Appointed 2 February 2023) (Resigned 13 July 2023)
Senior Leadership Team	N Burnham (Chief Executive Officer) M Butler (Chief Finance Officer) (Appointed 1 September 2022) P Tiltman (Head of School) F Goodburn (Assistant Headteacher)
Company name	The Rigby Education Trust
Principal and Registered Office	C/O Cardinal Newman College Larkhill Road Preston PR1 4HD
Company Registration Number	12098063 (England and Wales)
Independent Auditor	Murray Smith LLP Chartered Accountants Statutory Auditors Darland House 44 Winnington Hill Northwich Cheshire CW8 1AU
Bankers	Lloyds Bank PLC 42-46 Market St Manchester M1 1PW

Trustees' Report

For the Year Ended 31 August 2023

INTRODUCTION

The Trustees who are also directors of the academy for the purposes of the Companies Act 2006, present their report with the financial statements of the academy for the year ended 31 August 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Rigby Education Trust is a company limited by guarantee and an exempt charity established to operate and oversee the Lancaster University School of Mathematics. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy.

Details of the Trustees and Member who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

Cover is in place through the Risk Protection Arrangement to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring on academy business.

Method of recruitment and appointment or election of Trustees

On 11 July 2019 the Members appointed the initial Trustees in accordance with the Articles of Association. In January 2020 the Members agreed that the Executive Principal should be a Trustee. The Trustees have appointed further Trustees ensuring a diverse Board with a range of relevant skills and backgrounds.

The Trustees are appointed for a four-year period. Subject to remaining eligible to be a particular type of trustee, any governor can be re-appointed or re-elected.

Trustees' Report

For the Year Ended 31 August 2023

The Academy may have the following Trustees as set out in its Articles:

Appointed by Cardinal Newman College	Up to 3
Appointed by Lancaster University	1
Executive Principal	1
Parent Trustees	At least 2
Co-opted Trustees	Set by Trustees

Organisational structure

The Trustees are responsible for setting general policy, adopting the budget, monitoring performance, making strategic decisions about the direction of the Maths School and capital expenditure, making senior appointments, and approving the Annual Report and Financial Statements.

The Executive Principal is the Accounting Officer. The Head of School is responsible for the day-to-day management of the Maths School.

Policies and procedures 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 Academy and normally an opportunity to meet staff and students. All Trustees are provided with access to minutes, accounts, budgets, plans and other key documents that they will need to undertake their role as Trustees. The induction process will be formalised in 2023/24.

Trustees have access to the eLearning training modules available through the National Governance Association and the webinars delivered by the Sixth Form Colleges Association.

Key management remuneration

The Executive Principal is seconded by Cardinal Newman College in accordance with the Articles which require that the Principal of College should be the Executive Principal unless the Governing Body of the College and the Trustees of the Maths School agree otherwise. The secondment arrangement has approval from the Department for Education. This means that the Executive Principal is remunerated by the College rather than the Trust. The Board of Trustees approve the terms of this secondment.

Connected organisations including related party relationships

Lancaster University is a corporate member of the Academy Trust, the Rigby Education Trust. It also appoints another Member of the Academy Trust. Cardinal Newman College appoints three members of the Academy Trust.

The Executive Principal and Accounting Officer is also Principal of Cardinal Newman College.

Trustees' Report

For the Year Ended 31 August 2023

During the year Cardinal Newman College made a number of transactions on behalf of the Rigby Education Trust. The Trustees ensure that related party transactions are dealt with appropriately and transparently. These transactions are subject to the approval of the Department for Education when required. The services being provided by the College are reimbursed at cost.

OBJECTIVES AND ACTIVITIES

Strategies and Activities

The Rigby Education Trust was established to operate and oversee the Lancaster University School of Mathematics which will deliver outstanding maths and advanced level education to the most able students in Lancashire and the North-West of England. The vision sees Maths School students benefiting from the collaboration of a leading Sixth Form College and a world-class University with exceptional teaching and stretching undergraduate-level content to bridge the gap into Science, Technology, Engineering and Mathematics (STEM) degrees at the most selective universities.

The Lancaster University School of Mathematics opened on 1 September 2022 in temporary accommodation on the campus of Cardinal Newman College in Preston. In January 2023 it relocated to a purpose-built new on London Road in Preston.

The Lancaster University School of Mathematics focuses on widening participation, by building on existing successful work to target disadvantaged and under-represented groups. It delivers outreach, identifying and nurturing young people with an aptitude for maths. Working with local secondary schools, a broad programme of activities, in-person and online are offered to support and encourage progress to the advanced study of Level 3 Maths and Further Maths at the Maths School, or elsewhere, and onto maths-related degrees. As the school grows, the outreach will expand to include staff CPD and primary liaison to form a connected pathway for students to follow from late primary to sixth form.

Students at Lancaster University School of Mathematics will sit A-Level examinations in Maths, Further Maths and other subjects from the summer of 2024. It is anticipated that these will demonstrate high levels of achievement.

Public benefit

The Rigby Education Trust's is an exempt charity under the Part 3 of the Charities Act 2011 regulated by the Secretary of State for Education as Principal Regulator for Academies.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

Trustees' Report

For the Year Ended 31 August 2023

The Academy Trust believes that it complies with the principles set out in the Charity Commission guidance that:

- There must be an identifiable benefit or benefits.
- Benefit must be to the public, or a section of the public.

In delivering its mission as specialist Maths school, the Academy Trust provides identifiable public benefits through the advancement of education:

- The high-quality teaching and learning with the strong student support systems and the involvement of Lancaster University.
- The outreach programme working with schools in Central Lancashire and beyond.

Achievements and performance

So far students are yet to sit any external examinations and so it is hard to quantify their achievements.

All students were entered for the UKMT Senior Maths Challenge, five students (14%) received a gold certificate and progressed through to the Kangaroo round, another thirteen achieved silver, and fourteen achieved bronze. This was an impressive haul for students who had only just started Y12, and we are looking to build on this performance next year.

In the A-level Maths Curriculum time, we set an ambitious target of getting through the best part of an A-level and a half. It has been an unrelenting pace which has really stretched and challenged the pupils. It is a similar pace to the other Maths Schools and prepares the students well for Year 13. They now have a long period to work through the hardest Further Maths content, with plenty of time to review areas from the first year. We are offering nearly the full range of optional modules for the Further Maths A-level which gives students a real choice to help support their further study.

The students who will take STEP exams are able to fully access papers from now, and so have extra time to start their preparations over summer before structured lessons in September. Students who are sitting MAT/TMUA/PAT/STEP are having extra lessons to help them prepare. Sixteen students are making early entry applications to UCAS.

In addition to their A level studies, all students took part in a group project. They were split into groups of four or five students and worked with an academic mentor from Lancaster University to compete a research project, having to produce both a poster and a presentation.

Trustees' Report

For the Year Ended 31 August 2023

Outreach

Our main outreach activity is a taster lesson delivered to top set students, mostly in maths. However, we have also delivered them to Computer Science and Science classes. We have been to nearly 40 schools in the last year.

We have also offered the following:

- two guest speaker talks, one aimed at KS5 and the other at KS3 with over 300 students attending
- delivery of other STEM related workshops (Physics, Computer Science and Stemettes) to four schools.
- a Stemette workshop on campus for 30 Y9 students
- a twelve-week online revision course for GCSE with 200 students signed up.
- two hybrid revision courses aimed at students wanting to take A level Maths/Further Maths for 60 students
- Easter School for two days for 60 students.
- Computer Science Escape Room for 60 students (Y9/10)
- Competitions for Year 7 to Year 10, eight teams of four students attending both days
- on campus Extend Programme, one session per half term, with over 50 students attending in total.
- Year 10 Problem Solving, this was poorly attended, the summer term is probably not the ideal time to be running this.
- Further Maths GCSE Support for three schools.
- delivery of AMSP talk at Post-16 Day for 30 staff
- MESME Circles up and running with two schools
- Supporting and running sessions for primary students in Burnley and Pendle at their Maths Competitions (Year 2, Year 4 and Year 5)

Performance indicators

As this is the first year of the school's existence, there have yet to be any examination results, nor have Ofsted visited. The school is expecting an ungraded progress visit from Ofsted in the next 12 months. Pupil attendance was excellent (98%) last year and so there is no concern in that area.

Recruitment has shown significant improvement (from 35 in the first cohort in 2022 to 60 in the second cohort in 2023) and so the recruitment strategies seem to be working.

One of the school's goals is to increase the percentage of girls who study further mathematics. Of the first cohort, 31% were female, and of the second we have 33% female or identify as such.

Trustees' Report

For the Year Ended 31 August 2023

Going concern

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

Financial review

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

Reserves Policy

The Trustees have determined that the majority of funds received from the ESFA should be used for the annual running costs of the Academy. Within this framework, the Academy will carry forward a prudent level of resources designed to:

- Provide sufficient working capital for operating.
- Cover possible unforeseen contingencies.

As a new school, the Maths School inevitably has low levels of revenue reserves.

Trustees are aware of future financial risks and uncertainties including costs pressures, particularly on energy costs and pension contribution rates. As such, they believe that a cautious approach to reserves is currently required. While the Maths School remains in its formative years it is not realistic to target significant surpluses. However, the Trustees have set a policy to continue building reserves with a target of operating surplus at 2% of income.

Investment Policy

The Trustees' investment powers are governed by the Articles of Association, which permit funds, if not immediately required for the furtherance of its objects, to be invested in such investments, securities or property, as may be thought fit, subject to such conditions and consents as may for the time being be imposed or required by law.

Future plans

In September 2023 the Maths School enrolled 60 students into Year 12 drawn from across Lancashire who have joined a Year 13 cohort of 35 students. This showed significant growth on the initial enrolment on September 2022. The Maths School plans to further grow numbers from central Lancashire and further afield.

Trustees' Report

For the Year Ended 31 August 2023

The outreach programme will continue to grow and develop, targeting a larger number of schools and trying to develop the relationships with the schools we already work with. A larger staff body means there is extra capacity to deliver sessions, as well as a greater variety (Computer Science, Physics and Chemistry).

The Maths School is a member of the newly formed u-maths network, sharing expertise amongst the group of maths schools around the country. As this develops into a formal charitable body there will be opportunities for collaboration, development and shared practice.

The Maths School will continue to work closely with Cardinal Newman College as the two institutions share a range of corporate and student-facing services, and with Lancaster University with whom we look to strengthen the links between the two organisations.

Risks and uncertainties

The Maths School has a formal risk management process in place to assess all risks and implements risk management strategies. The process, which is overseen and reviewed by the Trustees on an annual basis, identifies the types of risk the academy trust faces. These risks are then assessed and prioritised in terms of their potential impact and the likelihood of occurrence. Where necessary, actions to mitigate the risks identified are put in place.

The principal financial risks for the Maths School are:

- The cashflow issues arising from unfunded growth in 2024/25 if the ESFA only fund lagged student numbers.
- The student numbers fail to follow the planned growth trajectory.
- The National Funding Rate does not cover costs pressures including pay settlements.

Financial review

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

Trustees' Report For the Year Ended 31 August 2023

Auditor

The Trustees have confirmed, that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees has confirmed that they have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The auditors, Murray Smith LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 14 December 2023 and signed on its behalf by:

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L Hampson
Chair of Trustees

Governance Statement

For the Year Ended 31 August 2023

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Principal, 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 The Rigby Education Trust and the Secretary of State for Education. The Executive Principal is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board of Trustees has formally met five times during the period ending 31 August 2023.

Name	Appointed	Resigned	Board attendance
Mr L Hampson (Chair)	11 July 2019		100%
Mr N Burnham	7 January 2021		100%
Professor A Belton	10 December 2021		80%
Mr D Fletcher	8 September 2022		75%
Dr J Grabowski	15 December 2022		100%
Ms D Howard	2 February 2023	13 July 2023	33%
Ms Katherine James	2 February 2023		33%
Mr E Sutton	11 July 2019	30 March 2023	60%
Ms C Roberts	21 April 2021		75%
Ms M Tuson	11 July 2019	13 July 2023	20%

Note:

All Trustees (other than those appointed in an ex officio capacity) have been appointed for four years.

Governance Statement

For the Year Ended 31 August 2023

Review of Value for Money

As Accounting Officer the Executive Principal has responsibility for ensuring that the Maths School delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of the resources has provided good value for money during each academic year, and reports to the Trustees where value for money can be improved.

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 the Academy Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Trustees have 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 on-going process for identifying, evaluating and managing the Academy's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Finance, Audit & Resources Committee on behalf of the 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:

Governance Statement

For the Year Ended 31 August 2023

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Trustees;
- regular reviews by the finance 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees have appointed TIAA as internal auditors. Their role includes giving advice on financial matters and performing a range of checks on the Trust's systems. In particular the checks carried out in the current year included:

- Financial Systems
- Safeguarding

Internal audit has not reported any material weakness in the school's financial operations.

During the year, the ESFA Provider Market Oversight team undertook a Financial Management and Governance Review. The Board of Trustees considered the report, noted the findings and received an update on the implementation of agreed recommendations.

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and resources committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.


Governance Statement For the Year Ended 31 August 2023

Approved by order of the members of the board of trustees on 14 December 2023 and signed on its behalf by:

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L Hampson
Chair of Trustees

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N Burnham
Accounting Officer

Statement of Regularity, Propriety and Compliance For the Year Ended 31 August 2023

As Accounting Officer of The Rigby Education Trust, I have considered my responsibility to notify the Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust board of trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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

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N Burnham
Accounting Officer
14 December 2023

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 in 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 the 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.

Statement of Trustees' Responsibilities For the Year Ended 31 August 2023

Approved by order of the members of the board of trustees on 14 December 2023 and signed on its behalf by:

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L Hampson
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of The Rigby Education Trust

Opinion

We have audited the financial statements of The Rigby Education Trust for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'the Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trust's 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 doubt on the Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Independent Auditor's Report on the Financial Statements to the Members of The Rigby Education Trust

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, but does not include the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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 the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- proper accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- all the information and explanations required for the audit were not received.

Independent Auditor's Report on the Financial Statements to the Members of The Rigby Education Trust

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out in the trustee's annual report, the trustees 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 Board of Trustees determines 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 Board of Trustees is responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Trustees either intends to liquidate the Academy Trust or to cease operations, or has no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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:

The audit procedures designed to identify irregularities included:

- enquiry of management and those charged with governance around actual and potential litigation and claims
- enquiry of Academy Trust staff with responsibilities for compliance matters to identify any instances of non-compliance with laws and regulations
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.


Independent Auditor's Report on the Financial Statements to the Members of The Rigby Education Trust

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or through collusion.

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

Use of our report

This report is made solely to the 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 Members, as a body, 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 Trust and the Members, as a body, for our audit work, for this report, or for the opinions we have formed.

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Michael Benson (Senior Statutory Auditor)
For and on behalf of Murray Smith LLP
Chartered Accountants
Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire
CW8 1AU

Date 14 December 2023

Independent Reporting Accountant’s Assurance Report on Regularity to The Rigby Education Trust and the Education and Skills Funding Agency

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

Respective responsibilities of The Rigby Education Trust’s Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Rigby Education Trust’s funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

Independent Reporting Accountant’s Assurance Report on Regularity to The Rigby Education Trust and the Education and Skills Funding Agency

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

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

The work undertaken to draw to our conclusion includes:

- review of arrangements in place over financial management; and
- review of the Trust’s expenditure during the year.

Conclusion

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

DocuSigned by:

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Murray Smith LLP

Date 14 December 2023

Chartered Accountants and Statutory Auditors
Darland House
44 Winnington Hill
Northwich
Cheshire CW8 1AU

Statement of Financial Activities for the year ended 31 August 2023

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2023 £	Total 2022 £
Income and endowments from:						
Donations and capital grants	2	-	100,000	2,362,993	2,462,993	6,023,153
Charitable activities:						
Funding for the Academy Trust's educational activities	3	-	842,144	-	842,144	121,000
Other trading activities	4	20,515	-	-	20,515	-
Investments	5	-	-	-	-	-
Total income		20,515	942,144	2,362,993	3,325,652	6,144,153
Expenditure on:						
Raising funds	6	-	-	-	-	-
Charitable activities:	7					
Academy Trust's educational operations		-	771,220	227,993	999,213	200,212
Other		-	-	-	-	-
Total expenditure		-	771,220	227,993	999,213	200,212
Net income / (expenditure)		20,515	170,924	2,135,000	2,326,439	5,943,941
Transfers between funds	14	-	(100,000)	100,000	-	-
Other recognised gains / (losses):						
Actuarial gains / (losses) on defined benefit pension schemes	24	-	1,000	-	1,000	-
Net movement in funds		20,515	71,924	2,235,000	2,327,439	5,943,941
Reconciliation of funds						
Total funds brought forward		-	(3,674)	6,585,883	6,582,209	638,268
Total funds carried forward		20,515	68,250	8,820,883	8,909,648	6,582,209

Balance Sheet as at 31 August 2023


	Notes	31 August 2023 £	31 August 2022 £
Fixed assets			
Tangible assets	11	8,780,755	6,585,883
Current assets			
Debtors	12	237,008	1,364,666
Cash at bank and in hand		324,609	81,303
		561,617	1,445,969
Current Liabilities			
Creditors: amounts falling due within one year	13	(432,724)	(1,449,643)
Net current assets		128,893	(3,674)
Total assets less current liabilities		8,909,648	6,582,209
Creditors – amounts falling due after more than one year		-	-
Net assets excluding pension asset / liability		8,909,648	6,582,209
Defined benefit pension scheme asset / (liability)	24	-	-
Total net assets		8,909,948	6,582,209
Funds of the Academy Trust:			
Restricted funds			
Fixed asset fund	14	8,820,883	6,585,883
Restricted income fund	14	68,250	(3,674)
Pension reserve	14	-	-
Total restricted funds		8,889,133	6,582,209
Unrestricted income funds	14	20,515	-
Total funds		8,909,648	6,582,209

The financial statements on pages 23 to 49 were approved by the trustees and authorised for issue on 14 December 2023 and are signed on their behalf by:

DocuSigned by:

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L Hampson
Chair of Trustees

DocuSigned by:

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N Burnham
Accounting Officer

Statement of Cash Flows for the year ended 31 August 2023

	Note	Year ended 31 August 2023 £	Year ended 31 August 2022 £
Cash flow from operating activities			
Net cash provided by (used in) operating activities	18	303,178	(2,876)
Cash flows from investing activities	20	(59,872)	-
Cash flows from financing activities	19	-	(5,489)
Change in cash and cash equivalents in the reporting period		243,306	(8,365)
Cash and cash equivalents at 1 September 2022		81,303	89,668
Cash and cash equivalents at 31 August 2023	21	324,609	81,303

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies

The Rigby Education Trust is a charitable company, incorporated in England and Wales. The address of the principal place of business is given on page 1 and the nature of its operations are set out in the Trustees' report.

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

Basis of Preparation

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

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 Trust 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 Rigby Education Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they adopt the going concern basis of accounting in preparing the financial statements.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention as modified by the use of previous valuations as deemed cost at transition for certain non-current assets.

Income

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

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

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 (GAG) is recognised in full in the Statement of Financial Activities in the period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship Income

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

Donations

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

Investment Income

All income from short term deposit accounts is credited to the Statement of Financial Activity in the period in which it is earned on a receivable basis.

Other Income

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

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

Donated goods, facilities and services

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

Donated fixed assets (excluding transfers on conversion/into the Academy Trust)

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

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 Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT, where applicable.

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

Tangible Fixed Assets

Assets costing £500 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:

Freehold buildings	– 50 years
Plant and equipment	– 5 years

A full years depreciation is charged in the year of acquisition and none in the year of disposal.

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.

Subsequent expenditure on existing fixed assets

Where significant expenditure is incurred on tangible fixed assets after initial purchase it is charged to the statement of financial activities in the period it is incurred unless it increases the future benefits to the Academy Trust, in which case it is capitalised and depreciated on the relevant basis.

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

Liabilities

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

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased Assets

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

Financial Instruments

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

Taxation

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

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

Fund Accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency (ESFA).

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

Useful economic life of tangible fixed assets

The useful life of tangible fixed assets is judged at the point of purchase. As standard, a useful economic life of 50 years is applied to freehold buildings and 5 years to plant and equipment.

Impairment of fixed assets

At each balance sheet date, management undertake an assessment of the carrying value of tangible fixed assets to determine whether there is any indication that the value has been impaired. Where necessary, an impairment is recorded as an impairment loss.

Valuation of the Local Government Pension Scheme defined benefit liability

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 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.

Notes to the accounts

For the Year Ended 31 August 2023

1. Accounting policies (continued)

Critical areas of judgement

Useful economic life of tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

2. Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Capital grants	-	2,362,993	2,362,993	6,023,153
Donated fixed assets	-	-	-	-
Other donations	-	100,000	100,000	-
Total		2,462,993	2,462,993	6,023,153

Notes to the accounts

For the Year Ended 31 August 2023

3. Funding for the Academy Trust's educational operations

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
DfE / ESFA grants				
General Annual Grant (GAG)	-	585,736	585,736	-
Other DfE/ESFA grants				
Project development grant	-	-	-	72,000
Start up grant	-	137,000	137,000	-
Outreach grant	-	-	-	49,000
Self-delivery grant	-	-	-	-
Others	-	119,408	119,408	-
Other DfE Group grants	-	-	-	-
Other Government grants				
Local authority grants	-	-	-	-
Other income from the Academy Trust's educational operations	-	-	-	-
	-	842,144	842,144	121,000

4. Other trading activities

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Hire of facilities	8,678	-	8,678	-
Income from other charitable activities	-	-	-	-
Income from ancillary trading activities	11,837	-	11,837	-
Total	20,515	-	20,515	-

5. Investment income

	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
Short term deposits - interest	-	-	-	-
Total	-	-	-	-

Notes to the accounts

For the Year Ended 31 August 2023

6. Expenditure

	Staff Costs	Premises	Other	2023	2022
	£	£	£	Total	Total
				£	£
<i>Expenditure on raising funds:</i>					
Direct costs	-	-	-	-	-
Allocated support costs	-	-	-	-	-
<i>Academy Trust's educational operations:</i>					
Direct costs	53,137	-	328,230	381,367	174,405
Allocated support costs	275,653	212,337	129,856	617,846	25,807
Total	328,790	212,337	458,086	999,213	200,212

Net expenditure for the period includes:

	2023	2022
	£	£
Operating lease rentals	9	-
Depreciation	227,993	-
Fees payable to auditor for:		
-audit	2,600	1,590
-other services	1,600	-

7. Charitable Activities

	2023	2022
	£	£
Direct costs – educational operations	381,367	174,405
Support costs – educational operations	617,846	25,807
	999,213	200,212

Analysis of support costs

	2023	2022
	Educational Operations	Educational Operations
	£	£
Support staff costs	275,653	-
Depreciation	-	-
Technology costs	17,788	-
Premises costs	212,337	-
Other support costs	107,868	24,217
Governance costs	4,200	1,590
Total support costs	617,846	25,807

Notes to the accounts

For the Year Ended 31 August 2023

8. Staff

a. Staff costs

Staff costs during the period were:

	2023	2022
	£	£
Wages and salaries	200,194	-
Social security costs	22,102	-
Pension costs	47,694	-
	269,990	-
Agency staff costs	58,800	-
Staff restructuring costs	-	-
Total staff costs	328,790	-

b. Staff numbers

The average number of persons employed by the Academy Trust during the period was:

	2023	2022
Teachers	4	-
Administration and support	2	-
Management	2	-
	8	-

c. Higher paid staff

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

	2023	2022
	No	No
£70,001 to £80,000 p.a.	1	-

d. Key management personnel

Key management personnel of the Academy Trust comprise the trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £193,517 (2022: £0).

Notes to the accounts

For the Year Ended 31 August 2023

9. Related party transactions – Trustees’ remuneration and expenses

No trustees have been paid remuneration or have received other benefits from employment with the Academy Trust.

During the year ended 31 August 2023 no travel and subsistence expenses were reimbursed or paid directly to the trustees (2022: £0).

10. Trustees and Officers’ Insurance

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides unlimited cover on any one claim and forms part of a commercial combined policy. Because the policy combines a number of different insurances the cost for the Trustees’ and Officers’ liability cover is not separately identifiable and is included in the total insurance cost.

Notes to the accounts

For the Year Ended 31 August 2023

11. Tangible fixed assets

	Land and building	Assets under construction	Plant and Equipment	Total
Cost or valuation	£	£	£	£
At 1 September 2022	-	6,585,883	-	6,585,883
Additions	233,370	1,903,173	286,322	2,422,865
Disposals	-	-	-	-
Transfers	8,489,056	(8,489,056)	-	-
At 31 August 2023	8,722,426	-	286,322	9,008,748
Depreciation				
At 1 September 2022	-	-	-	-
Charge for period	170,729	-	57,264	227,993
Eliminated in respect of disposals	-	-	-	-
At 31 August 2023	170,729	-	57,264	227,993
Net book value at 31 August 2022	-	6,585,883	-	6,585,883
Net book value at 31 August 2023	8,551,697	-	229,058	8,780,755

The Lancaster University Mathematics School occupies its land and buildings under the terms of a 125 year lease from The Secretary of State for Levelling Up, Housing and Communities effective from 13 January 2023. Under the terms of the lease the Academy Trust is fully responsible for the maintenance, insurance and general upkeep of the land and buildings. As a result, the Academy Trust has determined that the most appropriate accounting treatment is to recognise the substance of the transaction rather than the legal form and capitalise the land and building assets in the Academy Trust's accounts.

12. Debtors

Amounts falling due within one year:	2023	2022
	£	£
Trade debtors	37,227	-
VAT recoverable	19,966	1,362,116
Prepayments and accrued income	179,815	2,550
	237,008	1,364,666

Notes to the accounts
For the Year Ended 31 August 2023

13. Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	85,279	24,826
Other taxation and social security	5,505	-
Other creditors	18,785	1,423,257
ESFA creditor: abatement of GAG	93,896	-
Accruals and deferred income	229,259	1,560
	432,724	1,449,643
	2023	2022
	£	£
Deferred income at 31 August 2022	-	-
Released from previous years	-	-
Resources deferred in year	-	-
Deferred income at 31 August 2023	-	-

Notes to the accounts

For the Year Ended 31 August 2023

14. Funds

	Balance at 1 September 2022	Income	Expenditure	Gains (Losses) and Transfers	Balance at 31 August 2023
	£	£	£	£	£
Restricted General Funds					
General Annual Grant (GAG)	-	585,736	(517,486)	-	68,250
Project development grant	(3,674)	-	3,674	-	-
Start up grant	-	137,000	(137,000)	-	-
Outreach grant	-	-	-	-	-
Pupil premium	-	110,584	(110,584)	-	-
Other DfE/ESFA grants	-	-	-	-	-
Other government grants	-	-	-	-	-
Other income	-	108,824	(8,824)	(100,000)	-
Pension Reserve	-	-	(1,000)	1,000	-
	(3,674)	942,144	(771,220)	(99,000)	68,250
Restricted Fixed Asset Funds					
DfE capital grants	6,585,883	2,362,993	(227,993)	100,000	8,820,883
	6,585,883	2,362,993	(227,993)	100,000	8,820,883
Total Restricted Funds	6,582,209	3,305,137	(999,213)	1,000	8,889,133
Total Unrestricted Funds	-	20,515	-	-	20,515
Total Funds	6,582,209	3,325,652	(999,213)	1,000	8,909,648

The Academy Trust is not subject to GAG carried forward limits.

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

Restricted general funds – includes all income with specified criteria attached to its use and the corresponding expenditure in relation to this income.

Restricted fixed asset funds – includes all income and expenditure related to the purchase of fixed assets.

Notes to the accounts
For the Year Ended 31 August 2023

14. Funds (continued)

Unrestricted funds – includes all other income and expenditure which has no specific criteria attached to its use.

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

	Balance at 1 September 2021	Income	Expenditure	Gains (Losses) and Transfers	Balance at 31 August 2022
	£	£	£	£	£
Restricted General Funds					
Project development grant	75,538	72,000	(151,212)	-	(3,674)
Outreach grant	-	49,000	(49,000)	-	-
	<u>75,538</u>	<u>121,000</u>	<u>(200,212)</u>	<u>-</u>	<u>(3,674)</u>
Restricted Fixed Asset Funds					
DfE capital grants	562,730	6,023,153	-	-	6,585,883
	<u>562,730</u>	<u>6,023,153</u>	<u>-</u>	<u>-</u>	<u>6,585,883</u>
Total Restricted Funds	638,268	6,144,153	(200,212)	-	6,582,209
Total Unrestricted Funds	-	-	-	-	-
Total Funds	638,268	6,144,153	(200,212)	-	6,582,209

Notes to the accounts

For the Year Ended 31 August 2023

15. Analysis of Net Assets between Funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	8,780,755	8,780,755
Current assets	20,515	314,983	226,119	561,617
Current liabilities	-	(246,733)	(185,991)	(432,724)
Non-current liabilities	-	-	-	-
Pension scheme liabilities	-	-	-	-
Total net assets	20,515	68,250	8,820,883	8,909,648

Comparative information in respect of the previous period as at 31 August 2022 is as follows:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	6,585,883	6,585,883
Current assets	-	1,445,969	-	1,445,969
Current liabilities	-	(1,449,643)	-	(1,449,643)
Non-current liabilities	-	-	-	-
Pension scheme liabilities	-	-	-	-
Total net assets	-	(3,674)	6,585,883	6,582,209

16. Capital and other commitments

	2023	2022
	£	£
Commitments contracted for, but not provided for in the financial statements	-	-

Notes to the accounts

For the Year Ended 31 August 2023

17. Long-term commitments, including operating leases

Operating leases

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

	2023	2022
	£	£
Amounts due within one year	-	-
Amounts due between one and five years	-	-
Amounts due after five years	-	-
	<hr/>	<hr/>
	-	-

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

	2023	2022
	£	£
Net income / (expenditure) for the period	2,326,439	5,943,941
Adjusted for:		
Depreciation	227,993	-
Capital grants from DfE and other capital grants	(2,362,993)	(6,023,153)
Interest paid	-	5,489
Interest receivable	-	-
Defined benefit scheme cost less contributions payable	1,000	-
Defined pension scheme finance cost	-	-
(Increase) / decrease in debtors	1,127,658	(1,188,657)
Increase / (decrease) in creditors	(1,016,919)	1,259,504
Net cash provided by operating activities	<hr/> 303,178	<hr/> (2,876)

19. Cash flows from financing activities

	2023	2022
	£	£
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
Interest paid	-	(5,489)
Net cash provided by / (used in) financing activities	<hr/> -	<hr/> (5,489)

Notes to the accounts

For the Year Ended 31 August 2023

20. Cash flows from investing activities

	2023	2022
	£	£
Purchase of tangible fixed assets	(2,422,865)	(6,023,153)
Capital grants from DfE/ESFA	2,362,993	6,023,153
Interest received	-	-
Net cash provided by / (used in) investing activities	(59,872)	-

21. Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	324,609	81,303
Notice deposits (less than 3 months)	-	-
Total cash and cash equivalents	324,609	81,303

22. Analysis of changes in net debt

	At 1 September 2022	Cash flows £	At 31 August 2023
	£		£
Cash	81,303	243,306	324,609
Cash equivalents	-	-	-
	81,303	243,306	324,609
Loans falling due within one year	-	-	-
Loans falling due after more than one year	-	-	-
Total	81,303	243,306	324,609

23. 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.

Notes to the accounts

For the Year Ended 31 August 2023

24. Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £6,888 were payable to the schemes at 31 August 2023 (2022: £0) 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 teachers in Academy Trusts. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 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 £222,200 million, giving a notional past service deficit of £39,800 million

Notes to the accounts

For the Year Ended 31 August 2023

24. Pension and similar obligations (continued)

- 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 £40,798 (2022 £0).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £8,000 (2022 £0), of which employer's contributions totalled £6,000 (2022 £0) and employees' contributions totalled £2,000 (2022 £0). The agreed contribution rates for future years are 14.9% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an Academy Trust 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.

Principal actuarial assumptions

	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	4.3%	N/A
Future pensions increases	2.9%	N/A
Discount rate for scheme liabilities	5.2%	N/A

Notes to the accounts

For the Year Ended 31 August 2023

24. Pension and similar obligations (continued)

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.0 years	N/A
Females	23.4 years	N/A
<i>Retiring in 20 years</i>		
Males	22.2 years	N/A
Females	25.2 years	N/A

Sensitivity Analysis

	2023 £000	2022 £000
Discount rate: + 0.1%	-	-
Discount rate: - 0.1%	-	-
Mortality assumption: 1 year increase	-	-
Mortality assumption: 1 year decrease	-	-
CPI rate: + 0.1%	-	-
CPI rate: - 0.1%	-	-

The Academy Trust's share of the assets in the scheme were:

	2023 £000	2022 £000
Equities	4	-
Bonds	-	-
Property	1	-
Other	3	-
Cash and other liquid assets	-	-
Total fair value of assets	<u>8</u>	<u>-</u>

The actual return on the scheme assets was £0.

Notes to the accounts

For the Year Ended 31 August 2023

24. Pension and similar obligations (continued)

Amount recognised in the Statement of Financial Activities

	2023	2022
	£000	£000
Current service cost	(7)	-
Interest income	-	-
Interest cost	-	-
Effect of business combination and disposals	-	-
Benefit changes, gain / (loss) on curtailment and gain / (loss) on settlement	-	-
Admin expenses	-	-
Total amount recognised in the SOFA	<u>(7)</u>	<u>-</u>

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

	2023	2022
	£000	£000
At 1 September 2022	-	-
Current service cost	7	-
Effect of settlements	-	-
Interest cost	-	-
Employee contributions	2	-
Effect of business combination and disposals	-	-
Actuarial (gain) / loss	(1)	-
Benefits paid	-	-
At 31 August 2023	<u>8</u>	<u>-</u>

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

	2023	2022
	£000	£000
At 1 September 2022	-	-
Interest income	-	-
Effect of settlements	-	-
Effect of business combination and disposals	-	-
Actuarial gain / (loss)	-	-
Employer contributions	6	-
Employee contributions	2	-
Benefits paid	-	-
At 31 August 2023	<u>8</u>	<u>-</u>

Notes to the accounts

For the Year Ended 31 August 2023

25. Related Party Transactions

Due to the nature of the Trust's operations and the composition of the board of Trustees (being drawn from local public and private sector organisations) it is inevitable that transactions will take place with organisations in which a member of the board of Trustees may have an interest. All transactions involving organisations in which a member of the board of Trustees may have an interest are conducted at arm's length in accordance with the Trust's financial regulations and normal procurement procedures.

The articles of the Academy Trust allow Cardinal Newman College to appoint two of the five members of the Academy Trust and three of the board of Trustees. The Chair of the Trustees is a governor of Cardinal Newman College. The Cardinal Newman College Principal is the Trust's executive principal and a Trustee.

Cardinal Newman College provides a range of services to support the Trust. These transactions are handled on a transparent and "at cost" basis. The service level agreements comply with the requirements of the ESFA. During the year Cardinal Newman College provided services for which the Trust was charged £247,024 (2022: £89,334).