

**LEARNING TODAY LEADING TOMORROW**  
**(A Company Limited by Guarantee)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 AUGUST 2023**

***Company Limited by Guarantee***  
***Registration Number: 09027131***  
***(England & Wales)***

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS DIRECTORS, TRUSTEES AND ADVISORS**

<b>Members</b>	T Legge D Johnson B Abrams D Noble S Howes
<b>Board of Trustees</b>	T Legge - Chair (appointed 14/10/2022) G Brown (appointed 26/03/2021) L Marsden (appointed 07/02/2020; resigned 01/09/2023) M Chishty (appointed 23/10/2020; resigned 13/01/2023) J Simpson-Vince (appointed 27/10/2019) P Murphy (appointed 17/05/2021; resigned 20/09/2023) S Lowe (appointed 18/02/2022) S Strickland (appointed 12/12/2021; resigned 20/09/2023) G Langley (appointed 18/02/2022) J Beattie (appointed 19/05/2023)
<b>Chief Executive and Accounting Officer</b>	B Mullen
<b>Chief Financial Officer</b>	A Ford
<b>Head of Operations</b>	S Morris (from October 2023)
<b>Rugby Free Primary School Leadership Team</b>	
Headteacher	R Butters
Deputy Headteacher (to 31/08/2023)	N Samra
Assistant Headteacher (from 01/09/2023)	C Colledge
<b>Rugby Free Secondary School Leadership Team</b>	
Headteacher (to 20/02/2023)	S Roberts
Headteacher (from 20/02/2023, DHT prior to this)	I Green
Deputy Headteacher (from 30/04/2023)	R Eadon
Deputy Headteacher (from 01/09/2023)	J Harrison
<b>Principal &amp; Registered Office</b>	Rugby Free Secondary School Anderson Ave Rugby Warwickshire CV23 5PE
<b>Company Registration No</b>	9027131
<b>Independent Auditor</b>	UHY Hacker Young (Birmingham) LLP 9-11 Vittoria Street Birmingham B1 3ND
<b>Bankers</b>	Lloyds Banking Group Citymark 150 Fountainbridge Edinburgh EH3 9PE

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023**

The trustees present their report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2023.

Learning Today Leading Tomorrow aspires to be a sub-regional academy trust covering Warwickshire and surrounding areas. Following the Autumn school census on 5 October 2023, Rugby Free Primary School which opened in September 2015 now operates at full capacity (EYFS to Year 6) with 422 (2022:424) pupils and Rugby Free Secondary School which opened in September 2016 now educates 1,105 (2022: 977) children across years 7 to 13. At full capacity, Rugby Free Secondary School will cater for over 1,200 children from across Rugby and beyond.

**STRUCTURE, GOVERNANCE AND MANAGEMENT****Constitution**

The Academy Trust is a company limited by guarantee with no share capital (registration no: 09027131) and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees for Learning Today Leading Tomorrow are also the directors of the charitable company for the purposes of company law. The charitable company is known as Learning Today Leading Tomorrow.

Details of the trustees who served during the year except as noted are included in the Reference and Administrative details on page 3.

**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.

**Trustees' Indemnities**

Learning Today Leading Tomorrow has in place directors and trustees liability insurance indemnity cover under the DfE's Risk Protection Arrangement.

**Method of Recruitment and Appointment or Election of Directors and Trustees**

There are clearly defined and approved procedures for the selection and appointment of trustees which are outlined in the Company's Standing Orders. These include application, short listing and interviewing procedures. Consideration is given to the skills of directors and trustees which would enhance the effectiveness of the Trust.

**Policies and Procedures Adopted for the Induction and Training of Trustees**

During the year under review the trustees held seven full Board meetings. The training and induction provided for new trustees depends on their existing experience. Where necessary, induction will provide training on charity and educational, legal, and financial matters. All new trustees meet with the Chair of Trustees and Chief Executive Officer and are given a tour of the academies and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents via our online governance online platform. This ensures they are equipped to discharge their duties as trustees.

**Organisational Structure**

The Academy Trust Board is responsible for the overall strategic direction of the trust and for fulfilling statutory duties. The board is responsible for setting general policy, adopting and monitoring the financial plan and budget, monitoring capital expenditure, agreeing legal contracts and for making senior staff appointments.

The Chief Executive Officer is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets.

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

A consistent performance management process and policy is in place across the trust. This cyclical process involves the setting of targets, a mid-year review and a final review. This final review and performance against the targets set are then considered before making a determination of remuneration.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Arrangements for setting pay and remuneration of key management personnel**

The key management team for Learning Today Leading Tomorrow during this financial year was the CEO, the Headteacher of Rugby Free Primary School, the Headteacher of Rugby Free Secondary School and the Trust CFO (0.8FTE).

For key management personnel, the performance management process is carried out by the Chair and Vice Chair of the Trust for the CEO; the CEO and the Chair or Vice-Chair of the Trust for the Headteachers; and the CEO and the Chair of the Audit Committee for the CFO. In making a determination on a pay award, performance against targets are the determining factor and the eventual award is at the discretion of the Trust board.

**Trade union facility time**

The academy had no Trade union officials during 2022/2023.

**Connected Organisations Including Related Party Relationships**

There are no transactions for organisations connected with Learning Today Leading Tomorrow.

**OBJECTIVES AND ACTIVITIES****Objectives and Aims**

The principal object and activity of the charitable company is "to advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum."

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

- to ensure that every child enjoys the same high-quality education in terms of resourcing, teaching and care;
- to raise the standard of educational achievement of all pupils;
- to improve the effectiveness of the academies by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with the local community; and
- to conduct the trust's business in accordance with the highest standards of integrity, probity and openness

In spring 2020, due to the global COVID-19 pandemic, the Trust had to consider the challenges presented by a national lock down and the establishment of far-reaching remote learning practices across the Trust for children and young people from Reception to Year 11. It was important to trustees that the approach to risk management and educational/business continuity did not compromise the above objectives wherever that was possible and within the rules that governed educational delivery as determined by the Department for Education.

**Principal Activities**

The Academy Trust's object in its Articles of Association is to advance for the public benefit in the United Kingdom by establishing, maintaining, carrying on, managing and developing a school offering a broad and balanced curriculum, which includes provision for technical education. Under the Funding Agreement with the Department for Education, the curriculum is further defined to include an emphasis on maximising educational opportunities and improve outcomes for children of all aptitudes, abilities and backgrounds.

**Objectives, Strategies and Activities**

Rugby Free Primary School was set up to meet the need both for additional school places in the Rugby area but also to give local parents a choice in what their children are taught during the important primary school years. The school opened in the north of the town to serve existing residents and those moving into one of the many new housing developments in the area. It opened with two reception classes of up to 30 children each. It has grown to full capacity of 420 (2022: 420) by adding two reception classes each year.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Objectives, Strategies and Activities**

Rugby Free Secondary School opened in Rokeby, in the south of the town but draws students from across Rugby and surrounding areas. It opened with 146 Year 7 pupils and is growing by an additional 180 Year 7 places every year and will cater for over 1,200 pupils when at full capacity. Rugby Free Primary School and Rugby Free Secondary School aim to maximise educational opportunities and improve outcomes for children of all aptitudes, abilities and backgrounds, to enable every child to achieve. To fulfil their vision and mission, Learning Today Leading Tomorrow Trust and schools have a relentless focus on high achievement, supported by robust organisational structures and governance.

We aim to give children and young people in our care the knowledge, skills and experiences to expand their minds and world view to enable them to develop a naturally inquisitive approach to learning and life, fit for an ever-changing world.

Ultimately, we educate and support all children attending our schools to grow into capable and contributing citizens who have developed the personal attributes and characteristics that will enable them to become considerate, self-reliant and confident young people who are ready for the next stage of their lives.

Neither school was inspected during 2021-22 and both schools continue to build on the good Ofsted judgements from May 2018 (RFPS) and July 2022 (RFSS). Both schools aim to be Ofsted Outstanding and the Trust supports them by recruiting and retaining the best staff and ensuring the wellbeing of each child in the school. The Trust is in a good position to consider its next steps in terms of growth, sustainable development and influence.

The Rugby Free Primary School building is designed to provide a physically stimulating environment to achieve our educational objectives and was available for occupation for the opening in September 2015. Rugby Free Secondary School moved into a purposed built state of the art building in February 2020 and plans were approved in Summer 2022 to open a Specialist Resource Provision for children with communication and interaction needs.

Recruitment of pupils is a key task and focuses on open days and evenings advertising, PR, and by working through the networks available to us from the Local Authorities. Both schools recruited to their full PAN for September 2023 and during the year RFSS planned to recruit 30 over PAN in Year 7 in 2023 to support the needs of the LA. RFSS operated across all year groups for the first time in 2022-23 with 998 pupils across Years 7 to 13, RFPS had 424 pupils across all year groups.

**Equal Opportunities Policy**

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

**Disabled Persons**

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the academy. The policy of the trust is to support recruitment and retention of pupils and employees with disabilities. The trust does this by adapting the physical environment, by making support resources available and through training and career development.

**Public Benefit**

The trustees have complied with the duty in Section 17 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set. Learning Today Leading Tomorrow will provide a fully comprehensive education to all pupils in its care. It will comply with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****STRATEGIC REPORT****Achievements and Performance**

Trustees continued to work closely with the Executive Team throughout 2022/2023 to ensure that financial planning for 2023/2024 would lead to further safeguarding of the Trust's financial position as the pandemic persists.

**Schools' performance****Quality of Education:**

The Quality of Education within our schools is of paramount importance. Scrutinised through our Standards and Educational Excellence committee, deep dives have been conducted throughout the year on all key groups and curriculum areas, seeking to maximise impact from investment in resources, time and commitment.

Pupils at RFPS have a very positive view of their learning, with 97% of pupils enjoying their lessons and 99% of parents think that the RFPS curriculum is interesting and challenging for their children. Pupils are taught in class sizes of no more than 30, often having class sizes of around 20 for core subjects or smaller groups for teacher led interventions, allowing a more tailored approach to teaching.

All pupils at RFPS receive a broad and balanced curriculum. During the year, RFPS further embedded the new curriculum design and intent developed in 2021-22 and are now refining it to make sure it meets the needs of all pupils. High levels of subject specific professional development have been provided to teachers to become subject specialists. This has seen a very positive impact of the quality teaching across the whole curriculum. Deep dives have been conducted internally and externally by a School Improvement Advisor, who has seen excellent progress in all subjects that have been monitored.

In all statutory assessments in 2022/23, RFPS achieved above the national and local averages.

Pupils at RFPS particularly excelled in Reading:

- At Key Stage 2, 85% of pupils achieved the expected level whilst 52% were working at Greater Depth
- At Key Sage 1, 77% of pupils achieved expected level with 24% working at Greater Depth
- Phonics pass rate was 90%

In Maths:

- At Key Stage 2, 85% of pupils achieved the expected level whilst 45% were working at Greater Depth
- At Key Sage 1, 78% of pupils achieved expected level with 20% working at Greater Depth

At EYFS, a Good Level of Development improved from 63% in 2022 to 78% in 2023. This 15% rise was due to exceptional teaching and high standards.

All pupils at RFSS receive a broad and balanced curriculum, in line with national curriculum requirements. Students at RFSS have a largely positive view of their learning, with 87% of pupils enjoying their lessons and over 80% of parents think that the RFSS curriculum is interesting and challenging for their child(ren). The school continues to develop the Key Stage 3 curriculum – working with RFPS to enhance the links to the Key Stage 2, especially where gaps due to the COVID pandemic persist.

RFSS continues to prioritise children who require additional support. Students in Years 7 to 9 are taught in class sizes of no more than 32, with some students receiving additional 'booster' sessions in English and Maths. There are typically 10 students in these groups.

RFSS has relentlessly continued to develop the curriculum intent. Contextual information shows that almost 60% of our students experience at least one deprivation indicator, so significant work has been done to ensure that students have access to components that build cultural capital. Departmental documents have been amended to reflect the new whole-school intent. Work is currently ongoing to ensure that middle leaders can articulate the development and effectiveness of their curriculum.

Deep dives have been conducted internally and externally, by a School Improvement Advisor, who has seen progress across the school.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Quality of Education (cont'd)**

GCSE performance demonstrated the positive work that had been achieved with Year 11 students on a daily basis, despite a particular challenge support 14 learners who have not attended school. These children have emotionally based school avoidance (EBSA) and the school pastoral teams work closely with other agencies to encourage children to return to school. The overall P8 score for GCSEs is 0.0 if EBSA students are not included in the data. The A8 figure is an average grade was a 'Standard Pass' (4).

A Level outcomes are also in line with expectations, and all students who applied to university were successful in achieving their place.

**Students destinations**

An intensive CEIAG programme is in place for students in Year 10 and 11. The programme provides students with support around careers, post 16 options which included a Sixth Form taster day and proactive interviews with employers.

Students who were identified as at risk of being NEET are placed on a bespoke coaching programme tailored to individual needs. As a result, there were no NEET students at the end of Year 1. The destination data for students leaving Year 11 included school sixth form (39%), apprenticeships (7%) and FE college (34%). Further, there were no NEET students in Year 13, with destination data being 100%.

All Year 6 children at RFPS made the transition to secondary school successfully, with ten children moving onto the local grammar schools. Trustees are particularly pleased to welcome 40% of RFPS Year 6 pupils to continue their education at RFSS despite there being five closer secondary schools to the primary school.

**Leadership and Management**

Developing current leaders and leaders for the future remains a high priority demonstrated by the high levels of satisfaction amongst staff in relation to professional development and uptake of programmes such as NPQs.

We were delighted that Iain Green, the long-standing deputy with responsibility for Quality of Education was successful in being appointed to the role of headteacher at RFSS during the period, ensuring continuity of the effective work undertaken since the last Ofsted inspection. Over the course of the year, two new deputy headteachers were appointed externally whilst three RFSS middle leaders were successful in their applications to become Assistant Headteachers ensuring both new blood and continuity within the leadership team.

For 2023-23, a new SENDCo has been appointed, along with a Trust leader for SEND & Inclusion. This level of commitment to SEND is to reflect the focus on high numbers of children with EHCPs or other special education need and also the expected growth and development of a Specialist Resource Provision at RFSS.

The SRP is welcoming 14 pupils with communication and interaction difficulties in September 2023 and aims to provide a specialist curriculum tailored to individual pupils' needs but also access to a mainstream curriculum where appropriate and mainstream experience for all.

Across the two schools, Learning Today, Leading Tomorrow Trust has continued to develop a strong professional development offer across our two schools. Our approach is based on the belief that people are our most precious resource. This is demonstrated in how we support, develop and retain the best staff, to achieve our moral purpose of unlocking students' academic and personal potential across our family of schools.

Our approach to Professional Development is based on the continual process of improvement and learning, one that is built on a Trust wider commitment to fostering and developing a culture of continuous learning for all our workforce. The Trust uses a Coaching Triad model, using both the Great Teaching Toolkit and Walkthrus as a vehicle for self and group study. This has had a positive impact on these areas of teaching and student outcomes.

At RFPS an Assistant Headteacher with a specific focus on Professional development was appointed to drive the PD strategy. This enabled RFPS to have a sharp focus and a strategic overview that ensured that PD was having a positive and sustained impact on the quality of teaching and learning.



**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Leadership and Management (cont'd)**

RFPS used the Coaching Triad model which allowed teachers to focus on an area of improvement of their practice from a self-audit form the GTT. 85% of teachers found that this coaching method, improved their teaching significantly.

At RFSS, areas identified in teachers' self-evaluation audits of their teaching using the Great Teaching Toolkit has enabled leaders to support teachers in improving their own teaching through specific, research based professional development. 100% of staff believe professional development to be an integral part of school improvement at both schools, whilst 85% of staff feel that the PD allows them to become better practitioners and develop their career aspirations.

Across the Trust, one member of staff qualified as a SENDCo and 27 members of staff undertook NPQs including:

- Leading Teacher Development
- Leading Teaching
- Leading Literacy
- Leading Behaviour and culture
- NPQSL
- NPQH

There have been high levels of collaborative working between RFPS and RFSS and other local schools, the Rugby Primary consortia, Gateway Alliance, Warwickshire University and the local Lawrence Sheriff Teaching School Hub has had an increasing focus and ensure that we share great practice.

Staff well-being and workload is a priority to leaders. When changes are brought in, they are done sensitively and with careful consideration to workload implications. Over 90% of staff in a recent survey said that "Leaders take into account workload when implementing new initiatives" and that "Leaders are considerate of my well-being".

**Personal Development**

It is evident that personal development has a high profile in our schools. Prioritising the development and delivery of a personalised curriculum that prepares young people in our care for the next stage of their education and life is a key part of delivering our Trust mission.

*Set for Life*, a flexible personal development curriculum across both schools continues to be an area of focus and development, in order to equip our students with the tools to progress outside of school.

The 'Set for Life' curriculum ensures students gain the skills they need to succeed in modern Britain including key elements relating to independent living, health and wellbeing, community and employability. Areas of strength in our work are related to sexuality, gender and disability and there has been an increase in the number of children who have English as an additional language attending the school which provides a unique opportunity to further celebrate our cultural and religious beliefs.

RFPS has a very strong personal development offer for all pupils. Assemblies drive the Set for Life curriculum and are planned specifically to cover all aspects of SMSC development as well as Fundamental British Values and a wider Safeguarding curriculum. However, personal development is also woven through the teaching of all subjects e.g. e-safety through PSHE and Computing curriculums and ecological issues and sustainability through Science, Geography and English.

Within the Set for Life Curriculum, both schools have had a strong focus on careers. At RFPS, careers week was particularly effective, with the pupils choosing a different career to listen to each day out of a choice of 8. Therefore, the children heard about 40 different careers over the week. These sessions were led by parents, trustees, members of the local community or local businesses. At RFSS, careers interviews continued throughout the year, with Year 11 and disadvantaged being targeted first.

Enrichment outside of school remains a high priority including residentials, field trips and educational visits across the curriculum. For example 100% of Year 6 pupils attended residential in Derbyshire and at RFSS, students participated in six Duke of Edinburgh excursions at bronze and silver levels across the year.

Both schools have a rich after school club enrichment offer, offering over a wide range of different clubs each weeks such as Choir, Spanish, Computing, Football, Tennis, Painting. Approximately 60% of our pupils attend at least one of these per week.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Personal Development (cont'd)**

Enrichment is now being tracked through an educational platform called Absolute Education at RFSS. This is showing that attendance to enrichment is steadily improving. An enrichment fair was held to support this. At RFPS more disadvantaged pupils attend extra-curricular clubs than non-disadvantaged, showcasing our drive and commitment to ensure all pupils have access to extra-curricular activities.

**Relationships for Learning**

School/Trust values are the basis of our relationships for learning and impact on all aspects of school life. Our Trust values are evidenced within our curriculum, assemblies and behaviour and relationships.

Attendance is strong across the trust and higher than the national average and the rate of suspension/exclusion reduced in 2022/23 and is significantly lower than other schools locally and nationally. At RFPS, 97% of pupils feel safe at school and have at least one adult that they can talk to. 98% of pupils think that they are taught to respect other pupils.

RFPS has just introduced the Thrive approach to support children who may have experienced trauma or other difficulties. This will be embedded over the next academic year and also introduced at RFSS.

**Community and Parental Engagement**

Parental voice through Trust parent/carer surveys tells us that parents and carers hold our schools and staff in high regard and both have a very good reputation in the local community, with waiting lists in every year group at both schools and double the number of first choices for Year 7 places for the forthcoming year. There are effective Parents and Careers Advisory Boards (PCAB) at both RFPS and RFSS. The PCABs made a significant contribution to the development plan over the year.

Collaborative working between the schools and with other local schools and Rugby based consortia and the local Teaching Schools Hub has had an increasing focus and will continue to be a priority as the Trust grows in the future.

Parent voice has been very positive with an average of 90% of parents thinking that their child's school delivers a good education and would recommend the school to another parent.

**Safeguarding**

Safeguarding our children and young people continues to have a high priority and an internal audit report of safeguarding and health and safety practice delivered a 'substantial level of assurance' report in July 2024.

Safeguarding is very effective at both schools, pupils feel safe and parents believe their children are safe at school. 100% of staff think that pupils are safe at school and that safeguarding is a main priority at school. Over 95% of staff members recorded at least one safeguarding concern this year, demonstrating a culture of vigilance across the school.

**Key Financial Performance Indicators**

The academy trust established a financial budget at the start of the year and the Board to monitor performance against budget during the period. Further financial and non-financial indicators will be introduced as the trust develops. The trustees consider that the following are key performance indicators for the academy trust moving forward:

	<b>2023</b>	<b>2022</b>
Pupil numbers	1,527	1,401
Staff Numbers (Average Headcount)	166	161
Staff Costs (Including on-costs) as a % of total revenue income	81%	82%
Total revenue expenditure per pupil	£5,819	£5,746
Average salary (excluding on-costs)	£31,970	£29,217

**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, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****FINANCIAL REVIEW****Overview**

The principal source of funding for the academy trust is the General Annual Grant for both schools. Both schools had Project Development Grants during the pre-opening stages. Most of the academy's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The academy also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023, total expenditure was £10,152,000 (2022: £9,489,000). After adjusting for the FRS102 pension charge, capital grant income and depreciation there is an operational surplus for the year of £250,000 (2022: £235,000 surplus).

At 31 August 2023 the net book value of fixed assets was £31,341,000 (2022: £32,006,000) and movements in tangible fixed assets are shown in note 13 to the financial statements. This includes the valuation of the land and buildings. The assets are used exclusively for providing education and the associated support services to the pupils of the academy.

The academy was admitted to the Local Government Pension Scheme (LGPS) on a fully funded basis as at 1 September 2017, with there being no past service liabilities or assets. The deficit in the scheme at 31 August 2023 was £252,000 (2022: £228,000).

It should be noted that the balance sheet, income and expenditure, and statement of recognised gains and losses figures will be volatile over time. This is generally because the FRS102 liabilities are largely linked to corporate bond yields whereas the scheme invests a large part of its assets in equities.

**Financial and Risk Management Objectives and Policies**

The trust's financial and risk management objectives are documented in its:

- Official budgets;
- Accounting Policy;
- Financial Regulations Manual;
- Scheme of Delegation;

These documents are available on request, and particular items which warrant specific disclosure are noted within this annual report.

**Reserves Policy**

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of reserves should be equivalent to one month of expenditure, approximately £846,000 (2022: £791,000). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

There are reserves in surplus of £367,000 after deducting 4 weeks working capital requirements (2022: £172,000 surplus).

**Financial Position**

The academy held fund balances at 31 August 2023 of £32,355,000 (2022: £32,763,000) comprising £32,040,000 (2022: £32,498,000) of restricted fixed asset funds, £898,000 (2022: £698,000) of restricted general funds, £252,000 deficit (2022: £228,000 deficit) of restricted pension funds and £315,000 (2022: £265,000) of unrestricted funds.

**Investment Policy**

All investments are made in accordance with the policy of the trust. The trust's policies on investments are one of minimum risk with all investments being held with the trust's bankers or other banking institutions regulated by the Financial Conduct Authority.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)**

The trust will nevertheless seek to maximise interest receipts within this arrangement. This policy will be reviewed in the year ending 31 August 2023. Investments are made with regard to Charity Commission guidance in relation to investments.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Board has considered the risks faced by the trust throughout its normal operational business. It has sought to address the risks faced by the trust by establishing appropriate governance and management arrangements, including the appointment of senior staff and other managers, and establishing robust operational policies. The Board considers that these arrangements have been effective throughout the period being reported.

The Board has built on this success by establishing a formal risk register and management policy, which is overseen by the Audit and Risk Committee. Having conducted a detailed analysis of the reputational, financial and operational risks, this process now formally documents the managerial action that is taking place and has enabled risk management to be more systematic. The level of risk at Trust level is informed by analysis of the relevant finance, progress and achievement data and a measure of compliance with governance, operational and finance procedures within the schools.

At the time of reporting, the trust's identified key risks are:

- the ability to deliver a broad and balanced curriculum that meets the needs of a wide range of children, many of whom have been affected by the recent pandemic;
- the risk of progress and attainment in subject area or at Key Stages being below expectations particularly due to loss of learning and particularly for disadvantaged children;
- the risks associated with attracting new staff of the right calibre and across all subject needs at all levels in the organisation;
- the capacity to grow as an Academy Trust.

Mitigating action, both current and planned, has been identified to address these risks. This is also true of all other risks that have been formally identified which have a lower level of impact and/or likelihood.

**Risk Management**

The trustees have assessed the major risks to which the academy is exposed, in particular those relating to the teaching, provision of facilities and other operational areas of the academy, and its finances. The trustees have implemented a number of systems to assess risks that the school faces. They have introduced operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

**Plans for Future Periods**

Learning Today Leading Tomorrow has two schools, catering for primary and secondary children from across Rugby and further afield. The primary focus for the coming year will be to build solid foundations for Rugby Free Secondary School to achieve positive reports following Ofsted monitoring visits and to achieve a Good inspection judgement at the earliest possible opportunity. An Estates and Facilities manager is being recruited by the Trust for January 2020 to oversee the move into the new RFSS building and develop the estates of the Trust moving forward.

**Fundraising**

Under the provisions of the Charities (Protection and Social Investment) Act 2016 the academy trust approach to fundraising practices is as follows:

- Each school works with a parent-led body 'Friends of RFPS' and 'Friends of RFSS' to raise funds for use within the schools. All events are approved by the Headteacher.
- Both schools organise fundraising activities for the students to raise funds for other charities or recognised national charity events.
- RFPS operates a School Fund that accounts for all monies raised through school events and the Friends of RFPS group.
- All staff or volunteers carrying out fundraising activities are expected to act with fairness, honesty, integrity and openness.

**TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Fundraising (cont'd)**

- All funds collected on behalf of a school must be given to the School Business manager to be accurately recorded, accounted for and banked in accordance with the recognition of income finance procedures.
- If funds are raised by students for another charity, a cheque or online payment will be issued to the intended beneficiary in accordance with the finance procedures.
- We do not work with professional fundraisers.
- Our fundraising conforms to the following recognised standards:
  - No undue pressure is placed on students or staff to donate to a particular charity/charities.
  - No undue pressure is placed on students to apply undue pressure on their family members to donate through a school event for the schools' benefit or a particular charity/charities.
  - Staff must not use their influence over students of the Trust to persuade them to take part in Trust fundraising or external Fundraising.
  - Students are never asked to take part in door to door or street collections.
- The academy trust monitors fundraising carried out on its behalf by agreeing activities, scope, marketing and expected outcomes in advance of the fundraising activity.
- The academy trust has a Trust Complaints procedure which can be used by any internal or external stakeholder who wishes to raise a concern or a complaint relating to fundraising.
- The Academy Trust protects the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate by ensuring the headteachers monitor the activities organised within schools and on their behalf. The Trust does not target people who are not already involved in the school community.

**Auditors**

In so far as the trustees are aware:

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

The auditors, UHY Hacker Young (Birmingham) LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report incorporating a Strategic Report was approved by the Board of Trustees as the company Directors on 8 December 2023 and signed on their behalf by:



.....  
**T Legge**  
**Chair of Trustees**  
**8 December 2023**

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Learning Today Leading Tomorrow 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 Learning Today Leading Tomorrow and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

**Governance**

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

**Trust Board**

The Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
T Legge	6	6
J Simpson - Vince	6	6
G Brown	4	6
F Chishty	1	2
P Murphy	6	6
L Marsden	4	6
S Lowe	5	6
S Strickland	2	6
G Langley	5	6

The Audit and Risk Committee of the Board of Trustees has formally met 6 times during the year. Attendance during the year at meetings of the Audit Committee was as follows:

<b>Trustees</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
G Brown	6	6
L Marsden	6	6
J Simpson-Vince	3	6
G Langley	3	6

**Conflicts of Interest**

Academy trusts must describe the processes they have in place to manage conflicts of interest, including for example (but not limited to) maintaining an up-to-date and complete register of interests, and how the information on this register is used in the day-to-day management and governance of the academy trust. Where relevant, they must also explain how the academy trust avoids conflicts of interest in its ownership or control of any subsidiaries, joint ventures or associates.

**Governance Reviews**

The Academy trust reviews its governance arrangements on an annual basis. During this period, the Trust continued to employ a CEO, CFO, Compliance Officer and HR Advisor and recruited a Trust Business Manager. Trustees undertook a governance self-evaluation in May 2022 utilising the Assurance Framework for Trust governance published by the Confederation of School Trusts. Locally the Sustainable Improvement Board (SIB) and separate Parent/carers Advisory Board (PCAB) continued to operate throughout the period at Rugby Free Secondary School.

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Governance Reviews**

The Academy trust reviews its governance arrangements on an annual basis. During this period, the Trust continued to employ a CEO, CFO, Compliance Officer and HR Advisor and a Trust Business Manager. Trustees undertook a governance self-evaluation in 2023 utilising the Assurance Framework for Trust governance published by the Confederation of School Trusts and the Audit and Risk Committee undertook a committee effectiveness evaluation in the same period. Locally Parent/carer Advisory Boards (PCAB) operated both Rugby Free primary and at Rugby Free Secondary Schools. The PCABs focuses on policies that impact on day-to-day delivery and communication between the school and parent body.

**Review of Value for Money**

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

- Continue to consolidate contracts across both sites wherever possible, currently in the process of consolidating BMS (heating and cooling system).
- Continue to utilise 'back office' staff from both schools interchangeably across the Trust to cover gaps in knowledge and skills and reduce the need to bring in expensive, temporary staff. e.g. premises team, IT and finance team.

**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 ongoing 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 Learning Today Leading Tomorrow for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

**Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the 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 ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The Risk and Control Framework**

Learning Today Leading Tomorrow 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 Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- clear delegation of authority and segregation of duties;
- identification and management of risks.

**GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****The Risk and Control Framework (cont'd)**

The Board of Trustees has considered the need for a specific internal audit function and decided to appoint Tiaa to provide an internal audit programme of work. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included testing:

- minibuss procurement
- safeguarding and Health and safety Policies, safety systems and processes

During the period the internal auditor by sample testing and review of documentary information, identified that adequate controls are in place and operating as intended. The audit noted some areas requiring improvement in order to enhance the control environment, as follows:

- A contracts register be developed centrally for the schools
- Supplier analysis reviews be undertaken quarterly or six monthly

On an annual basis, Tiaa reports to the board of trustees, through the audit and risk committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

**Review of Effectiveness**

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- a Comprehensive ESFA School Resource Management Advisor report.

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

Approved by order of the members of the Board of Trustees on 8 December 2023 and signed on its behalf by:



.....  
**T Legge**  
**Chair of Trustees**



.....  
**B Mullen**  
**Accounting Officer**



**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023**

As accounting officer of Learning Today Leading Tomorrow I have considered my responsibility to notify the Academy Trust Board of trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, including for estates safety and management, under the funding agreement between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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 the ESFA.



.....  
**B Mullen**  
**Chief Executive and Accounting Officer**  
**8 December 2023**

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

The trustees (who act as governors of Learning Today Leading Tomorrow and 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 Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 8 December 2023 and signed on its behalf by:



.....  
**T Legge**  
**Chair of Trustees**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEARNING TODAY, LEADING TOMORROW FOR THE YEAR ENDED 31 AUGUST 2023****Opinion**

We have audited the financial statements of Learning Today, Leading Tomorrow (the charitable company) for the year ended 31 August 2023 which comprise Statement of Financial Activities, the Balance Sheet and the Statement of Cash Flows and notes to the financial statement, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statement 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 Learning Today, Leading Tomorrow's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the financial statements. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEARNING TODAY, LEADING TOMORROW FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the Strategic Report, and the Trustees Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 Learning Today, Leading Tomorrow's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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

Based on our understanding of the Learning Today, Leading Tomorrow and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Learning Today, Leading Tomorrow, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Charities SORP 2019 and Academies Accounts Direction 2022 to 2023. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and the Learning Today, Leading Tomorrow's net income for the year.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEARNING TODAY, LEADING TOMORROW FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)**

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, including correspondence with the Education and Skills Funding Agency review of correspondence with legal advisors, enquiries of management and review of internal audit reports in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

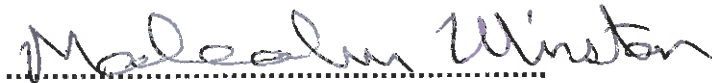
There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEARNING TODAY, LEADING TOMORROW FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Use of our report**

This report is made solely to the Learning Today, Leading Tomorrow'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 Learning Today, Leading Tomorrow's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Learning Today, Leading Tomorrow's and the Learning Today, Leading Tomorrow's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Malcolm Winston****Senior Statutory Auditor****UHY Hacker Young (Birmingham) LLP, Statutory Auditor****9-11 Vittoria Street****Birmingham****B1 3ND****8 December 2023**

**INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO LEARNING TODAY LEADING TOMORROW AND THE EDUCATION FUNDING AND SKILLS AGENCY FOR THE YEAR ENDED 31 AUGUST 2023**

In accordance with the terms of our engagement letter dated 20 July 2023 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether, in all material respects, the expenditure disbursed and income received by the academy trust during the period 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Learning Today Leading Tomorrow and the ESFA in accordance with our engagement letter. Our review has been undertaken so that we might state to the governing body and the ESFA those matters we are required to state to it 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 Learning Today Leading Tomorrow and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Learning Today Leading Tomorrow's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Learning Today Leading Tomorrow funding agreement with the Secretary of State for Education dated 23 March 2015, and the Academy Trust Handbook extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Summary of the work undertaken was as follows:

- Analytical review of the academy trusts general activities are within the academy trusts framework of authorities;
- Consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;
- Review of the general control environment for the academy trust on financial statements and on regularity;

**INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON REGULARITY TO LEARNING TODAY LEADING TOMORROW AND THE EDUCATION FUNDING AND SKILLS AGENCY FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)**

**Approach (con't)**

- Sample testing of expenditure transactions to ensure the activity is permissible within the academy trusts framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the academy trust's delegated authorities;
- Formal representations obtained from the board of trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or trustees;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/strategic business manager or trustees;
- Review of income received in accordance with the activities permitted within the academy trust's charitable objectives.

**Conclusion**

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



**Reporting Accountant**  
**UHY Hacker Young (Birmingham) LLP**  
**9-11 Vittoria Street**  
**Birmingham**  
**B1 3ND**

**8 December 2023**



## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2023

(Including Income and Expenditure Account)

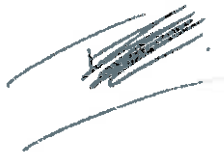
		Restricted				
	Unrestricted	Restricted	Fixed	Total	Total	
	Funds	General	Asset	2023	2022	
Note	£'000	£'000	£'000	£'000	£'000	
<b>Income from:</b>						
Donations and capital grants	3 & 13	-	82	82	146	
<b>Charitable activities:</b>						
- Funding for the academy trust's educational operations	4	-	9,096	9,096	8,095	
Other trading activities	5	148	-	148	196	
Investment income	6	-	-	-	-	
<b>Total</b>		<b>148</b>	<b>9,096</b>	<b>9,326</b>	<b>8,437</b>	
<b>Expenditure on:</b>						
Raising funds	7	98	-	98	98	
<b>Charitable activities:</b>						
- Academy trust's educational operations	7&8	-	9,229	825	10,054	
<b>Total</b>		<b>98</b>	<b>9,229</b>	<b>825</b>	<b>9,489</b>	
<b>Net income/(expenditure)</b>		<b>50</b>	<b>(133)</b>	<b>(743)</b>	<b>(1,052)</b>	
Transfers between funds	16	-	(109)	109	-	
<b>Other recognised gains and losses</b>						
Actuarial gain on defined benefit pension schemes	27	-	418	418	1,707	
<b>Net movement in funds</b>		<b>50</b>	<b>176</b>	<b>(634)</b>	<b>655</b>	
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>	16	<b>265</b>	<b>470</b>	<b>32,028</b>	<b>32,108</b>	
<b>Total funds carried forward</b>	16	<b>315</b>	<b>646</b>	<b>31,394</b>	<b>32,763</b>	

All of the academy trust's activities derive from acquisitions and continuing operations during the above two financial periods.

## BALANCE SHEET AS AT 31 AUGUST 2023

	Note	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible assets	13	<u>31,341</u>	<u>32,006</u>
		<u>31,341</u>	<u>32,006</u>
<b>Current assets</b>			
Debtors	14	242	197
Cash at bank and in hand		<u>1,709</u>	<u>1,789</u>
		<u>1,951</u>	<u>1,986</u>
<b>Current liabilities</b>			
<b>Creditors:</b> Amounts falling due within one year	15	<u>(685)</u>	<u>(1,001)</u>
<b>Net current assets</b>		<u>1,266</u>	<u>985</u>
<b>Total assets less current liabilities</b>		<b>32,607</b>	<b>32,991</b>
Defined benefit pension scheme liability	27	(252)	(228)
<b>Total Net Assets</b>		<u><u>32,355</u></u>	<u><u>32,763</u></u>
<b>Funds of the Academy:</b>			
<b>Restricted funds</b>			
- Fixed asset fund	16	31,394	32,028
- Restricted income fund	16	898	698
- Pension reserve	16	<u>(252)</u>	<u>(228)</u>
<b>Total Restricted Funds</b>		<u>32,040</u>	<u>32,498</u>
<b>Unrestricted income fund</b>	16	<u>315</u>	<u>265</u>
<b>Total unrestricted funds</b>		<u>315</u>	<u>265</u>
<b>Total Funds</b>		<u><u>32,355</u></u>	<u><u>32,763</u></u>

The financial statements on pages 25 to 46 were approved by the trustees and authorised for issue on 8 December 2023 and signed on their behalf by:



.....  
T Legge  
Chair of Trustees

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	20	(2)	864
Cash flows from investing activities	21	(78)	(55)
Cash flows from financing activities	22	-	-
Change in cash and cash equivalents in the reporting period		<u>(80)</u>	<u>809</u>
Cash and cash equivalents at 1 September	23	1,789	980
Cash and cash equivalents at 31 August	23	<u>1,709</u>	<u>1,789</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023****1 Statement of Accounting Policies**

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

**Basis of Preparation**

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

Learning Today Leading Tomorrow meets the definition of a public benefit entity under FRS 102.

**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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the 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

**Income**

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

**• Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

**• Sponsorship income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it can be measured reliably.

**• Donations**

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

**• Other income**

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

**• Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)**

- **Donated goods, facilities and services (cont'd)**

Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'. Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

**Expenditure**

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

- **Governance Costs**

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Governor's meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

**Tangible Fixed Assets**

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

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

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Leasehold buildings	2%
Freehold buildings	2%
Furniture and equipment	10 - 15%
Computer equipment and software	33.33%

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)**

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

Valuations are carried out on each individual class of land and buildings every 5 years. Differences between the carrying value and fair value are recognised as a gain or loss on revaluation. Revaluation gains or losses are recognised in the Statement of Financial Activities, and buildings are then depreciated on their revised cost, at the principle annual rate.

**Leased assets**

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

**Investments**

Not applicable, unless trust has a subsidiary.

**Taxation**

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

**Redundancy and termination payments**

Redundancy and termination costs are recognised as an expense in the Statement of Financial Activities and a liability on the Balance Sheet immediately at the point the Academy Trust is demonstrably committed to either: terminate the employment of an employee or group of employees before normal retirement date; or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy. The Trust is considered to be demonstrably committed only when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal from the plan.

**Pensions Benefits**

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Fund Accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees. Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

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

**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 (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 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**Critical areas of judgement**

The critical judgements that the Trustees have made in the process of applying the Academy Trust's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below:

The critical areas of judgement are accounting for government grants, accounting for the write down of assets through depreciation and accounting for the pension liability. Government grants are accounted for as restricted funds. The pension liability is assessed by an independent actuarial valuation. Depreciation rates are based on the expected life of the asset.

In assessing whether there have been any indicators of impairment assets, the Trustees have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

**2 GENERAL ANNUAL GRANT (GAG)**

Under the funding agreement with the Secretary of State the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023 (See note 16).

3 DONATIONS AND CAPITAL GRANTS	Unrestricted	Restricted	Total	Total
	Funds	Funds	2023	2022
	£'000	£'000	£'000	£'000
Free school capital grant - ESFA	-	-	-	101
Devolved formula capital	-	82	82	27
Donated Assets ESFA - laptops	-	-	-	13
School Fund	-	-	-	2
Other donations	-	-	-	3
	-	82	82	146

The income from donations and capital grants was £82,000 (2022 : £146,000) of which £Nil (2022 : £3,000) was unrestricted, £Nil (2022 : £2,000) restricted and £82,000 (2022 : £141,000) restricted fixed assets.

**4 FUNDING FOR THE ACADEMY TRUST'S EDUCATIONAL OPERATIONS**

	Unrestricted	Restricted	Total	Total
	Funds	Funds	2023	2022
	£'000	£'000	£'000	£'000
<b>DfE/ESFA grants</b>				
General annual grant (GAG) (note 2)	-	6,771	6,771	6,272
Post 16 core funding	-	691	691	461
Rates relief grant	-	55	55	149
<b>Other DfE/ESFA grants</b>				
Start up grant	-	105	105	120
Pupil premium grant	-	349	349	334
Mainstream Additional School grant	-	105	105	-
Teachers pay grant	-	1	1	10
Teachers pension grant	-	30	30	28
UIFSM grant	-	74	74	70
PE and sports grant	-	20	20	66
Supplementary Grant	-	210	210	86
National tutoring programme	-	56	56	34
Other DfE / ESFA grants	-	5	5	6
	-	8,472	8,472	7,602
<b>Other Government grants</b>				
Special Needs Grant - LA	-	314	314	176
Other LA Grants	-	63	63	30
	-	377	377	206
<b>COVID-19 DfE/ESFA additional funding</b>				
Recovery Premium	-	81	81	44
Other DfE /ESFA COVID-19 funding	-	-	-	24
	-	81	81	102
Other income from the academy trust's educational operations				
Other income	-	-	-	17
Pupil catering income	-	166	166	168
	-	9,096	9,096	8,095

The income from the academy trusts's educational operations was restricted for both 2023 and 2022.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

5 OTHER TRADING ACTIVITIES	Unrestricted	Restricted	Total	Total
	Funds	Funds	2023	2022
	£'000	£'000	£'000	£'000
Before and after school club income	111	-	111	169
Rental income	5	-	5	4
Other Income	32	-	32	23
	<u>148</u>	<u>-</u>	<u>148</u>	<u>196</u>

The income from the academy trusts's other trading activities was unrestricted for both 2023 and 2022.

6 INVESTMENT INCOME	Unrestricted	Restricted	Total	Total
	Funds	Funds	2023	2022
	£'000	£'000	£'000	£'000
Bank interest received	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The income from the academy trusts's other investment income was unrestricted for both 2023 and 2022.

7 EXPENDITURE	Staff Costs £'000	Non Pay Expenditure		Total 2023 £'000	Total 2022 £'000
		Premises £'000	Other Costs £'000		
		<b>Expenditure on raising funds</b>			
- Direct costs	-	-	-	-	
- Allocated support costs	-	98	98	98	
<b>Academy's educational operations</b>					
- Direct costs	6,084	543	6,627	5,804	
- Allocated support costs	1,425	646	3,427	3,587	
	<u>7,509</u>	<u>1,356</u>	<u>1,189</u>	<u>10,054</u>	
	<u>7,509</u>	<u>1,356</u>	<u>1,287</u>	<u>9,489</u>	

The expenditure was £10,152,000 (2022 : £9,489,000) of which £98,000 (2022 : £98,000) was unrestricted, £9,229,000 (2022 : £8,505,000) restricted and £825,000 (2022 : £886,000) restricted fixed assets.

Incoming/outgoing resources for the year include:	2023 £'000	2022 £'000
Operating leases rentals	15	14
Depreciation	825	886
Fees payable to auditor for:		
Audit	11	8
Other services	2	3
	<u>2</u>	<u>3</u>

8 CHARITABLE ACTIVITIES	Total	Total
	2023	2022
	£'000	£'000
Direct costs - educational operations	6,627	5,804
Support costs - educational operations	3,427	3,587
	<u>10,054</u>	<u>9,391</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

8 CHARITABLE ACTIVITIES (cont'd)	2023	2022
Analysis of Support Costs	£'000	£'000
Support staff costs	1,425	1,478
Depreciation	825	886
Technology costs	86	94
Premises costs	531	636
Legal costs - other	-	5
Other support costs	467	429
Governance	93	59
	<u>3,427</u>	<u>3,587</u>

## 9 STAFF

a Staff costs	2023	2022
Staff costs during the year were:	£'000	£'000
Wages and salaries	5,307	4,704
Social security costs	481	443
Pension costs	1,606	1,580
	<u>7,394</u>	<u>6,727</u>
Agency staff costs	80	58
Staff restructuring costs	35	32
	<u>7,509</u>	<u>6,817</u>
Staff restructuring costs comprise:		
Redundancy payments	-	15
Severance payments	35	13
Other restructuring costs	-	4
	<u>35</u>	<u>32</u>

## b Staff severance contractual and non contractual payments

The academy trust paid 1 (2022: 3) severance payments in the year, disclosed in the following bands:

	2023	2022
	No	No
0 - £25,000	-	3
£25,001 - £50,000	1	-
	<u>1</u>	<u>-</u>

## c Special staff severance non contractual payments

Included in staff restructuring costs is 1 special severance payment totalling £35,000 (2022 : £12,526). Individually, the payment was £35,000).

## d Staff numbers

The average number of persons (including senior management team) employed by the academy during the year ended 31 August 2023 expressed as whole persons was as follows:

	2023	2022
	No.	No.
<b>Charitable Activities</b>		
Teachers	67	69
Administration and support - including Teaching Assistants	89	79
Management	10	13
	<u>166</u>	<u>161</u>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

**9 STAFF****e Higher paid staff**

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

	2023	2022
	No.	No.
£60,001 - £70,000	1	3
£70,001 - £80,000	1	-
£80,001 - £90,000	1	-
£90,001 - £100,000	1	-
£100,001 - £110,000	1	1

**f Key management personnel**

The key management of the academy trust comprise the trustees and the senior management team as listed on page 3. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £1,281,559 (2022: £1,048,377).

**10 CENTRAL SERVICES**

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

- human resources;
- financial services;
- legal services;
- educational support services.

The multi academy trust charges for these services: 5% to Rugby Free Primary School of general annual grant income and 5% to Rugby Free Secondary School of general annual grant income (2022 included an additional charge of £119,000 payable by Rugby Free Secondary School).

The actual amounts charged during the year were as follows:

	2023	2022
	£'000	£'000
Rugby Free Primary School	90	107
Rugby Free Secondary School	288	354
	<u>378</u>	<u>461</u>

**11 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES**

No trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer received remuneration in respect of her contract of services as CEO and not in respect of her services as trustee. Other trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as trustees. The value of trustees' remuneration and other remuneration was as follows:

During the year ended 31 August 2023, travel and subsistence expenses totalling £Nil (2022: £Nil) were reimbursed or paid directly to Nil trustees.

**12 TRUSTEES' AND OFFICERS' INSURANCE**

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 13 TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings £'000	Freehold Land & Buildings £'000	Furniture & Equipment £'000	Computer Equipment £'000	As Restated Total £'000
<b>Cost</b>					
At 1 September 2022	27,695	5,220	583	1,442	34,940
Additions	-	-	46	114	160
At 31 August 2023	<u>27,695</u>	<u>5,220</u>	<u>629</u>	<u>1,556</u>	<u>35,100</u>
<b>Depreciation</b>					
At 1 September 2022	1,052	267	446	1,169	2,934
Charged in year	498	89	50	188	825
At 31 August 2023	<u>1,550</u>	<u>356</u>	<u>496</u>	<u>1,357</u>	<u>3,759</u>
<b>Net book value</b>					
At 31 August 2023	<u>26,145</u>	<u>4,864</u>	<u>133</u>	<u>199</u>	<u>31,341</u>
At 31 August 2022	<u>26,643</u>	<u>4,953</u>	<u>137</u>	<u>273</u>	<u>32,006</u>

On 20 March 2015 Rugby Free Primary School's freehold land and buildings was purchased by the Education and Skills Funding Agency (ESFA) and donated to Learning Today Leading Tomorrow. On 31 August 2019 the freehold land and buildings was valued by the ESFA using a desktop valuation at £5,220,000.

Leasehold land and buildings has also been donated by Warwickshire County Council on 19 October 2018 on a 125 year leasehold to Rugby Free Secondary School. On 1 September 2020 the leasehold land and buildings was valued by the ESFA using a desktop valuation at £27,695,000.

## 14 DEBTORS

	2023 £'000	2022 £'000
Trade debtors	69	40
VAT recoverable	29	47
Other debtors	33	-
Prepayments	51	52
Accrued Income	60	58
	<u>242</u>	<u>197</u>

## 15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £'000	2022 £'000
Trade creditors	162	98
Taxation and social security	138	120
Accruals	129	173
Deferred income	99	58
Other Creditors	157	552
	<u>685</u>	<u>1,001</u>
<b>Deferred Income</b>		
Deferred income at 1 September	58	114
Resources deferred in the year	99	58
Amounts released from previous years	(58)	(114)
Deferred income at 31 August	<u>99</u>	<u>58</u>

At the balance sheet date the academy was holding funds received in advance for 2022/23 for universal infant free school meals £45,000 (2022: £41,000) and clubs income £54,000 (2022: £17,000).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 16 FUNDS

The income funds of the academy comprise the following balances of grants to be applied for specific purposes:

	Balance at 1 September 2022	Incoming Resources	Resources Expended	Gains, Losses & Transfers	Balance at 31 August 2023
	£'000	£'000	£'000	£'000	£'000
<b>Restricted general funds</b>					
General annual grant (note i)	691	6,771	(6,455)	(109)	898
Post 16 core funding	-	691	(691)	-	-
Local authority special needs grant (note ii)	-	314	(314)	-	-
Local authority grants (note ii)	-	63	(63)	-	-
Pupil premium grant (note iv)	-	349	(349)	-	-
Start up grant (note v)	-	105	(105)	-	-
Teachers pay grant (note v)	-	1	(1)	-	-
Teachers pension grant (note v)	-	30	(30)	-	-
UIFSM grant (note v)	-	74	(74)	-	-
Rates relief grant (note v)	-	55	(55)	-	-
PE and sports grant (note v)	-	20	(20)	-	-
Recovery Premium (note v)	-	81	(81)	-	-
National Tutoring Programme (note v)	-	56	(56)	-	-
Supplementary Grant (note v)	-	210	(210)	-	-
Mainstream Additional School Grant	-	105	(105)	-	-
Pupil catering income	-	166	(166)	-	-
School fund (note vii)	7	-	(7)	-	-
DfE / ESFA grants (note v)	-	5	(5)	-	-
	<b>698</b>	<b>9,096</b>	<b>(8,787)</b>	<b>(109)</b>	<b>898</b>
<b>Restricted fixed asset funds</b>					
Free school capital grant (note viii)	5,237	-	(271)	-	4,966
WCC land and building donation (note xiii)	26,643	-	(498)	-	26,145
DfE/ESFA capital grants (note x)	128	82	(38)	-	172
Capital expenditure transfer (note xi)	20	-	(18)	109	111
	<b>32,028</b>	<b>82</b>	<b>(825)</b>	<b>109</b>	<b>31,394</b>
<b>Restricted pension scheme liability</b>					
Pension reserve	(228)	-	(442)	418	(252)
	<b>(228)</b>	<b>-</b>	<b>(442)</b>	<b>418</b>	<b>(252)</b>
<b>Total Restricted Funds</b>	<b>32,498</b>	<b>9,178</b>	<b>(10,054)</b>	<b>418</b>	<b>32,040</b>
<b>Unrestricted funds</b>					
Unrestricted funds (note xii)	265	148	(98)	-	315
	<b>265</b>	<b>148</b>	<b>(98)</b>	<b>-</b>	<b>315</b>
<b>Total funds</b>	<b>32,763</b>	<b>9,326</b>	<b>(10,152)</b>	<b>418</b>	<b>32,355</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****16 FUNDS*****Notes (Cont'd)***

- i) General annual grant (GAG) must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2023. (see note 2)
- ii) The local authority grant is utilised to meet the special needs of pupils.
- iii) The project development grant is utilised to meet the costs of setting up Rugby Free Secondary School which opened on 5 September 2016, including project management, consultancy, property and legal fees.
- iv) Pupil premium are funds paid to disadvantaged pupils.
- v) Other grants, including rates relief and universal free school meals awarded by the ESFA and for specific purposes.
- vi) Other grants are used to support apprenticeships at the academy.
- vii) School fund are legacy funds from contributions and donations received from parents and other organisations which are used to support the academy trust's activities.
- viii) The free school capital grant is utilised to refurbish the donated land and buildings for school use and £Nil (2022: £Nil) has been transferred to GAG for maintenance purposes.
- ix) On 20 March 2015, Rugby Free Primary School's freehold land and buildings were purchased by the ESFA for £2,875,000 and donated to Learning Today Leading Tomorrow (note 13). On 1 September 2020, Rugby Free Secondary School's freehold land and buildings were valued at £27,695,000. On 31 August 2019, Rugby Free Primary School's freehold land and buildings were valued at £5,220,000
- x) Devolved formula capital grants received from the ESFA to support capital spend at the academy.
- xi) Capital expenditure transfer from GAG or unrestricted funds totalled £109,000 (2022: £11,000).
- xii) Unrestricted funds include receipts from the trust's trading activities and spent at the discretion of the
- xiii) Leasehold land and buildings has also been donated by Warwickshire County Council on 19 October 2018 on a 125 year leasehold to Rugby Free Secondary School. On 1 September 2020 the leasehold land and buildings was valued by the ESFA using a desktop valuation at £27,695,000.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 16 FUNDS (cont'd)

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

	Balance at 1 September 2021 As Restated £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>	<b>559</b>	<b>6,733</b>	<b>(6,590)</b>	<b>(11)</b>	<b>691</b>
General annual grant (note i)	-	176	(176)	-	-
Local authority special needs grant (note ii)	-	30	(30)	-	-
Local authority grants (note ii)	-	334	(334)	-	-
Pupil premium grant (note iv)	-	120	(120)	-	-
Start up grant (note v)	-	10	(10)	-	-
Teachers pay grant (note v)	-	28	(28)	-	-
Teachers pension grant (note v)	-	70	(70)	-	-
UIFSM grant (note v)	-	149	(149)	-	-
Rates relief grant (note v)	-	66	(66)	-	-
PE and sports grant (note v)	-	44	(44)	-	-
Recovery Premium (note v)	-	34	(34)	-	-
National Tutoring Programme (note v)	-	86	(86)	-	-
Supplementary Grant (note v)	-	168	(168)	-	-
Pupil catering income	5	2	-	-	7
School fund (note vii)	-	24	(24)	-	-
DfE / ESFA Covid grants (note v)	-	6	(6)	-	-
DfE / ESFA grants (note v)	-	17	(17)	-	-
Other Grants	<b>564</b>	<b>8,097</b>	<b>(7,952)</b>	<b>(11)</b>	<b>698</b>
<b>Restricted fixed asset funds</b>					
Free school capital grant (note viii)	5,481	101	(345)	-	5,237
WCC land and building donation (note xiii)	27,141	-	(498)	-	26,643
DfE/ESFA capital grants (note x)	122	40	(34)	-	128
Capital expenditure transfer (note xi)	18	-	(9)	11	20
	<b>32,762</b>	<b>141</b>	<b>(886)</b>	<b>11</b>	<b>32,028</b>
<b>Restricted pension scheme liability</b>					
Pension reserve	(1,382)	-	(553)	1,707	(228)
	<b>(1,382)</b>	<b>-</b>	<b>(553)</b>	<b>1,707</b>	<b>(228)</b>
<b>Total Restricted Funds</b>	<b>31,944</b>	<b>8,238</b>	<b>(9,391)</b>	<b>1,707</b>	<b>32,498</b>
<b>Unrestricted funds</b>					
Unrestricted funds (note xii)	164	199	(98)	-	265
	<b>164</b>	<b>199</b>	<b>(98)</b>	<b>-</b>	<b>265</b>
<b>Total funds</b>	<b>32,108</b>	<b>8,437</b>	<b>(9,489)</b>	<b>1,707</b>	<b>32,763</b>
				<b>2023</b>	<b>2022</b>
<b>TOTAL FUNDS ANALYSIS BY ACADEMY</b>				<b>Total</b>	<b>Total</b>
Fund balances at 31 August 2023 were allocated as follows:				<b>£'000</b>	<b>£'000</b>
Rugby Free Primary School				472	386
Rugby Free Secondary School				612	437
Central services				129	140
Total before fixed assets and pension reserve				1,213	963
Restricted fixed assets fund				31,394	32,028
Pension reserve				(252)	(228)
				<b>31,142</b>	<b>31,800</b>
<b>Total</b>				<b>32,355</b>	<b>32,763</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 16 FUNDS (cont'd)

## TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching & Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding Dep'n) £'000	2023 Total £'000	2022 Total £'000
Rugby Primary	1,488	153	102	370	2,113	2,177
Rugby Secondary	4,567	952	441	865	6,825	5,871
Central services	29	320	-	40	389	457
Academy Trust	<u>6,084</u>	<u>1,425</u>	<u>543</u>	<u>1,275</u>	<u>9,327</u>	<u>8,505</u>

## 17 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed assets	-	-	-	31,341	31,341
Current assets	315	-	1,583	53	1,951
Current liabilities	-	-	(685)	-	(685)
Pension scheme liability	-	(252)	-	-	(252)
	<u>315</u>	<u>(252)</u>	<u>898</u>	<u>31,394</u>	<u>32,355</u>

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed assets	-	-	-	32,006	32,006
Current assets	265	-	1,699	22	1,986
Current liabilities	-	-	(1,001)	-	(1,001)
Non-Current Liabilities	-	-	-	-	-
Pension scheme liability	-	(228)	-	-	(228)
	<u>265</u>	<u>(228)</u>	<u>698</u>	<u>32,028</u>	<u>32,763</u>

## 18 CAPITAL COMMITMENTS

	2023 £'000	2022 £'000
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Contracted for, but not provided in the financial statements

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## 19 COMMITMENTS UNDER OPERATING LEASES

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

	2023 Other £'000	2022 Other £'000
- Within one year	16	16
- Between two and five years	19	35
- After five years	-	-
	<u>35</u>	<u>51</u>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 20 RECONCILIATION OF NET DEFICIT TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023	2022
	£'000	£'000
Net deficit for the reporting period (as per the statement of financial activities)	(826)	(1,052)
Adjusted for:		
Fixed asset depreciation (note 13)	825	886
Donated assets from local authority (note 13)	-	(13)
Capital grants from DfE and other capital income (note 3)	(82)	(128)
Defined benefit pension scheme cost less contributions payable (note 27)	432	526
Defined benefit pension scheme finance cost (note 27)	10	27
(Increase)/decrease in debtors	(45)	204
(Decrease)/increase in creditors	(316)	414
<b>Net cash (used in)/provided by operating activities</b>	<b>(2)</b>	<b>864</b>

## 21 CASH FLOWS FROM INVESTING ACTIVITIES

	2023	2022
	£'000	£'000
Purchase of tangible fixed assets	(160)	(183)
Capital grants from DfE/ESFA	82	128
<b>Net cash used in investing activities</b>	<b>(78)</b>	<b>(55)</b>

## 22 CASH FLOWS FROM FINANCING ACTIVITIES

	2023	2022
	£'000	£'000
<b>Net cash provided by financing activities</b>	<b>-</b>	<b>-</b>

## 23 ANALYSIS OF CASH AND CASH EQUIVALENTS

	At 31	At 31
	Aug	Aug
	2023	2022
	£'000	£'000
Cash in hand and at bank	1,709	1,789
<b>Total cash and cash equivalents</b>	<b>1,709</b>	<b>1,789</b>

## 24 ANALYSIS OF CHANGES IN NET DEBT

	At 1 Sept	Cash	At 31
	2022	Flows	Aug
	£'000	£'000	2023
	£'000	£'000	£'000
Cash at bank	1,789	(80)	1,709
Overdraft	-	-	-
	<b>1,789</b>	<b>(80)</b>	<b>1,709</b>
Loans within one year	-	-	-
Loans within more than one year	-	-	-
	<b>1,789</b>	<b>(80)</b>	<b>1,709</b>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****25 CONTINGENT LIABILITIES**

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

As a result of the Harpur Trust v Brazel (2011) case, the Supreme Court has ruled that employees who only work for part of the year are entitled to 5.6 weeks of holiday pay like employees that work all year round. This will potentially impact any employer with term time employees, zero hours employees or other working arrangements which involve employees being employed for a full year, but working only for part of that year.

The government hopes to amend legislation to allow holiday entitlement to be pro-rated for part-year and irregular hours workers, so that annual leave is directly proportionate to the time they spend working. Pending any law change being approved by parliament, there remains a potential obligation for the Trust of uncertain timing, value and likelihood.

**26 MEMBERS' LIABILITY**

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

**27 PENSION AND SIMILAR OBLIGATIONS**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff and the Local Government Pension Scheme (LGPS) for non-teaching staff which is managed by Warwickshire Pension Fund. Both are defined multi employer benefit schemes.

The total pension cost to the Academy during the year ended 31 August 2023 was £1,606,000 (2022 : £1,580,000) of which £875,000 (2022: £783,000) relates to the TPS and £731,000 (2022: £797,000) relates to the LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

Contributions amounting to £145,219 were payable to the schemes at 31 August 2023 (2022: £118,182) and are included within other creditors.

**Teachers' Pension Scheme****Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Scheme Regulations 2014. Membership is automatic for 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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****Valuation of the Teachers' Pension Scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth

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

The employers costs paid to TPS in the year amounted to £875,000 (2022: £783,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contributions made for the year ended 31 August 2023 was £374,000 (2022: £314,000) of which employer's contributions totalled £289,000 (2022: £244,000) and employees contributions totalled £85,000 (2022: £70,000). The agreed contributions for future years for employers are 20.5% (2022: 20.5%) for Rugby Free Primary School and 20.5% (2022: 20.5%) for Rugby Free Secondary School. The average rate of contributions for employees are 5.60% (2022: 6.0%) for Rugby Free Primary School and 5.82% (2022: 6.0%) for Rugby Free Secondary School.

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 liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013 and on 21 July 2022, the Department for Education reaffirmed its commitment to the guarantee, with a parliamentary minute published on GOV.UK.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 27 PENSION AND SIMILAR OBLIGATIONS (cont'd)

## Principal Actuarial Assumptions

The major assumptions used by the actuary were:

	At 31 August 2023	At 31 August 2022
	% per annum	% per annum
Discount rate	5.2%	4.25%
Salary increases	4.0%	3.9%
Pension increases	3.0%	3.1%

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	2023 £'000	2022 £'000
Discount rate decreased by 0.1% per annum	64	54
Salary increased by 0.1%	6	1
Pension increased by 0.1%	59	54

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

	2023 years	2022 years
Longevity at age 65 retiring today		
- Men	21.3	21.6
- Women	23.5	24.1
Longevity at age 65 retiring in 20 years		
- Men	21.0	22.7
- Women	25.7	25.9

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

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Equity instruments	1,120	753
Debt instruments	484	338
Property	309	138
Cash/liquidity	19	25
Total market value of assets	<u>1,932</u>	<u>1,254</u>
<b>Present value of scheme liabilities</b>		
- Funded	(1,932)	(1,254)
- Unfunded	(252)	(228)
Total liabilities	<u>(2,184)</u>	<u>(1,482)</u>
Deficit in the scheme	<u>(252)</u>	<u>(228)</u>

The actual return on the scheme assets in the year was a deficit of £14,000 (2022: £48,000 deficit).

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)

## 27 PENSION AND SIMILAR OBLIGATIONS (cont'd)

## Local Government Pension Scheme (cont'd)

## Amounts recognised in the Statement of Financial Activities

	2023	2022
	£'000	£'000
Current service cost	721	770
Interest income	(61)	(19)
Interest cost	71	46
<b>Total amount recognised in the SOFA</b>	<b>731</b>	<b>797</b>

	2023	2022
	£'000	£'000
<b>Movement in deficit during the year</b>		
Balance brought forward at 1 September	228	1,382
Movement in year:		
Employer service cost (net of employee contributions)	721	770
Employer contributions	(289)	(244)
Expected return on scheme assets	(61)	(19)
Interest cost	71	46
Actuarial gain	(418)	(1,707)
<b>Deficit in the scheme at 31 August</b>	<b>252</b>	<b>228</b>

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

	2023	2022
	£'000	£'000
Scheme liabilities at 1 September	1,482	2,372
Current service cost	721	770
Interest cost	71	46
Contributions by scheme participants	85	70
Benefits paid	(3)	(2)
Actuarial gain	(172)	(1,774)
<b>Scheme liabilities at 31 August</b>	<b>2,184</b>	<b>1,482</b>

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

	2023	2022
	£'000	£'000
Fair value of scheme assets at 1 September	1,254	990
Expected return on scheme assets	61	19
Contributions by employer	289	244
Contributions by scheme participants	85	70
Benefits paid	(3)	(2)
Actuarial gain/(loss)	246	(67)
<b>Fair value of scheme assets at 31 August</b>	<b>1,932</b>	<b>1,254</b>

The estimated value of employer contributions for the year ended 31 August 2024 is £282,000 (2023 : £244,000).

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023 (cont'd)****28 RELATED PARTY TRANSACTIONS**

Owing to the nature of the academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and 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. During the year ended 31 August 2023 there were no such transactions.

In entering into the transactions the trust has complied with the requirements of the Academy Trust Handbook 2022.

No related party transactions took place in the period of account, other than certain trustee's remuneration and expenses already disclosed in note 11.

**29 AGENCY ARRANGEMENTS**

The academy trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ending 31 August 2023 the trust received £8,203 (2022: £1,865) and disbursed £5,564 (2022: £Nil) from the fund. An amount of £4,504 (2022: £1,865) is included in other creditors relating to the undistributed funds that is repayable to the ESFA.

**30 EVENTS AFTER THE END OF THE REPORTING PERIOD**

There are no material adjusting events arising after the balance sheet date.