

**MOWBRAY EDUCATION TRUST LIMITED**

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2022**

**MOWBRAY EDUCATION TRUST LIMITED**  
**(A company limited by guarantee)**

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## **MOWBRAY EDUCATION TRUST LIMITED**

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### **REFERENCE AND ADMINISTRATIVE DETAILS**

<b>Members</b>	C Godber D O'Higgins D Reed E Welsh
<b>Trustees</b>	A Harris A Frost (appointed Chair 1 September 2021) D Richarson-Walsh A C Brewster M Chadwick W Hickling I Connerton S Connolly S Hill (appointed 14 February 2022) T N Mutambirwa (appointed 10 August 2022) K Valentine (appointed 18 March 2022) D Longley-Brown (appointed 5 January 2022) B Booton (resigned 3 October 2021) D Mogg J Gibbs (resigned 29 April 2022) P Smith (resigned 2 February 2022)
<b>Company registered number</b>	07796947
<b>Company name</b>	Mowbray Education Trust Limited
<b>Principal and registered office</b>	John Ferneley College Scalford Road Melton Mowbray Leicestershire LE13 1LH
<b>Company secretary</b>	S Beasley
<b>Senior management team</b>	C Stansfield, Chief Executive Officer C Stansfield, Executive Head John Ferneley College S Cooke, Chief Financial Officer (maternity Leave Mar 2021-Jul 2022) P Maddox, Interim Chief Financial Officer (maternity cover) P Maddox, Chief Operating Officer A Butler, Director for Outcomes and CPD G Bacon, Head Teacher of Sherard Primary School (resigned January 2022) G Bacon, Director of Quality of Education (resigned January 2022) I Toon, Head Teacher of Brownlow Primary School I Toon, Executive Lead for Primary (appointed March 2022) A Brown, Head Teacher of Somerby Primary School A Brown, Head Teacher of Ab Kettleby Primary School N Teece, Head of School John Ferneley College H Cheeseman, Head Teacher of The Grove Primary School H Blumfield, Head Teacher of Sherard Primary School (appointed March 2022) H Blumfield, Head of School of Sherard Grove Primary School (resigned March 2022)

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**REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2022**

**Independent auditors** Cooper Parry Group Limited  
Chartered Accountants  
Cubo Birmingham  
Office 401, 4th Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

**Bankers** HSBC Bank Plc  
17 High Street  
Melton Mowbray  
Leicestershire  
LE13 0TY

**Solicitors** Flint Bishop LLP  
St Michael's Court  
St Michael's Lane  
Derby  
Derbyshire  
DE1 3HQ

## **MOWBRAY EDUCATION TRUST LIMITED**

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### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The academy trust operates 5 primary and 1 secondary academies in Melton Mowbray. Its academies have a combined pupil capacity of 2,542 and had a roll of 2,364 in the school census on October 2022.

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

##### **a. Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Mowbray Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Mowbray Education 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 2.

##### **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**

The Trust has taken out third party indemnity insurance to protect the Trustees and Officers against claims arising from negligent acts, errors or omissions occurring whilst on Academy and Trust business.

##### **d. Method of recruitment and appointment or election of Trustees**

The executive have made efforts over the last year to refine and improve recruitment to the governance structure. In keeping with the Articles of Associations the constitution of the Trust Board has been strengthened. The constitution of the Trust Board is made up considering the following clauses of the Articles of Association.

- 45. The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- 50. The Members may appoint by ordinary resolution up to 8 Trustees.
- 54. Parent Trustees and Parent Local Governors shall be elected or, if the number of Parents standing for election is less than the number of vacancies, appointed
- 58. The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed.

Trustees are appointed for a 4 year term of office. Trustees can be re-appointed or re-elected after their term of office end.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

**e. Policies adopted for the induction and training of Trustees**

The executive has worked with the Governance and Remuneration committee of the Trust Board to strengthen the induction offer for new trustees and local governing committee members. An introductory meeting with the Executive Lead for Governance and the chair of trustees is offered to give an overview of governance in the Trust, roles, responsibilities and expectations. This has been refined using feedback from recently appointed trustees.

The appointment process is fair and consistent. Expressions of interest and CVs are requested and considered by the Executive Lead for Governance and the Governance and Remuneration committee. Recommendations are passed to either Members for appointment under article 50 or the Trust Board under article 58.

Once appointed, trustees will receive information about their role and support from the executive. They are given the opportunity to link with existing trustees in similar roles and have access to training opportunities from governance, trust sector and education-based training platforms to improve their knowledge. Regular Trust led presentations on key theme of Trust life are organised for Trust Board and Committee meetings. Statutory requirements for training are adhered to and evidenced.

**f. Organisational structure**

The Trustees are charged with overall responsibility for the actions of the Trust and its constituent schools. The Board of Trustees retains the legal responsibility for all operations of the schools however an agreed Scheme of Delegation is in place with all member schools. This Scheme of Delegation identifies which powers are delegated to either the CEO, Executive, or school leaders, or Trust Board, committee or local governing committee within the governance structure.

The trustees are listed on page 1. There are 4 Members of the limited liability company, they are not trustees and are separately identified on page 1.

The Scheme of Delegation operates to ensure that accountability and ability to effect change for the benefit of pupils and students. This document is continually monitored and evaluated.

The CEO of the Trust holds the position of Accounting Officer and her statement is included within this Annual Report. The Terms of Reference and all other governing documents can be viewed on the Trust website ([www.mowbrayeducation.org](http://www.mowbrayeducation.org)).

The trust own a subsidiary company Mowbray Education Trust Services LTD Company Registration number 09757861 (England and Wales). Mowbray Education Trust owns the company outright. The primary function of this company is the delivery of preschool education from Oasis Preschool. The preschool is on adjacent ground to one of the Trust's primary schools and is able to support transition for often vulnerable families into statutory education. The Trust vision is that all children have the right to a first class education regardless of their starting points. Oasis Preschool gives children a chance at a better start to their school careers often from much lower starting points than their peers.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

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

Pay and remuneration for key management staff is set out in the Trust's pay policy which is reviewed regularly and ratified by Trustees. The pay policy sets out the framework for making decisions on all pay including key management staff. The policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD) and has been consulted on with staff and/or the recognised trade unions. The pay policy underpins the Trust's Performance Management Policy which provides the opportunity for all staff to discuss their performance and development needs in relation to their job role and pay progression. Where eligible for pay progression, the recommendation made by the appraisers based on the assessment of their performance against the agreed objectives. The remuneration of the CEO and Executive Team is considered by the Governance and Remuneration Committee for recommendation and then ratified by the Trust Board. At pay review the benchmarking of similar roles in similar organisations is considered by the CEO – for the Executive team, and by the chair of trustees - for the CEO, and shared with members of the Governance and Remuneration committee to support recommendations. No remuneration payments are made to Trustees. Trustees are subject to the stipulations outlined in the Trustees Allowances and Expenses Policy, approved in July 2022.

**h. Trade union facility time**

**Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

**Percentage of time spent on facility time**

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

**Percentage of pay bill spent on facility time** £000

Total cost of facility time	1
Total pay bill	10,802
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	100 %
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

**i. Related parties and other connected charities and organisations**

The Trust is proud to work in partnership with its subsidiary company MET services limited. MET Services LTD provides provision at Oasis Preschool for families in Melton Mowbray. The nursery has gained a strong reputation for delivering provision to disadvantaged children and those with Special Educational needs.

The nursery shares a site with one of the Trust's primary schools and together the settings work closely on curriculum development this aids transition for pupils from nursery into mainstream education with an ambition to close some of the gaps in starting points for pupils.

Financial and educational performance oversight of Oasis is monitored by the MET Services LTD Board comprising of directors of the company, co-opted and parent contributors.

The ongoing collaboration of this organisation has ensured that it has grown from strength to strength providing a much-needed service for the community and future Trust pupils to give them the best start to their education careers regardless of their starting points.

**j. Engagement with employees (including disabled persons)**

Mowbray Education Trust has invested in the welfare and wellbeing of its pupils and staff alike. Post pandemic staff and pupils have returned to a more normal school and work environment with varying degrees of confidence with coming into school, there is evidence of more heightened social and emotional needs and the Trust are aware of this and working towards strategies to support anyone who needs it.

School and Executive leaders have built initiatives around staff voice and welcomed feedback on aspects of their working like through surveys, staff meeting, drop in sessions and network meetings. Consultation on significant Trust and school matters are organised to give staff the opportunity to raise concerns and encourage employees to be involved in developments in the Trust. This academic year saw a Whole Trust Vision sharing session for employees to understand and be involved in the direction of travel for the year.

The Trust board also appoint link trustees to each school to oversee head teacher wellbeing.

The trust has a variety of sources of external support from Local Authority and privately run support services to Occupational Health providers.

The Trust has a series of auditing opportunities and a schedule of review and quality assurance throughout the year on matters such as curriculum, safeguarding, health and safety and GDPR. The findings and action plans are shared with staff to drive improvement and development. A shared culture of ownership is encouraged across the schools and central team and celebrations are shared and applauded across the Trust. The monitoring of such activities is fed through the governance model for scrutiny.

Mowbray Education Trust prides itself on being an inclusive environment for pupils and staff. Our recruitment, retention and development policy, ambition and culture do not discriminate against any protected characteristic. Recruitment candidates that meet the criteria for roles are shortlisted for interview and asked if they require any adjustments making to fulfil their role, any adjustments requested are actioned with relevant support services as necessary.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Structure, governance and management (continued)**

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

Being part of the business of education, relationships is our thing. The Trust have highlighted the need to foster good relationships with educational sector leaders in resourcing for the most effective tools for our pupils and student but also to support the local community and where appropriate establish working relationships with local suppliers and contractors too.

In order to fulfil our promise to best value, support our stakeholders and work effectively and ensure compliance, our Operations team are now reviewing contracts and services across the Trust, with a view to project completion by the end of 2022-23 academic year.

**Objectives and activities**

**a. Objects and aims**

The Trust's objects, as disclosed in our Articles of Association are as follows:

a. 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 ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies");

b. to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

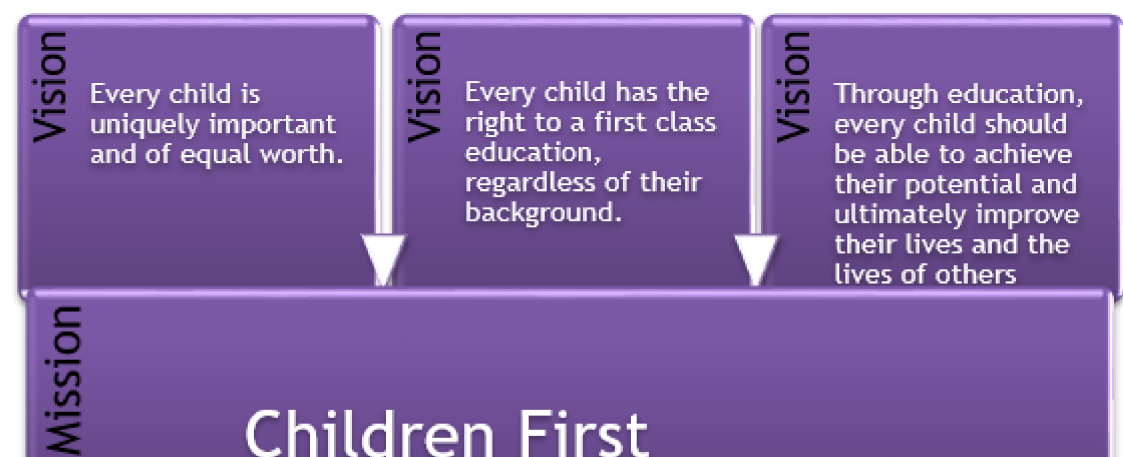
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Objectives and activities (continued)**

**b. Objectives, strategies and activities**

Vision and Mission



The Trust is focused on providing a high quality and effective education to its students, following a broad and balanced curriculum and encouraging development of life skills over and above pure academic competence, in order to facilitate the transition to young adulthood.

**c. Public benefit**

The Trustees of the Academy Trust have exercised due regard to the guidance on public benefit published by the Charity Commission in exercising their power and duties. In setting Trust objectives and planning our activities the Trust has ensured that the provision of education is inclusive and wide ranging, with students able to experience diverse areas of the curriculum and learn key skills for their future lives.

**Strategic report**

**Achievements and performance**

This year has marked a seismic shift in our mindset. With increasing capacity, and as a result of the CEO stepping away from detailed management, there has been an increased focus on strategy and specifically, strategic growth. In April, the RSC's decision to approve Iveshead School joining the trust was a landmark, signifying that the MET is viewed as 'good' with capacity to support additional schools. To be seen as a growing trust, just as the White Paper is published (with a mandate that all schools should be part of a 'good' multi academy trust) is serendipity and suggests that the next few years will be very interesting, both nationally and within our trust.

Additionally, this year has been marked by the increasing ownership, autonomy and strength of school leadership teams, headed up by an increasingly unified and ambitious Headteacher team, who are working collaboratively to improve all our schools. Because this is running so well, executive team members have more capacity to be strategic.

The successful Sherard School Ofsted inspection in the Spring term saw a change in judgement from Requires Improvement to Good. This has validated our school improvement work, and more importantly our self-evaluation processes. Having confidence in our self-evaluation process is critical as we seek out further growth. (The first and easily the most important part of our growth plan is that all of our existing schools is seen to be thriving in every external metric, the most important being: Ofsted, Outcomes and Finances. In this sense, Sherard's Ofsted inspection outcome in January played an integral part in the conclusion of our successful growth project.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Strategic report (continued)**

**Achievements and performance (continued)**

**a. Key performance indicators**

The performance of the Trust is much more than the financial performance showcased in this set of financial statements. The Trust Board take a holistic view when measuring performance. All schools in the Trust are tracked on metrics such as the Ofsted grade of each school, academic grades received, internal tracking of performance, the numbers of pupils on roll, capacity, turnover and attendance.

During the year collaborative working by the Head Teachers have continued, improving the development of each school and the school leaders. The new governance structure is allowing effective reporting and information flow and investment in the National Governor Association and the Key is helping to keep our governance volunteers informed and build their confidence.

Following three years without any exams, the Trustees were presented with the Mowbray Education Trust outcomes data from the Summer term of 2022.

Throughout last year, the CEO made it clear that the Summer 2022 results would be treated by the trust leadership team as a reset regardless of how positive they may be.

With the last formal exams sat by students over three years ago, much has changed nationally, and in our own settings. Our secondary school has seen significant leadership team change, and changes in middle leadership. Significant change has also taken place at trust level, with much improvement in culture, expectations and capacity. Our approach to student and pupil outcomes has changed, moving from a 'done to' model of Raising Standards to an entirely collaborative approach.

With an effective new team emerging from this improvement, the data below will be treated as a starting point with very high expectations about how things will be further improved by the end of next academic year.

The Trust Board were mindful of DfE indicators when viewing the results presented, especially that at GCSE any comparison with previous years would be impossible. The Trust Board felt that the Trust had achieved a positive set of results and that The Grove Attainment should be seen in the context of excellent progression scores.

**KS2: Attainment**

		Reading	Writing	Maths	Combined
National 2019	Exp+	73%	78%	79%	65%
National 2022	Exp+	74%	69%	71%	59%
Brownlow	Exp+	76%	71%	81%	61%
Grove	Exp+	68%	47%	79%	36%
Sherard	Exp+	79%	70%	70%	63%
ABK	Exp+	89%	55%	78%	56%
SOM	Exp+	75%	75%	75%	50%

The Trust board recognised strengths in Maths performance and reading scores at Key Stage 2. It was also noted that progress in some settings had been significant when considering the low starting points of particular cohorts. Trustees are also aware of the implications of small cohorts and specific pupils groups when considering data.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Strategic report (continued)**

**Achievements and performance (continued)**

GCSE results

	Attainment 8	Progress 8	EBACC entry	EBACC APS	Grade 4+ in England Maths	Grade 5+ in Eng and Maths	Destination data
National 2019	46.7	0.0	40%	4.07	65%	43%	
National 2022		Available Oct					
JFC 2019	49.7	0.01	74%	4.58	75%	49%	
JFC 2022	50.16	Available Oct	35%	4.37	78%	50%	
Iveshead 2019	42.9	-0.09	32%	3.82	61%	33%	
Iveshead 2022	44.0	Available Oct	87%	4.24	65%	35%	

The Trust recognised a consistently strong performance in English and Maths. However, noticed that in the EBACC and Open bucket, performance must be stronger next year.

Trustees were assured that a series of exams analysis meetings were to take place to identify strengths and weaknesses, with feedback informing the Raising Standards strategy for the year, at subject level. This information will then be shared, with progress, through the usual governance reporting lines, at the six data drops through the year.

**b. Going concern**

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

**c. Promoting the success of the company**

The Trust has a high regard to its positioning in the community and seeks to promote activities that will benefit not only the Trust operations but also the wider community. This year support for our families and the wider community was recognised as a priority. Trust staff and leaders agreed that by supporting families' pupils would potentially encounter less turbulence in their lives out of school. This year has seen an increase in vulnerabilities in our stakeholder groups which inevitably impacts on the education of pupils, providing assistance to help pupils arrive at school ready to learn remains a high focus. There has been an uptake of community involvement in the 3G pitch development. This has benefitted pupils from across the Trust and community members alike and would indicate long term benefits for our pupils, staff and community. A return to enrichment activities by schools has also seen the increase of visits and trips which gives our pupils on the strategic direction of the Trust. The Trust actively engages in bidding for funding to ensure its sites become more environmentally efficient. The planning of building and maintenance work makes consideration for environmental efficiencies. Some of our schools are able to identify where efficiency can be made, moving forward this information will be used to inform practice.

The trust have focused on improving the capacity of the Central team in order to deliver high quality services to schools and support the growth of the Trust. Central team staff are given the opportunities to further develop in their area of expertise.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Strategic report (continued)**

**Financial review**

This set of accounts lays out the financial performance for the Trust for the year ended 31 August 2022. Funding is primarily received through the Funding Agreements agreed with the Secretary of State for each school within the Trust. This funding is based upon the number of students on each school's roll and is restricted for expenditure solely on the purposes of meeting the terms of the Funding Agreement. Funding is lagged for 12 months.

The Trust Board has oversight of all financial reports and it is the view of this Board that expenditure has been prudent and managed in accordance with the Trust's financial procedures and policies. During the year attention has been bought to procurement and the sourcing of suppliers. Ongoing work is identifying best value and compliance whilst also attempting to support local businesses and community to compile a succinct approved suppliers list for the Trust.

At 31 August 2022 the Trust had £3,715,000 (2021: £3,070,000) in cash, with a reported surplus before depreciation and LGPS FRS102 pension cost charges of £918,000 (2020: £104,000 deficit).

**Financial and risk management objectives and policies**

The Trustees take seriously their responsibility to manage all risks pertaining to the organisation to safeguard the future security of the Trust. To this end the Trustees seek to ensure that the Trust retains ongoing oversight of operational and strategic and financial risks through the Executive, the Audit, Finance and Risk committee and Trust Board.

The Board manages its financial risk exposure to credit, cashflow and liquidity risks actively through the Chief Financial Officer and through oversight by the Finance, Audit and Risk Committee. The Board has approved an investment policy that directs investment of cash held into suitable investment vehicles restricted solely to those vehicles offered as cash deposit accounts. Trade debtors are minimal in value and in principle, payment in advance is sought from all debtors to minimise risk of bad debt. Credit extended to the Trust from suppliers is used and where appropriate, the Trust seeks to support small local suppliers through prompt payment of invoices.

The Board are informed of material and reputational risk factors through the review and update of the Trust Risk Register. The Board are informed of financial risk through the termly reporting by the Executive.

This year has seen turbulence for families and the community from the impact as associated with post covid return and the cost of living crisis. The Executive has regularly update the board on financial and social implications and recognised the work of the Trust in future proofing resources to support the ongoing need of pupils.

The Risk Management strategy will be reviewed in 2022-23 to improve executive oversight, to enable risk owners more confidence in reporting and mitigation of risk in their field and to build a positive culture around risk identification and management.

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022**

#### **a. Reserves policy**

Reserves belong to the Trust and are to be used at the discretion of the trustees. It is the trustees' responsibility to ensure that the Trust remains a going concern and to hold such reserves that it determines appropriate to support the going concern nature of the Trust, and its individual member schools.

Currently the Trust Board have identified that 1 months operating costs are to be held in reserves to maintain as a going concern. This reserves model has been considered by the Trust Board and a review has been requested. The Trust will consider recommendations from the audit team to determine the model moving forward. A new reserves policy is in development. This new model will determine the metrics by which reserves are considered.

The Trust total funds at 31 August 2022 was £25,726,000 (2020: £16,128,000) and the level of operating reserves at 31 August 2022 was £2,599,000 (2021: £2,048,000).

There has been no request to drawn on reserves in this financial year.

The Trustees have determined that the charitable company requires reserves for the following purposes:

- To cover statutory obligations and to wind up its own affairs in an orderly way; if so decided;
- To provide working capital for projects with late payment dates and to fund initiatives of importance to furthering the objects of the Trust;
- To meet the costs of planned major capital expenditure.

All these calls on reserves are inter-related, so that reserves ultimately held to cover statutory obligations may be used as working capital in the short term, where it is known that funding will eventually be received. The long term objective is that separate sums should be designated to meet statutory objectives and for working capital needs.

Any unspent funds at the end of each financial year within each school will be transferred to Trust reserves to enable the Trustees to assign reserves to any strategic project arising in the future in any school or in the Mowbray Education Trust as a whole. Reserves accruing to each school will be identifiable and be used by the Trustees when reviewing applications for use of reserves.

At all times the Trustees pay due regard to the benefit of utilising reserves whilst minimising the risk to the Trust of cash flow implications.

#### **b. Investment policy**

The Trustees have approved an Investment Policy that ensures reserves are invested in an appropriate manner with due regard to return and risk. It is the policy of the Trust that reserves be invested in approved investment vehicles but should not be fixed for longer than twelve months. The Trustees receive regular reports as to the performance of any investments made by the Trust.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**c. Principal risks and uncertainties**

Trustees have considered the major risks to which the Trust is exposed, have reviewed those risks and established systems and procedures to manage them.

The Funding Agreement confirms a 7-year funding cycle, giving the Trustees some reassurance over the potential risk of continuity of funding.

The Trust Board considers the principal risks to the organisation to be:

- failure to deliver positive educational outcomes;
- loss of funding; and
- recruitment and retention of staff

The Board has enacted specific actions in relation to each of these principal risk areas, and regularly review how they are being mitigated through the Risk Register. The CEO is accountable to the Board for ensuring that systems are in place that avoid these risks materialising.

**Fundraising**

Any fundraising activities undertaken by the school in the Trust comply with the requirements of the Charities (Protection and Social Investments) Act 2016.

Fundraising is not part of our business and is incidental to the main charitable objectives. Commercial participated professional fundraisers are not used. Any funds collected from the public for charitable causes are held on the Balance Sheet as "other creditors" until they are passed over to the relevant charity.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Streamlined energy and carbon reporting**

The Group's greenhouse gas emissions and energy consumption are as follows:

UK Greenhouse gas emissions and energy use data for the period	1 September 2021 to 31 August 2022	1 September 2020 to 31 August 2021
Energy consumption used to calculate emissions (kWh)	964,559	875,794
Energy consumption break down (kWh) (optional) gas, electricity transport fuel		
<b>Scope 1</b> emissions in metric tonnes CO <sub>2</sub> e		
Gas consumption	42.86	44.59
Owned transport - mini-buses	1.21	0.68
Total scope 1	44.07	45.27
<b>Scope 2</b> emissions in metric tonnes CO <sub>2</sub> e		
Purchased electricity	141.02	133.04
<b>Scope 3</b> emissions in metric tonnes CO <sub>2</sub> e		
Business travel in employee-owned vehicles	1.08	0.72
Total gross emissions in metric tonnes CO <sub>2</sub> e	186.18	179.03
Intensity ratio Tonnes CO <sub>2</sub> e per pupil	0.08	0.07

**Quantification and reporting methodology**

We have continued to follow the 2022 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

**Intensity measurement**

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per pupil, the recommended ratio for the sector.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**Streamlined energy and carbon reporting (continued)**

**Measures taken to improve energy efficiency**

These include where feasible continuing to install smart meters and LED low energy lighting, a new heating system & energy efficient boiler, a new portable classroom, plus increased video conferencing technology for team meetings to reduce the need for travel between sites.

**Plans for future periods**

The trust remains highly ambitious for its future and in collaboration with the Executive the Trust Board has agreed the 2022-23 strategic development plan which will focus on the objectives of:

- Growth
- Identification of First Class Teaching against value for money
- Recruitment and retention

These headlines are recorded against a view of the communities we serve and creating the best educational opportunities for our pupils and students.

These ambitious objectives are enabled by the highly collaborative nature of the executive and school leaderships teams. School development plans reflect the development needs of each school whilst retaining the same values of the Trust strategic development plan. Continued collaboration and sharing of best practice has strengthened leadership in the trust and supportive practice.

The successful Ofsted inspection at one of the Trust schools this year highlighted the ongoing strive for excellence from our leadership teams and action points from that inspection have been used to improve practice where relevant across the Trust.

The Growth strategy approved last year is ongoing, the RSC now recognise the Trust as one able to support schools to improve and work has been continuing with the secondary due to join the Trust in the autumn term of 2022. Further growth will be carefully considered at the point of request and an ambition for 3 geographical hubs continues. Schools which reflect the existing values and culture of the Trust will be prioritised. Capacity of the central services, school leadership and executive is being explored and actioned to ensure that no existing schools performance suffers at the expense of expansion.

**Disclosure of information to auditors**

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 Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 15 December 2022 and signed on its behalf by:



**A Frost**  
Chair of Trustees

## MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

### GOVERNANCE STATEMENT

#### Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Mowbray Education Trust Limited 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 Mowbray Education Trust Limited 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 7 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
A Harris	7	7
A Frost	7	7
D Richarson-Walsh	7	7
A C Brewster	7	7
M Chadwick	5	7
W Hickling	5	7
I Connerton	4	7
S Connolly	5	7
S Hill	3	4
T N Mutambirwa	4	4
K Valentine	4	5
D Longley-Brown	4	5
B Booton	1	1
D Muddimer	7	7
J Gibbs	5	5
P Smith	1	2

There are four sub-committees of the Board.

The Audit, Finance and Risk Committee reviews all aspects of finance and risk pertaining to the organisation.

The Governance and Remuneration Committee is responsible for monitoring the effectiveness and development of our governance structure and our governance volunteers. It also reviews performance and pay for senior management. The Board approves organisational wide pay adjustments and changes to pay policies enacted in the schools. It approves changes in remuneration structures for senior management.

The Quality of Education Committee is responsible for all aspects of Teaching and learning within our settings. It is supported by 2 Scrutiny Panels who focus on the Curriculum & Behaviour and Performance.

The newly formed Community Committee fosters our continued commitment to stakeholder engagement and pupil success was onboarded in the Spring term of 2022.

## MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

### GOVERNANCE STATEMENT (CONTINUED)

#### Governance (continued)

##### Conflicts of interest

The Trust manages a register of interest for governance volunteer and trust management personnel. This is updated at least annually or when an interest changes. Declarations of interest is a standing agenda item for all governance meetings and clerks ask that trustees and scrutiny panellists update their register entry if their circumstances change. Agenda items that carry the potential for known conflict are monitored and highlighted by the Governance and Process Manager. Conflicts of interest are explained as part of the induction process for volunteers.

The process of collating the register of interest and induction is managed by the Governance and process Manager.

##### Governance Reviews

The Trust Board regularly reviews its performance. An annual internal evaluation informs the Trust Board and Scrutiny panels of any gaps in skills, knowledge, and training. The self evaluation exercise has proved impactful this year, whilst there are ongoing actions for development the trust board have reflected on their own practice during the process which has led to a heightened awareness of their strengths and any identified gaps. The self evaluation outcomes have fed into the board and committee objectives for the coming year. Actions completed from the evaluation report have improved meeting practice and procedure, improved understanding of roles and expectations and further improved reporting information.

An annual skills audit builds a picture for training and recruitment needs. A plethora of internal and external training opportunities are available to governance volunteers and recruitment is informed by highlighted skills gaps. Governance was subject to internal audit and received a positive report. An external review of Governance has been arranged for the Autumn Term of 2022.

The Audit, Finance and Risk Committee is a sub-committee of the main board of trustees

During the year P Smith resigned from the committee and T Mutambirwa joined the committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
M Chadwick	5	5
S Connolly	5	5
D Muddimer	5	5
T Mutambirwa	2	3
Philip Smith (resigned 2 February 2022)	2	3

## **MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

### **GOVERNANCE STATEMENT (CONTINUED)**

#### **Review of value for money**

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by identifying that procurement processes should be refined. The executive have articulated the importance of sourcing relevant, timely and cost effective suppliers to ensure that quality educational delivery continues and efficient processes established. Tender and bidding processes are established and defined in our financial regulation documents. The Audit, finance and Risk committee, and Trust board monitor large spends.

#### **The purpose of the system of internal control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Mowbray Education Trust Limited for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

#### **Capacity to handle risk**

The Trust Board ,via the Audit, Finance and Risk Committee has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2021 to 31 August 2022 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance 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 appoint Hobsons Chartered Accountants as internal auditor.

**MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

**GOVERNANCE STATEMENT (CONTINUED)**

**The risk and control framework (continued)**

A work plan for the internal auditors has been agreed and cash flow, fixed assets and purchasing were tested throughout the year. The reports from internal testing has not highlighted any significant issues in these areas. No remedial action has been recommended and a plan of work has been adhered to. When internal audit reports are available they are reported to the Trust Board through the Audit, Finance and Risk committee. The Audit, Finance and Risk committee are delegated to scrutinise under the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities. On an annual basis the auditors prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**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 Trust who have responsibility for the development and maintenance of the internal control framework.
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- 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 Audit, Finance and Risk 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 15 December 2022 and signed on their behalf by:



**A Frost**  
Chair of Trustees



**C Stansfield**  
Accounting Officer

**MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

As accounting officer of Mowbray Education Trust Limited 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 received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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 2021.

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.



**C Stansfield**

Accounting Officer

Date: 15 December 2022

## **MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2022**

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 Group and the charitable company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

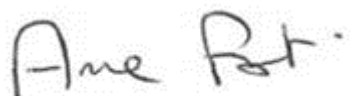
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and 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 their conduct and operation the Group and the charitable company apply 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 group'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 and signed on its behalf by:



**A Frost**

Chair of Trustees

Date: 15 December 2022

**MOWBRAY EDUCATION TRUST LIMITED**  
**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MOWBRAY EDUCATION TRUST LIMITED**

**Opinion**

We have audited the financial statements of Mowbray Education Trust Limited (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy Trust balance sheet, the Consolidated 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 2021 to 2022 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 Group's and of the parent Academy Trust's affairs as at 31 August 2022 and of the Group's 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 2021 to 2022 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 Group 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 Group's or the parent Academy Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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



## **MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOWBRAY EDUCATION TRUST LIMITED (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 Group and the parent Academy Trust 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:

- the parent Academy Trust has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Academy Trust 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the Academy Trust 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 Group's and the parent Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent Academy Trust or to cease operations, or have no realistic alternative but to do so.

## **MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOWBRAY EDUCATION TRUST LIMITED (CONTINUED)**

#### **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 assessment focussed on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Trust Handbook 2021, the Academies Accounts Direction 2021 to 2022, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
MOWBRAY EDUCATION TRUST LIMITED (CONTINUED)**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

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

A handwritten signature in black ink that reads "Cooper Parry Group Limited". The signature is written in a cursive style and is positioned above a horizontal line.

**Simon Atkins FCA (Senior statutory auditor)**

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants

Statutory Auditor

Cubo Birmingham

Office 401, 4th Floor

Two Chamberlain Square

Birmingham

B3 3AX

20 December 2022

## **MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

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

In accordance with the terms of our engagement letter dated 26 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mowbray Education Trust Limited during the year 1 September 2021 to 31 August 2022 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 Mowbray Education Trust Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Mowbray Education Trust Limited 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 Mowbray Education Trust Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of Mowbray Education Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Mowbray Education Trust Limited's funding agreement with the Secretary of State for Education dated 24 January 2013 and the Academy Trust Handbook, extant from 1 September 2021, 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 2021 to 2022. 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 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

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

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the Academy Trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and

**MOWBRAY EDUCATION TRUST LIMITED**

(A company limited by guarantee)

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

- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**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 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant  
**Cooper Parry Group Limited**  
Chartered Accountants  
Statutory Auditor

Cubo Birmingham  
Office 401, 4th Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

Date: 20 December 2022

**MOWBRAY EDUCATION TRUST LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2022**

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
<b>Income from:</b>					
Donations and capital grants	3	15	-	1,581	184
Other trading activities	5	492	-	492	151
Investments	6	1	-	1	1
Charitable activities	4	-	14,248	-	13,746
<b>Total income</b>	<b>508</b>	<b>14,248</b>	<b>1,581</b>	<b>16,337</b>	<b>14,082</b>
<b>Expenditure on:</b>					
Charitable activities	7,8	395	14,588	917	15,900
<b>Total expenditure</b>	<b>395</b>	<b>14,588</b>	<b>917</b>	<b>15,900</b>	<b>14,708</b>
<b>Net income/(expenditure)</b>	<b>113</b>	<b>(340)</b>	<b>664</b>	<b>437</b>	<b>(626)</b>
Transfers between funds	19	-	(367)	367	-
<b>Net movement in funds before other recognised gains/(losses)</b>	<b>113</b>	<b>(707)</b>	<b>1,031</b>	<b>437</b>	<b>(626)</b>
<b>Other recognised gains/(losses):</b>					
Actuarial gains/(losses) on defined benefit pension schemes	27	-	9,161	-	9,161
<b>Net movement in funds</b>	<b>113</b>	<b>8,454</b>	<b>1,031</b>	<b>9,598</b>	<b>(2,278)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	19	941	(7,592)	22,779	16,128
Net movement in funds		113	8,454	1,031	9,598
<b>Total funds carried forward</b>	<b>19</b>	<b>1,054</b>	<b>862</b>	<b>23,810</b>	<b>16,128</b>

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 33 to 62 form part of these financial statements.

**MOWBRAY EDUCATION TRUST LIMITED**

(A company limited by guarantee)

REGISTERED NUMBER: 07796947

**CONSOLIDATED BALANCE SHEET  
AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	14	23,312	22,772
		<u>23,312</u>	<u>22,772</u>
<b>Current assets</b>			
Debtors	16	1,646	397
Cash at bank and in hand		3,762	3,150
		<u>5,408</u>	<u>3,547</u>
Creditors: amounts falling due within one year	17	(2,218)	(1,380)
<b>Net current assets</b>		<u>3,190</u>	<u>2,167</u>
<b>Total assets less current liabilities</b>		<u>26,502</u>	<u>24,939</u>
Creditors: amounts falling due after more than one year	18	(93)	(112)
<b>Net assets excluding pension liability</b>		<u>26,409</u>	<u>24,827</u>
Defined benefit pension scheme liability	27	(683)	(8,699)
<b>Total net assets</b>		<u><u>25,726</u></u>	<u><u>16,128</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	23,810	22,779
Restricted income funds	19	1,545	1,107
		<u>25,355</u>	<u>23,886</u>
Restricted funds excluding pension asset			
Pension reserve	19	(683)	(8,699)
<b>Total restricted funds</b>		<u>24,672</u>	<u>15,187</u>
<b>Unrestricted income funds</b>	19	1,054	941
<b>Total funds</b>		<u><u>25,726</u></u>	<u><u>16,128</u></u>

The financial statements on pages 28 to 62 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

*Ane Pot.*

**A Frost**

Chair of Trustees

Date: 15 December 2022

The notes on pages 33 to 62 form part of these financial statements.

**MOWBRAY EDUCATION TRUST LIMITED**

(A company limited by guarantee)

REGISTERED NUMBER: 07796947

**ACADEMY TRUST BALANCE SHEET  
AS AT 31 AUGUST 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets	14	23,299	22,752
Investments	15	-	-
		<u>23,299</u>	<u>22,752</u>
<b>Current assets</b>			
Debtors	16	1,607	399
Cash at bank and in hand		3,715	3,070
		<u>5,322</u>	<u>3,469</u>
Creditors: amounts falling due within one year	17	(2,196)	(1,354)
<b>Net current assets</b>		<u>3,126</u>	<u>2,115</u>
<b>Total assets less current liabilities</b>		<u>26,425</u>	<u>24,867</u>
Creditors: amounts falling due after more than one year	18	(93)	(112)
<b>Net assets excluding pension liability</b>		<u>26,332</u>	<u>24,755</u>
Defined benefit pension scheme liability	27	(683)	(8,699)
<b>Total net assets</b>		<u><u>25,649</u></u>	<u><u>16,056</u></u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	19	23,810	22,779
Restricted income funds	19	1,534	1,054
Restricted funds excluding pension liability	19	25,344	23,833
Pension reserve	19	(683)	(8,699)
<b>Total restricted funds</b>	19	<u>24,661</u>	<u>15,134</u>
Unrestricted income funds			
Unrestricted funds excluding pension asset	19	988	922
<b>Total unrestricted income funds</b>	19	<u>988</u>	<u>922</u>
<b>Total funds</b>		<u><u>25,649</u></u>	<u><u>16,056</u></u>



**MOWBRAY EDUCATION TRUST LIMITED**

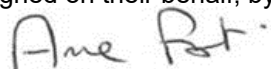
**(A company limited by guarantee)**

**REGISTERED NUMBER: 07796947**

**ACADEMY TRUST BALANCE SHEET (CONTINUED)**

**AS AT 31 AUGUST 2022**

The financial statements on pages 28 to 62 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



**A Frost**

Chair of Trustees

Date: 15 December 2022

The notes on pages 33 to 62 form part of these financial statements.

**MOWBRAY EDUCATION TRUST LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

	<b>Note</b>	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	21	513	924
<b>Cash flows from investing activities</b>			
	23	118	(348)
<b>Cash flows from financing activities</b>			
	22	(19)	2
<b>Change in cash and cash equivalents in the year</b>		612	578
Cash and cash equivalents at the beginning of the year		3,150	2,572
<b>Cash and cash equivalents at the end of the year</b>	24, 25	<u>3,762</u>	<u>3,150</u>

The notes on pages 33 to 62 form part of these financial statements

## **MOWBRAY EDUCATION TRUST LIMITED**

**(A company limited by guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022**

#### **1. Accounting policies**

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

##### **1.1 Basis of preparation of financial statements**

The financial statements of the Group, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Mowbray Education Trust Limited is a charitable company (the "Academy Trust"). The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees Report.

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

## MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 1. Accounting policies (continued)

##### 1.3 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated statement of financial activities in the year for which it is receivable and any abatement in respect of the year is deducted from income and recognised as a liability.

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

- **Donations**

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

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Group 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.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

##### 1.5 Interest receivable

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

**MOWBRAY EDUCATION TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**1. Accounting policies (continued)**

**1.6 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.

**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 Consolidated 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 Consolidated 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:

The estimated useful lives are as follows:

Long-term leasehold property	- 50 years
Furniture and equipment	- 15 years
Computer equipment	- 3 years
Motor vehicles	- 10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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 Consolidated statement of financial activities.

**1.8 Investments**

The Academy Trust's shareholding in the wholly owned subsidiary, Mowbray Education Trust Services Limited, is initially measured at cost and subsequently measured at cost less impairment.

**1.9 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.

**MOWBRAY EDUCATION TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**1. Accounting policies (continued)**

**1.10 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.

**1.11 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 Group anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**1.12 Financial instruments**

The Group only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Group 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 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

**1.13 Operating leases**

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

**MOWBRAY EDUCATION TRUST LIMITED**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**1. Accounting policies (continued)**

**1.14 Pensions**

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Group 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 Consolidated statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

**1.15 Fund accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Group 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.

## MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

#### 2. 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.

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 27, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The assessment of the useful economic lives and the method of depreciating fixed asset requires judgement. Depreciation is charged to the Statement of Financial Activities based on the useful economic life selected, which requires an estimation of the period and profile over which the Academy Trust expects to consume the future economic benefits embodied in the assets.

Critical areas of judgement:

The judgements (apart from those requiring estimation) that have the most significant effect on the amounts recognised in the financial statements are discussed below:

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Academy Trust as lessee.

The classification of expenditure between restricted and unrestricted funds is considered a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material, the expenditure is apportioned to both funding streams on an appropriate basis.

#### 3. Income from donations and capital grants

	Unrestricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000	Total funds 2021 £000
Donations	15	-	15	26
Capital Grants	-	1,581	1,581	158
<b>Total 2022</b>	<b>15</b>	<b>1,581</b>	<b>1,596</b>	<b>184</b>
<b>Total 2021</b>	<b>26</b>	<b>158</b>	<b>184</b>	



**MOWBRAY EDUCATION TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**4. Funding for the Academy Trust's charitable activities**

	<b>Restricted funds 2022 £000</b>	<b>Total funds 2022 £000</b>	<b>Total funds 2021 £000</b>
<b>DfE/ESFA grants</b>			
General Annual Grant	12,148	12,148	10,998
Other DfE/ESFA grants			
Pupil premium	582	582	553
UIFSM	119	119	159
Supplementary grant	148	148	-
Teachers' pay	-	-	547
Other DfE/ESFA	202	202	176
	13,199	13,199	12,433
<b>Other Government grants</b>			
Special education projects	581	581	650
Local Authority grants	369	369	362
	950	950	1,012
<b>Other income from the Academy Trust's educational activities</b>	-	-	73
<b>COVID-19 additional funding (DfE/ESFA)</b>			
COVID-19 catch-up premium	-	-	198
COVID-19 recovery premium	72	72	-
School led tutoring grant	27	27	-
Other DfE / ESFA COVID-19 funding	-	-	30
	99	99	228
<b>Total 2022</b>	14,248	14,248	13,746
<b>Total 2021</b>	13,746	13,746	

The academy trust received £72,000 of COVID recovery premium funding in the year and costs incurred in respect of this funding totalled £72,000.

The academy trust also received £43,000 of School Led Tutoring funding in the year and costs incurred in respect of this funding totalled £27,000, with the remaining balance of £16,000 included in creditors as this is subject to clawback from the ESFA.

**MOWBRAY EDUCATION TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**5. Income from other trading activities**

	<b>Unrestricted funds 2022 £000</b>	<b>Total funds 2022 £000</b>	<b>Total funds 2021 £000</b>
Hire of facilities	28	28	11
Academy trips	395	395	59
Other income	69	69	81
<b>Total 2022</b>	<u>492</u>	<u>492</u>	<u>151</u>
<b>Total 2021</b>	<u>151</u>	<u>151</u>	

**6. Investment income**

	<b>Total funds 2022 £000</b>	<b>Total funds 2021 £000</b>
Investment income	<u>1</u>	<u>1</u>

**7. Expenditure**

	<b>Staff Costs 2022 £000</b>	<b>Premises 2022 £000</b>	<b>Other 2022 £000</b>	<b>Total 2022 £000</b>	<b>Total 2021 £000</b>
Direct costs - Educational Activities:					
Direct costs	10,833	-	935	11,768	10,422
Allocated support costs	1,235	806	2,091	4,132	4,286
<b>Total 2022</b>	<u>12,068</u>	<u>806</u>	<u>3,026</u>	<u>15,900</u>	<u>14,708</u>
<b>Total 2021</b>	<u>11,123</u>	<u>1,940</u>	<u>1,645</u>	<u>14,708</u>	

**MOWBRAY EDUCATION TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2022 £000</b>	<b>Support costs 2022 £000</b>	<b>Total funds 2022 £000</b>	<b>Total funds 2021 £000</b>
Educational activities	11,768	4,132	15,900	14,708
<b>Total 2021</b>	<b>10,422</b>	<b>4,286</b>	<b>14,708</b>	

**Analysis of support costs**

	<b>Educational Activities 2022 £000</b>	<b>Total funds 2022 £000</b>	<b>Total funds 2021 £000</b>
Pension finance costs	152	152	113
Staff costs	1,235	1,235	1,263
Depreciation	924	924	571
Catering	280	280	288
Recruitment and support	26	26	40
Maintenance of premises	222	222	824
Cleaning	317	317	310
Rent and rates	65	65	60
Energy	202	202	145
Insurance	48	48	(17)
Security and transport	51	51	50
Technology costs	289	289	337
Office overheads	202	202	186
Professional costs	79	79	66
Bank interest and charges	12	12	5
Governance costs	25	25	42
Other Costs	3	3	3
<b>Total 2022</b>	<b>4,132</b>	<b>4,132</b>	<b>4,286</b>

**MOWBRAY EDUCATION TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**9. Net income/(expenditure)**

Net income/(expenditure) for the year includes:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Operating lease rentals	73	82
Depreciation of tangible fixed assets	924	571
Fees paid to auditors for:		
- audit	16	20
- audit (subsidiary)	2	2
- other services	9	18
	734	681

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>Group</b>	<b>Group</b>	<b>Academy</b>	<b>Academy</b>
	<b>2022</b>	<b>2021</b>	<b>Trust</b>	<b>Trust</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Wages and salaries	8,137	7,715	8,016	7,611
Social security costs	782	723	778	718
Pension costs	2,856	2,352	2,847	2,339
	11,775	10,790	11,641	10,668
Agency staff costs	273	324	273	324
Staff restructuring costs	20	9	20	9
	12,068	11,123	11,934	11,001

Staff restructuring costs comprise:

	<b>Group</b>	<b>Group</b>	<b>Academy</b>	<b>Academy</b>
	<b>2022</b>	<b>2021</b>	<b>Trust</b>	<b>Trust</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Redundancy payments	-	9	-	9
Severance payments	20	-	20	-
	20	9	20	9

**MOWBRAY EDUCATION TRUST LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**10. Staff (continued)**

**b. Severance payments**

The Group paid 2 severance payments in the year, disclosed in the following bands:

	<b>Group 2022 No.</b>
£0 - £25,000	2

**c. Special staff severance payments**

Included in staff restructuring costs are two non-statutory/ non-contractual severance payments totalling £19,500 (2021: £Nil). Individually, the payments were £9,500 and £10,000.

**d. Staff numbers**

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>	<b>Academy Trust 2022 No.</b>	<b>Academy Trust 2021 No.</b>
Teachers	139	128	139	128
Administration and support	209	209	196	201
Management	11	9	11	9
	359	346	346	338

The average number of employees on a full time equivalent basis is 256 (2021: 247).

**MOWBRAY EDUCATION TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2022**

**10. Staff (continued)**

**e. Higher paid staff**

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>
In the band £60,001 - £70,000	7	4
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	1	-
In the band £100,001 - £110,000	-	1
In the band £130,001 - £140,000	2	-
	2	-

**f. Key management personnel**

The key management personnel of the Group 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 Group was £1,021,466 (2021 - £925,857 ).

**11. Central services**

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

- human resource and payroll services;
- oversight and co-ordination of financial services;
- oversight and co-ordination of estates and health and safety;
- provision of IT management and support;
- provision of communications and marketing support; and
- executive management.

The Group charges for these services on the following basis:

- 6% of GAG income for primary schools;
- 8.5% of GAG income for secondary schools;
- Plus £100 per pupil charge.

**MOWBRAY EDUCATION TRUST LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
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**11. Central services (continued)**

The actual amounts charged during the year were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
AB Kettleby School	29	28
Brownlow Primary School	193	188
John Ferneley College	640	621
Somerby Primary School	24	24
The Grove Primary School	61	59
Sherard Primary School	144	124
<b>Total</b>	<b>1,091</b>	<b>1,044</b>

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 August 2022, no Trustee expenses have been incurred (2021 - £NIL).

**13. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Group 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2022 was £4,294 (2021 - £4,292). The cost of this insurance is included in the total insurance cost.

**14. Tangible fixed assets**

**Group**

	<b>Long-term leasehold property</b>	<b>Assets under construction</b>	<b>Furniture and equipment</b>	<b>Computer equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Cost or valuation</b>						
At 1 September 2021	25,960	-	1,159	266	27	27,412
Additions	-	438	946	80	-	1,464
At 31 August 2022	25,960	438	2,105	346	27	28,876

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**14. Tangible fixed assets (continued)**

**Group (continued)**

	Long-term leasehold property £000	Assets under construction £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Depreciation</b>						
At 1 September 2021	3,967	-	454	194	25	4,640
Charge for the year	747	-	129	-	-	924
At 31 August 2022	4,714	-	583	242	25	5,564
<b>Net book value</b>						
At 31 August 2022	21,246	438	1,522	104	2	23,312
At 31 August 2021	21,993	-	705	72	2	22,772



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**14. Tangible fixed assets (continued)**

**Academy Trust**

	Long-term leasehold property £000	Assets under constructio n £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<b>Cost or valuation</b>						
At 1 September 2021	25,960	-	1,129	263	27	27,379
Additions	-	438	946	80	-	1,464
At 31 August 2022	<u>25,960</u>	<u>438</u>	<u>2,075</u>	<u>343</u>	<u>27</u>	<u>28,843</u>
<b>Depreciation</b>						
At 1 September 2021	3,967	-	441	194	25	4,627
Charge for the year	747	-	123	47	-	917
At 31 August 2022	<u>4,714</u>	<u>-</u>	<u>564</u>	<u>241</u>	<u>25</u>	<u>5,544</u>
<b>Net book value</b>						
At 31 August 2022	<u><u>21,246</u></u>	<u><u>438</u></u>	<u><u>1,511</u></u>	<u><u>102</u></u>	<u><u>2</u></u>	<u><u>23,299</u></u>
At 31 August 2021	<u><u>21,993</u></u>	<u><u>-</u></u>	<u><u>688</u></u>	<u><u>69</u></u>	<u><u>2</u></u>	<u><u>22,752</u></u>

**MOWBRAY EDUCATION TRUST LIMITED****(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022****15. Fixed asset investments**

Mowbray Education Trust Limited owns 100% of the share capital of Mowbray Education Trust Services Limited (company number 09757861) and the company is registered in England and Wales. The cost of the investment is £1. The company's registered office is c/o John Ferneley College, Scalford Road, Melton Mowbray, Leicestershire, LE13 1LH. The results of the subsidiary undertaking are consolidated in the Group financial statements and the audited accounts have been filed with the Registrar of Companies.

The principal activity of the company is to carry on the trading activities of the schools in the parent charity including operating a day nursery, the Oasis Family Centre. The following is a summary of the financial statements of Mowbray Education Trust Services Limited for the year ended 31 August 2022.

<b>Profit and loss account</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Turnover	198	210
Cost of sales	(137)	(129)
Administrative expenses	(56)	(38)
(Loss) / Profit for the financial year	<b>5</b>	<b>43</b>
<b>Balance sheet</b>		
Fixed assets	13	20
Current assets	86	80
Creditors: amounts falling due within one year	(75)	(81)
Net assets	<b>24</b>	<b>19</b>

**16. Debtors**

	<b>Group 2022 £000</b>	<b>Group 2021 £000</b>	<b>Academy Trust 2022 £000</b>	<b>Academy Trust 2021 £000</b>
<b>Due within one year</b>				
Trade debtors	17	5	17	5
Prepayments and accrued income	1,434	327	1,395	329
VAT recoverable	195	65	195	65
	<u>1,646</u>	<u>397</u>	<u>1,607</u>	<u>399</u>

**MOWBRAY EDUCATION TRUST LIMITED**  
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**17. Creditors: Amounts falling due within one year**

	<b>Group 2022 £000</b>	<b>Group 2021 £000</b>	<b>Academy Trust 2022 £000</b>	<b>Academy Trust 2021 £000</b>
Other loans	19	19	19	19
Trade creditors	1,235	720	1,230	714
Other taxation and social security	180	160	180	160
Other creditors	248	196	248	196
Accruals and deferred income	536	285	519	265
	<u>2,218</u>	<u>1,380</u>	<u>2,196</u>	<u>1,354</u>

	<b>Group 2022 £000</b>	<b>Group 2021 £000</b>	<b>Academy Trust 2022 £000</b>	<b>Academy Trust 2021 £000</b>
Deferred income at 1 September 2021	133	234	114	221
Resources deferred during the year	129	133	115	114
Amounts released from previous periods	(133)	(234)	(114)	(221)
	<u>129</u>	<u>133</u>	<u>115</u>	<u>114</u>

Deferred income relates to trip money paid in advance by parents for events occurring in the year ended 31 August 2023 and in respects of government funding received in advance.

**18. Creditors: Amounts falling due after more than one year**

	<b>Group 2022 £000</b>	<b>Group 2021 £000</b>	<b>Academy Trust 2022 £000</b>	<b>Academy Trust 2021 £000</b>
Other loans	93	112	93	112

Included within other loans are various interest free SALIX loans. These loans are unsecured and are repayable over 8 years in 6 monthly instalments.

Included within amounts of £93,000 (2021: £112,000) of creditors: amounts falling due after more than one year, are amounts falling due in more than one year but not more than two years of £19,000 (2021: £19,000), amounts falling due in more than two years but not more than five years £58,000 (2021: £58,000) and amounts due in more than five years £16,000 (2021: 35,000).

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**19. Statement of funds**

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Unrestricted funds</b>						
General income funds	941	508	(388)	(20)	-	1,041
Fixed asset funds	-	-	(7)	20	-	13
	<u>941</u>	<u>508</u>	<u>(395)</u>	<u>-</u>	<u>-</u>	<u>1,054</u>
<b>Restricted general funds</b>						
General Annual Grant (GAG)	855	12,148	(11,102)	(367)	-	1,534
UiFSM grant	-	119	(119)	-	-	-
Pupil Premium	-	582	(582)	-	-	-
Catch up premium	198	-	(198)	-	-	-
COVID-19 Recovery premium	-	72	(72)	-	-	-
School Led Tutoring grant	-	27	(27)	-	-	-
Supplementary grant	-	148	(148)	-	-	-
Other DfE/ESFA grants	-	202	(202)	-	-	-
Local Authority and other government grants	54	950	(993)	-	-	11
Pension reserve	(8,699)	-	(1,145)	-	9,161	(683)
	<u>(7,592)</u>	<u>14,248</u>	<u>(14,588)</u>	<u>(367)</u>	<u>9,161</u>	<u>862</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2022**

**19. Statement of funds (continued)**

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Restricted fixed asset funds</b>						
Transfer on conversion	21,953	-	-	(21,953)	-	-
Other DfE/ESFA capital grants	511	-	-	(511)	-	-
Capital expenditure from GAG	315	-	-	(315)	-	-
Fixed assets	-	-	(917)	24,216	-	23,299
Capital grants	-	1,581	-	(958)	-	623
Capital loans (SALIX)	-	-	-	(112)	-	(112)
	<u>22,779</u>	<u>1,581</u>	<u>(917)</u>	<u>367</u>	<u>-</u>	<u>23,810</u>
<b>Total Restricted funds</b>	<u>15,187</u>	<u>15,829</u>	<u>(15,505)</u>	<u>-</u>	<u>9,161</u>	<u>24,672</u>
<b>Total funds</b>	<u><u>16,128</u></u>	<u><u>16,337</u></u>	<u><u>(15,900)</u></u>	<u><u>-</u></u>	<u><u>9,161</u></u>	<u><u>25,726</u></u>

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Academy Trust's funding agreement.

Other grants and income, which include other ESFA / DfE grants (including Pupil Premium, PE, UIFSM, Teachers' Pay and Pension grants, Supplementary grants), Local Authority funding, and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Restricted fixed asset funds represent the investment in fixed assets of the Academy Trust, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the schools, together with any capital expenditure that is recognised on the balance sheet. Any unspent capital grants are also reflected within the balance of the restricted fixed asset funds.

During the year a net amount of £367,000 was transferred into fixed asset funds. £480,000 was transferred from restricted general funds, reflecting the use of revenue reserves to fund fixed asset additions that were not funded by capital grants. £112,000 was transferred to restricted general funds, reflecting the allocation of the SALIX loans as a capital balance.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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**19. Statement of funds (continued)**

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

	<b>Balance at 1 September 2020 £000</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Transfers in/out £000</b>	<b>Balance at 31 August 2021 £000</b>
<b>Unrestricted funds</b>					
General income funds	772	178	(21)	12	941
<b>Restricted general funds</b>					
General Annual Grant (GAG)	405	10,998	(10,341)	(207)	855
UiFSM grant	-	159	(159)	-	-
Pupil Premium	-	553	(553)	-	-
Catch up premium	-	198	-	-	198
Other DfE/ESFA grants	-	30	(30)	-	-
Local Authority and other government grants	14	1,012	(960)	(12)	54
Teachers pay	-	547	(547)	-	-
Others	-	176	(176)	-	-
Pension reserve	(6,354)	-	(693)	(1,652)	(8,699)
Other restricted general funds	-	73	(73)	-	-
	<u>(5,935)</u>	<u>13,746</u>	<u>(13,532)</u>	<u>(1,871)</u>	<u>(7,592)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	22,387	-	(434)	-	21,953
Other DfE/ESFA capital grants	1,008	158	(655)	-	511
Capital expenditure from GAG	174	-	(66)	207	315
	<u>23,569</u>	<u>158</u>	<u>(1,155)</u>	<u>207</u>	<u>22,779</u>
<b>Total Restricted funds</b>	<u>17,634</u>	<u>13,904</u>	<u>(14,687)</u>	<u>(1,664)</u>	<u>15,187</u>
<b>Total funds</b>	<u><u>18,406</u></u>	<u><u>14,082</u></u>	<u><u>(14,708)</u></u>	<u><u>(1,652)</u></u>	<u><u>16,128</u></u>

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**19. Statement of funds (continued)**

**Total funds analysis by academy**

Fund balances at 31 August 2022 were allocated as follows:

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Ab Kettleby School	175	69
Brownlow Primary School	632	400
John Ferneley College	778	893
Somerby Primary School	111	108
Mowbray Education Trust [Central Services]	160	45
The Grove Primary School	276	228
Sherard Primary School	390	233
Mowbray Education Trust Services Limited	77	72
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	2,599	2,048
Restricted fixed asset fund	23,810	22,779
Pension reserve	(683)	(8,699)
	<hr/>	<hr/>
<b>Total</b>	<b>25,726</b>	<b>16,128</b>
	<hr/> <hr/>	<hr/> <hr/>

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**19. Statement of funds (continued)**

**Total cost analysis by academy**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2022 £000	Total 2021 £000
Ab Kettleby School	254	36	32	60	382	402
Brownlow Primary School	1,738	178	89	330	2,335	2,484
John Ferneley College	5,014	123	328	960	6,425	6,337
Somerby Primary School	294	16	21	58	389	373
Mowbray Education Trust [Central Services]	125	554	19	312	1,010	1,017
The Grove Primary School	618	110	54	162	944	958
Sherard Primary School	1,667	213	81	211	2,172	2,768
Mowbray Education Trust Services Limited	129	5	7	33	174	167
<b>Academy Trust</b>	<b>9,839</b>	<b>1,235</b>	<b>631</b>	<b>2,126</b>	<b>13,831</b>	<b>14,506</b>



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**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2022 £000</b>	<b>Restricted funds 2022 £000</b>	<b>Restricted fixed asset funds 2022 £000</b>	<b>Total funds 2022 £000</b>
Tangible fixed assets	13	-	23,299	23,312
Current assets	1,041	3,744	623	5,408
Creditors due within one year	-	(2,199)	(19)	(2,218)
Creditors due in more than one year	-	-	(93)	(93)
Provisions for liabilities and charges	-	(683)	-	(683)
<b>Total</b>	<b>1,054</b>	<b>862</b>	<b>23,810</b>	<b>25,726</b>

**Analysis of net assets between funds - prior year**

	<b>Unrestricted funds 2021 £000</b>	<b>Restricted funds 2021 £000</b>	<b>Restricted fixed asset funds 2021 £000</b>	<b>Total funds 2021 £000</b>
Tangible fixed assets	20	-	22,752	22,772
Current assets	921	2,599	27	3,547
Creditors due within one year	-	(1,380)	-	(1,380)
Creditors due in more than one year	-	(112)	-	(112)
Provisions for liabilities and charges	-	(8,699)	-	(8,699)
<b>Total</b>	<b>941</b>	<b>(7,592)</b>	<b>22,779</b>	<b>16,128</b>

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

	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Net income/(expenditure) for the year (as per Statement of financial activities)	437	(626)
<b>Adjustments for:</b>		
Depreciation	924	571
Capital grants from DfE and other capital income	(1,581)	(158)
Interest receivable	(1)	(1)
Defined benefit pension scheme cost less contributions payable	993	580
Defined benefit pension scheme finance cost	152	113
(Increase)/decrease in debtors	(1,249)	925
Increase/(decrease) in creditors	838	(480)
<b>Net cash provided by operating activities</b>	<b>513</b>	<b>924</b>

**22. Cash flows from financing activities**

	<b>Group</b>	<b>Group</b>
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Cash inflows from new borrowing	-	20
Repayments of borrowing	(19)	(18)
<b>Net cash (used in)/provided by financing activities</b>	<b>(19)</b>	<b>2</b>

**23. Cash flows from investing activities**

	<b>Group</b>	<b>Group</b>
	<b>2022</b>	<b>2021</b>
	<b>£000</b>	<b>£000</b>
Interest receivable	1	1
Purchase of tangible fixed assets	(1,464)	(507)
Capital grants from DfE Group	1,581	158
<b>Net cash provided by/(used in) investing activities</b>	<b>118</b>	<b>(348)</b>

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**24. Analysis of cash and cash equivalents**

	<b>Group 2022 £000</b>	<b>Group 2021 £000</b>
Cash in hand and at bank	3,762	3,150
	3,762	3,150

**25. Analysis of changes in net debt**

	<b>At 1 September 2021 £000</b>	<b>Cash flows £000</b>	<b>Other non- cash changes £000</b>	<b>At 31 August 2022 £000</b>
Cash at bank and in hand	3,150	612	-	3,762
Debt due within 1 year	(19)	19	(19)	(19)
Debt due after 1 year	(112)	-	19	(93)
	3,019	631	-	3,650

**26. Capital commitments**

	<b>Group 2022 £000</b>	<b>Group 2021 £000</b>	<b>Academy Trust 2022 £000</b>	<b>Academy Trust 2021 £000</b>
<b>Contracted for but not provided in these financial statements</b>				
Purchase, construction or development of investment property	612	-	612	-
	612	-	612	-

**27. Pension commitments**

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 Leicestershire 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 2019.

Contributions amounting to £205,000 were payable to the schemes at 31 August 2022 (2021 - £196,000) and are included within creditors.

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

**Teachers' Pension Scheme**

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

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

**Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £1,233,000 (2021 - £1,185,000).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Group has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Group 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 2022 was £787,000 (2021 - £758,000), of which employer's contributions totalled £629,000 (2021 - £608,000) and employees' contributions totalled £158,000 (2021 - £150,000). The agreed contribution rates for future years are 24.6 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.

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**27. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2022</b>	<b>2021</b>
	%	%
Rate of increase in salaries	3.55	3.40
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65

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

	<b>2022</b>	<b>2021</b>
	Years	Years
Retiring today		
Males	21.5	21.7
Females	24.0	24.2
Retiring in 20 years		
Males	22.4	22.6
Females	25.7	25.9

**Sensitivity analysis**

Increase in reported value of defined benefit obligations

	<b>2022</b>
	£000
Discount rate -0.1%	266
Mortality assumption - 1 year increase	417
CPI rate +0.1%	20
Pension increase rate (CPI) +0.1%	248

**Share of scheme assets**

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

	<b>At 31</b>	<b>At 31</b>
	<b>August 2022</b>	<b>August 2021</b>
	£000	£000
Equities	5,946	5,276
Bonds	2,729	2,638
Property	877	637
Cash and other liquid assets	195	545
<b>Total market value of assets</b>	<b>9,747</b>	<b>9,096</b>

The actual return on scheme assets was £(13,000) (2021 - £1,577,000).

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**27. Pension commitments (continued)**

The amounts recognised in the Consolidated Statement of Financial Activities are as follows:

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
Current service cost	(1,622)	(1,175)
Past service cost	-	(13)
Interest income	155	122
Interest cost	(307)	(235)
<b>Total amount recognised in the Consolidated Statement of Financial Activities</b>	<u>(1,774)</u>	<u>(1,301)</u>

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

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
<b>At 1 September</b>	17,795	13,220
Current service cost	1,622	1,175
Interest cost	307	235
Employee contributions	158	150
Actuarial (gains)/losses	(9,329)	3,107
Benefits paid	(123)	(105)
Past service costs	-	13
<b>At 31 August</b>	<u>10,430</u>	<u>17,795</u>

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

	<b>2022</b> <b>£000</b>	<b>2021</b> <b>£000</b>
<b>At 1 September</b>	9,096	6,866
Interest income	155	122
Actuarial (losses)/gains	(168)	1,455
Employer contributions	629	608
Employee contributions	158	150
Benefits paid	(123)	(105)
<b>At 31 August</b>	<u>9,747</u>	<u>9,096</u>

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**28. Operating lease commitments**

At 31 August 2022 the Group and the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group</b>	<b>Group</b>	<b>Academy</b>	<b>Academy</b>
	<b>2022</b>	<b>2021</b>	<b>Trust</b>	<b>Trust</b>
	<b>£000</b>	<b>£000</b>	<b>2022</b>	<b>2021</b>
			<b>£000</b>	<b>£000</b>
Not later than 1 year	70	73	70	73
Later than 1 year and not later than 5 years	186	204	186	204
Later than 5 years	535	584	535	584
	<u>791</u>	<u>861</u>	<u>791</u>	<u>861</u>

**29. 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.

**30. Related party transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account:

A Stansfield a spouse of C Stansfield, the Chief Executive Officer, is employed by the academy trust as a support staff member. The appointment was made in open competition and the Chief Executive Officer was not involved in the decision making process regarding appointment. The post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of their relationship to the Chief Executive Officer.

S O'Higgins a spouse of D O'Higgins, a member, is employed by the academy trust as a support staff member. The appointment was made in open competition and the Chief Executive Officer was not involved in the decision making process regarding appointment. The post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of their relationship to the member.

During the year, the Academy Trust recharged its subsidiary undertaking, Mowbray Education Trust Services Limited £45,961 (2021: £66,351) for use of staff and general overheads expenditure and Mowbray Education Trust Services Limited recharged £4,592 (2021: £11,709) to the Academy Trust for governance costs. At the year end, Mowbray Education Trust Services Limited owed the Academy Trust £51,991 (2021: £53,033). A provision of £52,991 (2021: £53,033) has been made against this debt in the Academy Trust's financial statements.

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**31. Post balance sheet events**

An Academy order has been issued for Iveshead school to transfer and join the trust on 1 December 2022.