

**Company registration number 08515149 (England and Wales)**

**SCHOLARS ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

# SCHOLARS ACADEMY TRUST

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# SCHOLARS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Members

J Bryars  
H Elliott  
J Green  
M Johal  
M Kapur OBE

### Trustees

J Berry OBE JP (Resigned 31 March 2023)  
A Fulat  
A Kagdadia  
I Hassall OBE nee Sandhu OBE (Resigned 31 March 2023)  
L Bruce (Resigned 23 August 2023)  
S Richards (Chair)  
R Padgett  
M Garfield  
S Ridley  
G Smith (Vice chair)  
S Coy (Appointed 1 April 2023)

### Executive Management Team

- Chief Executive Officer	I Hassall OBE nee Sandhu OBE (Resigned 31 March 2023)
- Chief Executive Officer	S Coy (Appointed 1 April 2023)
- Education Improvement Lead	K Priddey
- Chief Financial Officer	T Jones
- Chief Operations Officer	M Barrington

### Senior management team

- Head Teacher (Launde Primary School)	K Priddey
- Deputy Head Teacher (Launde Primary School)	S Meer
- KS1 Foundation Leader (Launde Primary School)	M Barratt
- KS2 Leader (Launde Primary School)	C Johnston
- Head Teacher (Glenfield Primary School)	K Martin
- Deputy Head Teacher (Glenfield Primary School)	S Kaur
- Assistant Deputy Head Teacher (Glenfield Primary School)	N Quinn
- Head Teacher (Foxbridge Primary School)	P Bridgford

### Company secretary

R Wood

### Company registration number

08515149 (England and Wales)

### Academies operated

Launde Primary School  
Glenfield Primary School  
Foxbridge Primary School

### Location

Oadby  
Glenfield  
Castle Donington

### Headteacher

K Priddey  
K Martin  
P Bridgwood

# SCHOLARS ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Independent auditor**

Ellacotts Audit Services Limited  
Countrywide House  
23 West Bar  
Banbury  
Oxfordshire  
OX16 9SA  
England

**Bankers**

Lloyds Bank plc

**Solicitors**

Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

# SCHOLARS ACADEMY TRUST

## TRUSTEES' REPORT

### FOR THE YEAR ENDED 31 AUGUST 2023

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

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in Leicestershire. It has a current pupil capacity of 1,110 and had a roll of 1,049 in the school census in May 2023.

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

##### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The trustees of Scholars Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served during the year, and to the date these financial statements are approved, are included in the reference and administrative details on page 1.

##### Members' liability

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

##### Trustees' indemnities

In accordance with normal commercial practice Scholars Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 in total per year on any one claim.

##### Method of recruitment and appointment or election of Trustees

In accordance with the articles of association, members are required to appoint at least four trustees to be responsible for the statutory and constitutional affairs of the trust and managements of the academies.

Trustees are recruited through an application and interview process, which ensures they have the relevant skills to oversee the trust and hold leaders to account.

Staff and parent governors are appointed through nomination and election, in addition the trust board appoints community governors to ensure the governing bodies have the necessary skills. Term of office for trustees and governors is four years, with the exception of the accounting officer who is appointed for the duration of their time in post.

##### Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new trustees and governors is tailored specifically to their previous experience and role. Where necessary, induction will provide training on charity and educational, legal and financial matters. All new Trustees and Governors will be given a tour of the schools in the trust. All trustees are provided with access copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustee or Governor.

This year trustees and governors have continued to undertake training relevant to their needs. This has included induction for new governors, enhancing the role of the Chair of Governors and vice-chairs, Ofsted preparation, academy finance overview, safeguarding, SEN, Pupil Premium and Sports' Premium awareness sessions.

# SCHOLARS ACADEMY TRUST

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

### Organisational structure

The trust structure consists of members, trustees, governors, executive team and head teachers, listed on page 1. The CEO has been appointed as trustee and accounting officer.

The scheme of delegation published on the trust website sets out how decision making is devolved in the trust.

Trustees are responsible for setting general policy, senior staff appointment, approving the annual budget, monitoring the Trust's financial performance and setting the strategic direction of the trust.

Governors monitor and evaluate school performance and hold senior school leaders to account through the school development plan.

Trustees have delegated the powers and functions they consider are required by the CEO, supported by the Executive Team, for the internal organisation, management and control of the Trust, including implementation of all approved policies and the direction of teaching and curriculum delivery.

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

Pay and remuneration of all staff is set out in the Trust's pay policies, which are revised annually and agreed by trustees. The policies set out the framework for making decisions on pay and have been developed to comply with current legislation. All policies have been consulted on with staff.

Head Teacher progression is considered by the pay committee following recommendations from the CEO. CEO pay is reviewed by trustees, and no remuneration payments are made to Trustees outside of the CEO.

### *Relevant union officials*

Number of employees who were relevant union officials during the relevant period	2
Full-time equivalent employee number	2.00

### *Percentage of time spent on facility time*

Percentage of time	Number of employees
0%	2
1%-50%	-
51%-99%	-
100%	-

### *Percentage of pay bill spent on facility time*

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facility time	-

### *Paid trade union activities*

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

Scholars Academy Trust is a multi-academy Trust with three schools, which are listed on page 1. The Trust supports all three schools with their contribution to the Trust's aims and objectives through leadership and administrative functions. The Trust does not have any subsidiaries.

Sarah Ridley, Trustee, is the CEO of The Mead Educational Trust. See note 23 for additional information.

# SCHOLARS ACADEMY TRUST

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

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### Objectives and activities

#### Objects and aims

The objects of the Trust, as set out in the Articles of Association, are specifically restricted to:

- a. to advance for the public benefit in the United Kingdom by establishing, maintaining, carrying on managing and developing schools offering a broad and balanced curriculum and;
- b. To promote for the benefit of inhabitants in the areas in which the academies are situated for the provision of facilities for the recreation or other leisure time occupation of individual who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

#### Objectives, strategies and activities

At Scholars Academy Trust our mission is to 'Strive for Excellence' in every aspect of our Trust Family and enrich the lives of our Scholars' community and beyond. At Scholars, we do this through collaboration and moral leadership to;

- Deliver excellent teaching and learning opportunities through effective support and professional collaborations;
- Enrich lives through inspiring curriculum experiences and high levels of pastoral care and;
- Ensure equity for our students through support, rigour and challenge, acting at the earliest possible opportunity.

#### **We aim to achieve our mission by:**

- Supporting and challenging our leaders, staff and pupils to achieve their best, ensuring the Trust has the skills and expertise to do this;
- Providing a safe and enabling learning environment for all;
- Ensuring that every pupil has the same opportunities to be successful;
- Providing opportunities for the complete learning journey for pupils and staff;
- Ensuring schools have the resources they need for learning;
- Recognising and respecting the individuality of each school and setting;
- Facilitating communities of schools working together for the benefit of all, both in partnerships and across the Trust;
- to raise the standard of educational achievement of all pupils and;
- to provide value for money for the funds expended.

This mission is driven by **The Scholars Six**

1. **Support:** Striving for excellence through rigorous analysis and robust support.
2. **Tenacity:** Striving for excellence through persistent determination and relentless aspiration.
3. **Responsibility:** Striving for excellence through taking responsibility for the impact of our work and reviewing our approach with openness.
4. **Innovation:** Striving for excellence through innovation, creativity and continuous improvement.
5. **Voice:** Striving for excellence through listening and providing a platform for stakeholder voices to be heard.
6. **Equity:** Striving for excellence through ensuring a child centred educational offer.

# SCHOLARS ACADEMY TRUST

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

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### Our overarching aims and non-negotiables:

- All pupils to have access to a high quality, broad and balanced curriculum where the make expected progress as a minimum expectation;
- All pupils to feel safe and secure;
- All schools to be judged at least Good by Ofsted;
- All pupils to have access to well trained and highly effective teachers who belong to a growing community of likeminded professionals and;
- To grow our Trust and partnerships to continue to maximise the talent, expertise and knowledge accessible to support our pupils and learning communities

The key objectives for year ending 31 August 2023 were:

- To implement strong broad and balanced curriculum in all subjects in all our schools;
- Ensure strong leadership and governance which in turn enables schools to have earned autonomy based on pupil outcomes;
- Successfully ensure a strong first year of opening for the free school in Castle Donnington, where leadership flourishes and the school's vision and leadership is stable and secure and;
- Identify opportunities for growth.

### Public benefit

In setting our objectives and planning our activities the Trustees have carefully considered the Charity Commission's general guidance on public benefit.

The main public benefit delivered by the Trust is the provision of quality first teaching to all pupils in its care.

## Strategic report

### Achievements and performance

Throughout the year ending 31 August 2023, Scholars Academy Trust has firmly established new mission and values, encapsulated within the mantra 'Striving for excellence'. We believe that by doing this, it drives our ethos and values to do the best we can for our children. This vision was formed under the leadership of the new CEO in April 23 and is at the early stages of its implementation with a clear plan and aim to be established throughout the Trust and is used as common language through all levels of governance and in the day to day running of our schools.

It has been an exciting year for curriculum development across the Trust. Through our new vision and values, all children are in receipt of an ambitious and broad curriculum offer which enables them to build their knowledge and skills. This has been developed further after an Ofsted inspection in October This has been a focus of the academic year and will continue to make up a key feature of the Trust development plan moving forward.

Wellbeing continues to be a key priority for the Trust, both for staff and pupils. For pupils, we have invested in trauma informed training for our school leaders to ensure that appropriate strategies are able to be implemented for all pupils who require support. Investment in the Trust's estates has continued through the year. Glenfield has invested in new solar panels and EYFS area and there has been site improvements made to Launde. There are further works prepared in the new year after a successful CIF bid.

Scholars continues its exceptional track record of developing new teachers, with three trainees passing their ECT and our school improvement lead supporting the local SCITT. The Trust also continues to provide leadership support to LA schools and has been providing primary specialist support for a Trust located in Swindon.



# SCHOLARS ACADEMY TRUST

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

### Key performance indicators

#### **Ofsted:**

During the year ending 31 August 2023 the Trust had one Ofsted inspections and an inspection for the opening of Foxbridge Primary School. All of these inspections resulted in Good judgements. As at 31 August 2023, one school has an Ofsted judgement of Outstanding, one school has an Ofsted judgement of Good and one school is a Free school and is awaiting its first inspection.

#### **Academic Performance 22/23:**

%	Trust Average	National Average	Glenfield	Launde	Foxbridge
<b>EYFS (GLD)</b>					50%
<b>Phonics</b>	86.6%		80%	91%	N/A
<b>KS 2 Sats (Age related)</b>					
<b>Maths</b>	78%	73%	63%	87%	N/A
<b>Writing</b>	81%	71%	68%	89%	N/A
<b>Reading</b>	80%	73%	70%	86%	N/A
<b>Combined</b>	70%	59%	50%	82%	N/A

#### **Other Performance Information**

The multiplication tables check continue to be an issue for the schools. Although pupils on a whole performed well, not a high enough percentage of pupils achieving full marks is yet embedded. This is a continued focus, as Math's results on a whole tend to be a strength for the Trust.

#### **Wellbeing and Personal Development**

The outcomes last year were achieved by the children having a broad and balanced curriculum which aided their understanding of the wider world. The teachers provided engaging lessons to motivate and enthuse the children. This in turn enabled children to utilise and apply the wider learning within the core subjects which resulted in good outcomes. The broader curriculum was supplemented with the reintroduction of school visits and visitors to the school.

Residential visits were undertaken within years four, five and six, the year five children were added so that they can make up for the ones that they missed in the previous years. There was a significant demand from the parents for their children to take part in the residential visits, as they recognised the need for their children to explore the wider world around them. Residential visits enabled children to go out of their comfort zone by taking part in activities that challenged them to further enhance their independence and resilience.

Behaviour management overall remains at least good across the schools and have effective behaviour plans in place for children who required them. Overall, attitudes to learning and the systems and processes in place in schools was at least good, and effective plans were in place for students who required additional assistance behaviour is very good overall. The introduction of CPOMs has helped with the strategic monitoring of behaviour; an investment for all schools across the Trust. Exclusions are below the national average in all schools, both permanent and suspensions. Staff are confident to seek advice from internal and external agencies when managing challenging behavior. The procedures put into place for those children have been good and the progress made by those children has been at least good over the course of the year. A more joined up approach across the Trust is the future aim.

# SCHOLARS ACADEMY TRUST

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

### Leadership and Management

The leadership and management at the trust has changed, despite the transition of a new CEO in April 2023. The trust has continued to enhance its support for schools, implementing a robust schedule for monitoring and evaluation across all trust schools as the new CEO has evaluated the current effectiveness of schools and systems. From April to September there has been significant progress and changes. Teachers receive ongoing support and internal monitoring from headteachers and members of the Senior Leadership Team (SLT). Subject leaders also benefit from regular support and challenge as schools strive to secure and fully integrate curriculum changes. Staffing structures remain stable, with effective recruitment and retention efforts in place this academic year. However, there is still work to be done in defining roles and responsibilities following the change in senior leadership within the Trust.

While staff attendance overall remains positive across all schools, the trust recognises the importance of prioritising this area. As part of Goal 3 in the trust development plan, the trust aims to further enhance the support available to staff. This commitment reflects the trust's dedication to creating an environment that promotes staff well-being and development.

There was a drive to ensure that a high proportion of staff took part in the national professional qualification programmes (NPQ) which was highly successful. The teachers who participated in the NPQs reported that they were able to reflect on their practice to refine it to benefit the children and support colleagues across the school with the evidenced-based approach to teaching.

Early career teachers were be supported effectively and rates of retention remain high.

In terms of teaching staff all schools have their full complement with no vacancies other than that of teaching assistants. The trust is on a mission to reduce supply costs for leadership cover time and be more creative in its way of ensuring that leaders are given time to lead subjects and designated areas effectively. Recruitment has been positive.

The establishment of Foxbridge Primary School has proven to be a resounding success. As the school enters its second full year of operation, it boasts a fully staffed team. The pupil intake for September 2023 is impressive, with all available places being filled, owing to exceptional marketing efforts and a determined leadership drive to increase enrollment numbers. The school is operating seamlessly, and a cohesive staff team has been established. Under the effective guidance of the Headteacher, the school's vision has been clearly defined, and a comprehensive curriculum is in place. This curriculum is continually adapted each year, taking into consideration the evolving needs of the pupils and the community it serves.

Staff attendance across the Trust was as follows

	Launde	Glenfield
Teachers	94.8%	93.8%
Tas	92.7%	95.2%
Admin	94.2%	94.4%
Premises	96.4%	96.5%
Midday	96.1%	95.1%
After care	98%	
Scholars Executive Team	99%	

The transition in executive leadership mid-year did not hinder the commitment to school support beyond the Trust. Throughout the year, continuous support for individual schools remained a priority. The former CEO conducted several school health checks, which were backed by senior leaders, enabling them to gain a deeper understanding of school-to-school support. This is something that has continued under new leadership with external and internal reviews as part of the new Monitoring and evaluation schedule This initiative serves as evidence that the senior leaders within the Trust possess the necessary skills and capacity to provide ongoing support to schools and children beyond the Trust academies.

# SCHOLARS ACADEMY TRUST

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

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### **Governors**

The governors are examining curriculum development through subject evaluations from the leaders and through their school visits. Governor monitoring has taken place, but the reliance on this is something Trustees need to consider. A more thorough review process from the Trust is in place, and the Trust needs to seek external evaluation to test its judgments. There has been a tendency for inward-looking approaches, which has not been helpful in improving school challenge and improvement.

The Trust board has continued to evolve and strengthen its capacity during 22/23 with two further appointments. The new Trustees have experience in business and finance.

There is a full complement of governors across all schools, who have all undertaken a skills audit to ensure that there is a balance of experience, skills and knowledge within each board. Training has been planned for the coming year including safeguarding and school improvement work. The CEO report to Trustees has been changed to include more details on spotlight areas and ensure that reporting is in line with the Ofsted categories.

The Local Governing Body (LGB) at Foxbridge Primary School has experienced significant growth and development, establishing itself as a strong and effective governing body through ongoing support. Over time, the LGB has expanded its membership and expertise, ensuring a diverse range of skills and perspectives are represented. Through regular training and professional development opportunities, the members of the LGB have honed their knowledge and understanding of their roles and responsibilities. This has contributed to their ability to make informed decisions and provide strategic guidance to the school. The LGB's commitment to collaborative working, effective communication, and a shared vision for the school has fostered a culture of trust and transparency. Their dedication to ensuring the best possible outcomes for the school and its students is evident in their proactive approach to monitoring, evaluating, and holding the leadership team accountable.

Over the year the chairs of the LGB have started peer to peer governor reviews to consider their effectiveness. This will be further developed in the coming year.

The chief financial officer has trained and supported individual governors on financial matters. The finance governor now reports back to the LGB, this has been successful as it has enabled them to carry out all the business within one meeting rather having to have a separate meeting for finance. Risk registers have been developed which are being overseen and adapted regularly.

The chief operations officer has worked with governors on matters related to premises including health and safety.

### 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, the board of Trustees 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.

# SCHOLARS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Financial review**

The Trust has delivered an in-year deficit for 2022-23, mainly due to increased investment in buildings, playgrounds and solar panels, and lower than planned pupil numbers at Foxbridge Primary School. Due to the high level of reserves, the Trust is balanced overall. An allowance has been made for the support staff pay rise from April 2023.

The majority of the Trust's income comes from the Department for Education (DfE) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE in the year ending 31 August 2023 and the associated expenditure is shown as restricted funds in the Statement of Financial Activities. The schools also received £198,957 from the local authority to support special educational needs pupils and raised income of £102,874 from before and after school activities.

The Trust also received grants for capital expenditure from the DfE and 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 of the expected useful life of the assets concerned. The Trust received laptops from the DfE and Trust has decided that ownership of the devices remains with the Trust and therefore items have been subject to the capitalisation policy, and the value of the devices has been added as donated assets in the Statement of Financial Activity.

The Trust held fund balances at 31 August 2023 of £11,069,063 (2022: £10,623,140) comprising £171,849 (2022: £567,759) of restricted funds (excluding pension reserve), £9,352,128 (2022: £8,873,588) of restricted fixed asset funds, £1,545,086 (2022: £1,393,793) of unrestricted general funds and a pension reserve deficit of £Nil (2022: £212,000).

Total incoming resources decreased to £6,577,536 (2022: £10,239,332). The reduction relates mainly to Fixed Assets as the local authority transfer of Foxbridge to the Trust was recognised in 2021/22.

The closing cash balance is £2,155,119 (2022: £2,468,369).

The assets were used exclusively for providing education and the associated support services to the pupils of the schools within the Trust. Whilst the pension scheme decreased during the year, the Trustees do not consider an asset should be recognised based on the actuary asset ceiling report. The Trustees consider that the overall balance sheet position represents a strong and stable platform from which the Trust can develop and grows.

# SCHOLARS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### Reserves policy

Reserves are held to protect the Trust's activities by providing a financial comfort zone against an unpredictable environment, to support growth and to make sufficient provision for future cash flow requirements and capital procurement. The Trustees have determined that each school will aim to keep a minimum of 2% of school funding.

The Trust's free reserves are its funds after excluding restricted funds. Unrestricted reserves are therefore the resources the Trust has, or can make available, to spend for any or all of the Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically free reserves represent income to the Trust which is to be spent at the Trustees' discretion in furtherance of any of the Trust's objects but which is not yet spent, committed or designated.

The Trust's current level of free reserves is £1,545,086. This is in excess of the minimum required by the reserve policy of £111,990 (2% of total funding). To bring the reserves in line with policy, the Trust will:

- Over the next three years the Trust will support Foxbridge Primary School as it incrementally opens year groups in line with approach agreed with the local authority. In the three-year plan this is a planned deficit of £148k to be recouped over time;
- £210k has been designated as the school contribution to the CIF bid to replace temporary classrooms at Launde Primary School in 2023/25 and;
- £200k is designated to provide capacity for Trust growth in the next four years.

The Trust has a restricted fixed assets fund, with a balance of £9,352,128, which is in respect of fixed asset expenditure and capital grant income, and is not available for the general purpose of the Trust. The Trust was successful in its Capital Improvement Fund (CIF) bid, and all the income has been recognised in 2022/23, creating a fixed asset fund in excess of the net book value of tangible and intangible assets. Therefore £509,168 cannot be realised without disposing of the fixed assets.

Trustees have decided that reserves as at 31 August 2023 will be carried forward against the planned CIF works, other premises upgrades, support the free school as it grows to capacity and to support growth plans over the next four financial years.

There are no funds in deficit, any unspent funds have been deferred to 22/23 where appropriate.

Trustees are aware of the significant pension fund historic deficit for the Local Government Pension Scheme (LGPS). Whilst this can have an impact on the annual employer pension cost, it is not an immediate liability the Trust needs to cover, as employer contributions are set at a level which respond to the deficit level and will be reviewed every three years by the fund actuaries. The rates for 1 April 2023 – 31 March 2026 were announced in December 2022 and increased from 23.6% - 23.7%, which will result in an increase in cash outflow. This has been built into the going concern considerations.

#### Investment policy

The Academy Trust has an agreed investment policy, which aims to identify a level of funds that can be placed on deposit to generate additional interest income for the Trust in order to support its on-going charitable objectives. Any investment decisions must be supported by a cashflow forecast that reduces the risk of the Trust not having the liquidity required to carry out its day-to-day activities. All cash is currently held within school bank accounts or on the cash management platform, there were no other investments in the reporting period.

#### Principal risks and uncertainties

In accordance with the Trust's risk management policy, Trustees have a risk register to identify and prioritise the major risks facing the Academy Trust. Controls, mitigations, target dates and risk owners have been identified and are responsible for reporting to Trustees through regular updates to the risk register. The Trust risk register is formally reviewed annually by all Trustees and more frequently by the audit and risk committee. LGBs review their risk registers on a termly basis, escalating to the Trust as appropriate.

# SCHOLARS ACADEMY TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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#### **Financial**

There are significant pressures on budgets due to increases in energy costs, and teacher and support staff pay rises. Whilst some additional funding has been received and promised, this does not meet the increased costs. In the short term, any shortfall can be met from reserves, but the Trust is continuously looking for cost and efficiency savings to bring the schools back to revenue in-year surpluses over the next three years. Foxbridge Primary School opened with less than the minimum viable number agreed in September 2022, but is on track to be full for first time admissions in September 2023 and a small increase in other years. The shortfall in year one was funded by the start-up grant received in 21/22, and will be part-funded in year two. Provision has been made in the Trust reserves allocation to support the school if necessary. £210k of reserves will be used at Launde Primary School as the contribution towards the CIF project.

#### **Growth strategy**

School support activity has continued, with the Trust focussing on improving performance and building capacity to ensure it retains the ability support schools joining the Trust. Growth plans were temporarily delayed during the change in leadership due to the retirement of Inderjit Hassall OBE nee Sandhu OBE, CEO, in April 2023. Samuel Coy became CEO in April 2023, and following a successful handover and induction period has restarted growth plans.

#### **Cyber security**

The Trust funded a review of Cyber security, which has resulted in an increased investment in updating software. There were no major concerns raised.

#### **Estate management**

The Trust is committed to ensuring a safe environment for pupils and staff, and has an agreed capital maintenance plan. In this period, gates at Launde have been upgraded to better control access to the site. The playground at Glenfield was showing signs of wear and was replaced before it became unsafe. Several temporary classrooms at Launde are past their economic life and the school has been awarded a CIF grant to partially support the replacement of two classrooms in 2023/24. Foxbridge is a new build. The Trust has proactively engaged with the builders to ensure snagging issues are addressed in line with warranties.

The Trust has invested in a compliance platform which provides central overview of estates management and ensure compliance with statutory requirements.

#### **Fundraising**

The Academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

All schools get involved in local and national events. The work is focussed on curriculum development in terms of enterprise but more importantly is undertaken to ensure children have a greater awareness of the world around them and to have an understanding that there are people and children less fortunate than them. Children will often plan events to raise funds which are for external causes such as Children in Need, Red Nose Day, Christmas Jumper day and MacMillan Cancer research. Children participate on a voluntary basis with parent informed about how they can support their child to carry out the charitable work without it being an additional expense to them. The number of events are planned to minimise the additional workload for staff or parents to raise funds.

The only funds sought from parents are the voluntary contributions towards school trips as other fund raising is for external causes as stated above and only carried out by the children and not the wider public. We aim not be intrusive or demand money from parents for school or other activities. In the last year there have been no complaints with regards to fund raising as parents see the importance of raising awareness to appreciate the wider world.

# SCHOLARS ACADEMY TRUST

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

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### Plans for future periods

The Trust had three schools as at 31 August 2023. Opportunities for expanding the number of schools within Scholars Academy Trust within its current growth focus area will continue to be explored.

Future plans for the Trust are focussed on delivering on the long-term strategy including the development of the central team in line with growth, raising standards, educational performance, Ofsted judgements, attendance, curriculum development, staff wellbeing and CPD and maintaining appropriate levels of reserves

The Trust opened Foxbridge Primary School in Castle Donington on 1 September 2022 and is committed to growing further through taking on other schools and/or opening additional free schools. The Trust is working closely with the ESFA, Local Authority and other partners to ensure progress is made.

### Funds held as custodian trustee on behalf of others

There are no funds held as Custodian Trustee on behalf of others.

### Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- 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.

Following a tender process, Ellacotts Audit Services Limited have been appointed as the trust auditors for the year ended 31 August 2022 through to 31 August 2024, with the option to extend for two years.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 15/12/2023 and signed on its behalf by:



.....  
S Richards  
**Chair**

# SCHOLARS ACADEMY TRUST

## GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2023

### Scope of responsibility

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

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

The board of Trustees has delegated the day-to-day responsibility to the Headteacher, 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 Scholars Academy Trust and the Secretary of State for Education. The accounting 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. The board of Trustees has formally met three times during the year. It maintains effective oversight of funds through the finance and personnel committee, which meets six times per year and all Trustees receive the full set of monthly management accounts during the academic year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
J Berry OBE JP (Resigned 31 March 2023)	3	3
A Fulat	4	5
A Kagdadia	2	5
I Hassall OBE nee Sandhu OBE (Resigned 31 March 2023)	3	3
L Bruce (Resigned 23 August 2023)	4	5
S Richards (Chair)	5	5
R Padgett	3	5
M Garfield	3	5
S Ridley	2	5
G Smith (Vice chair)	5	5
S Coy (Appointed 1 April 2023)		

The CEO is a Trustee and the Accounting Officer. There was a change of CEO in April 2023.

During the year the board:

- Appointed a new CEO;
- Agreed the Trust's growth plan and reviewed activity against it;
- Received reports from the committees and the CEO on Trust performance on wide range of issues;
- Held the executive team to account;
- Reviewed the Risk Register, taking advice from the Audit and Risk Committee and;
- Approved the three-year budget return to the ESFA, including reserve allocations.

### Conflicts of interest

All Trustees, executive team, senior leaders and governors complete a register of interest on appointment and at the beginning of each academic year. Changes to declarations are sought at the beginning of each Trust or LGB meeting, and all attendees are asked to review their interests against the agenda items in advance of discussion. Any relevant transactions are reported on at the end of the year.



# SCHOLARS ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### Governance reviews

An external review of governance commenced in 2021-22 and the resultant actions were agreed in 2022-23. The review was undertaken by the NGA, and made 2 key recommendations:

- To develop and approve a longer term strategic direction ensuring that trustee challenge is focussed on agreed Trust key performance indicators and;
- To streamline Trust documentation to clarify roles and responsibilities for all.

The recommendations were further detailed in the report and the Trust board put an action plan in place and has addressed all the points raised.

The actions will be reviewed early 2023-24 and the Trust will look to repeat an external review in 2024-25 and/or when other schools / academies join the Trust.

The **finance and personnel committee** is a sub-committee of the main board of Trustees. Its purpose is to advise the board of Trustees on financial, personnel and premises matters.

During the year, the committee's key activities were:

- Review of:
  - the 22/23 financial performance and forecast outturns;
  - the three year budget return on behalf of Trustees, including premises maintenance and IT five-year plans;
  - policies for approval or recommendation to the board;
  - allocations of reserves;
  - proposal for cash management platform and;
  - premises maintenance.
- Approval of:
  - spend above CEO limit;
  - policies delegated to the committee and;
  - pay increases in line with the pay policy.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Berry OBE JP (Resigned 31 March 2023)	3	3
A Fulat	1	4
A Kagdadia	3	4
I Hassall OBE nee Sandhu OBE (Resigned 31 March 2023)	3	3
S Richards (Chair)	3	4
R Padgett	3	4
M Garfield	4	4
G Smith (Vice chair)	4	4
S Coy (Appointed 1 April 2023)	1	1

The **Audit and Risk committee** is also a sub-committee of the main board of Trustees. Its purpose is to direct the trust's programme of internal scrutiny and advise the board of Trustees on its management of risk and the risk register.

During the year, the committee's key activities were review of:

- 2021-22 statutory accounts and management letter;
- Internal scrutiny reports and follow-up of agreed actions and;
- Trust risk register, updating where appropriate.

# SCHOLARS ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2023

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Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
J Berry OBE JP (Resigned 31 March 2023)	1	2
A Fulat	1	3
A Kagdadia	1	3
S Richards (Chair)	3	3
R Padgett	3	3
M Garfield	3	3
S Ridley	2	3
G Smith (Vice chair)	2	3
S Coy (Appointed 1 April 2023)	1	1

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

As accounting officer, the Headteacher 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, as well as estates safety and management, achieved in return for the taxpayer resources received.

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The accounting officer for the Academy Trust has delivered improved value for money during the year by:

- encouraging close working relationships with schools to enable proactive support and challenge across the Trust;
- continued challenge in the preparation of financial plans to ensure that the impact of spending is assessed and evaluated;
- ensuring that educational outcomes and business functions in schools have improved via the ongoing support of the central team;
- increasing the support available to schools and maximising the impact of the central team and its work in schools and to support school leaders;
- reviewing procurement across the Trust to ensure better value, economies of scale and services and;
- robust oversight of financial information.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

#### **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 period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

# SCHOLARS ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### **The risk and control framework**

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

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

The board of Trustees has decided to buy-in an internal audit service from SKL Education Consultancy. This option has been chosen because the Trust arranges for a range of financial and non-financial reviews, many of which can be provided by this company. Where other professional companies are asked to provide internal review services for a specific area, SKL Education Consultancy provide a summary report.

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

- Completion of the external governance review;
- Budget setting process;
- Reserves policy;
- Cyber security and;
- Safeguarding review.

On an annual basis the auditor/reviewer 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 and non-financial responsibilities. On an annual basis the auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The schedule of work agreed was delivered on time and the following low rated financial control issues were raised:

- Trust to formally implement a Strategic Financial Planning Calendar;
- Review which committee should receive the auditor's annual statutory accounts;
- Expand knowledge and embed implementation of ICFP and;
- Review reserves policy in line with internal auditors comments and published guidance.

The Trust also undertook non-financial internal scrutiny:

- Review of safeguarding started in 22/23, to cover all schools in the Trust. Action plans in place to address any weaknesses found and;
- Cyber security audit commissioned to cover all schools in the Trust. The review found the IT infrastructure is configured in a relatively secure manner and made some recommendations for further improvement.

### **Review of effectiveness**

As accounting officer, the Headteacher 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 scrutiny and associated reports;
- the work of the external auditor;
- the financial management and governance self-assessment process and;
- the work of the executive managers within the Academy Trust who have the responsibility for the development and maintenance of the internal control framework.


**SCHOLARS ACADEMY TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2023**

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

15/12/2023 | 15:12 GMT

Approved by order of the board of Trustees on ..... and signed on its behalf by:



S Richards  
**Chair**



S Coy  
**Accounting Officer**

# SCHOLARS ACADEMY TRUST

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2023

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

I confirm that I and the Academy Trust's 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.

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



S Coy  
**Accounting Officer**

15/12/2023 | 15:15 GMT

.....

# SCHOLARS ACADEMY TRUST

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

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The trustees (who are also the directors of Scholars Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:


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

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

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

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

Approved by order of the members of the board of Trustees on 15/12/2023 | 15:12 GMT  
..... and signed on its behalf by:

  
S Richards  
Chair

# SCHOLARS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHOLARS ACADEMY TRUST

FOR THE YEAR ENDED 31 AUGUST 2023

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### Opinion

We have audited the financial statements of Scholars Academy Trust for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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 charitable company's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and 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 Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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

We have nothing to report in this regard.

# SCHOLARS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHOLARS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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### Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report including the incorporated strategic 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 Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report.

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

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

### Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, 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 Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company, 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

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



# SCHOLARS ACADEMY TRUST

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SCHOLARS ACADEMY TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2023

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- Enquiry of management, those charged with governance and the entity's solicitors (or in-house legal team) around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

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



**Charlotte Toemaes BSc FCA (Senior Statutory Auditor)**  
for and on behalf of Ellacotts Audit Services Limited

### Chartered Accountants

#### Statutory Auditor

Countrywide House

23 West Bar

Banbury

Oxfordshire

England

OX16 9SA

19/12/2023 | 09:18 GMT

# SCHOLARS ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO SCHOLARS ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2023

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In accordance with the terms of our engagement letter dated 3 February 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Scholars 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 Scholars Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Scholars Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Scholars Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Scholars Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Scholars Academy Trust's funding agreement with the Secretary of State for Education dated 2 May 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Reviewing the minutes of meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- A review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- Testing a sample of payroll payments to staff;
- Testing of a sample of payments to suppliers and other third parties;
- Testing a sample of grants received and other income streams;
- Evaluating the internal control procedures and reporting lines, and testing as appropriate;
- Reviewing internal audit reports;
- Making appropriate enquiries of the Accounting Officer.

# SCHOLARS ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2023

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### 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.

*Ellacotts Audit Services Ltd*

### Reporting Accountant

Ellacotts Audit Services Limited  
Countrywide House  
23 West Bar  
Banbury  
Oxfordshire  
OX16 9SA  
England

19/12/2023 | 09:19 GMT

Dated: .....

# SCHOLARS ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds £	Restricted funds: General    Fixed asset £            £		Total 2023 £	Total 2022 £
<b>Income and endowments from:</b>						
Donations and capital grants	3	6,170	-	656,801	662,971	4,603,321
Charitable activities:						
- Funding for educational operations	4	11,939	5,590,305	-	5,602,244	5,316,771
Other trading activities	5	302,165	9,185	-	311,350	318,949
Investments	6	971	-	-	971	291
<b>Total</b>		<u>321,245</u>	<u>5,599,490</u>	<u>656,801</u>	<u>6,577,536</u>	<u>10,239,332</u>
<b>Expenditure on:</b>						
Raising funds	7	94,826	-	-	94,826	101,858
Charitable activities:						
- Educational operations	9	75,126	5,922,286	312,375	6,309,787	6,012,382
<b>Total</b>	7	<u>169,952</u>	<u>5,922,286</u>	<u>312,375</u>	<u>6,404,613</u>	<u>6,114,240</u>
<b>Net income/(expenditure)</b>		151,293	(322,796)	344,426	172,923	4,125,092
Transfers between funds	18	-	(134,114)	134,114	-	-
<b>Other recognised gains/(losses)</b>						
Actuarial gains on defined benefit pension schemes	20	-	273,000	-	273,000	3,565,000
<b>Net movement in funds</b>		151,293	(183,910)	478,540	445,923	7,690,092
<b>Reconciliation of funds</b>						
Total funds brought forward		1,393,793	355,759	8,873,588	10,623,140	2,933,048
Total funds carried forward		<u>1,545,086</u>	<u>171,849</u>	<u>9,352,128</u>	<u>11,069,063</u>	<u>10,623,140</u>

## SCHOLARS ACADEMY TRUST

### STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

<b>Comparative year information</b>		<b>Unrestricted</b>	<b>Restricted funds:</b>		<b>Total</b>
<b>Year ended 31 August 2022</b>		<b>funds</b>	<b>General</b>	<b>Fixed asset</b>	<b>2022</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income and endowments from:</b>					
Donations and capital grants	<b>3</b>	600	73,524	4,529,197	4,603,321
Charitable activities:					
- Funding for educational operations	<b>4</b>	-	5,316,771	-	5,316,771
Other trading activities	<b>5</b>	231,727	87,222	-	318,949
Investments	<b>6</b>	291	-	-	291
<b>Total</b>		<u>232,618</u>	<u>5,477,517</u>	<u>4,529,197</u>	<u>10,239,332</u>
<b>Expenditure on:</b>					
Raising funds	<b>7</b>	101,858	-	-	101,858
Charitable activities:					
- Educational operations	<b>9</b>	245	5,818,533	193,604	6,012,382
<b>Total</b>	<b>7</b>	<u>102,103</u>	<u>5,818,533</u>	<u>193,604</u>	<u>6,114,240</u>
<b>Net income/(expenditure)</b>		130,515	(341,016)	4,335,593	4,125,092
Transfers between funds	<b>18</b>	(30,840)	-	30,840	-
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit pension schemes	<b>20</b>	-	3,565,000	-	3,565,000
<b>Net movement in funds</b>		99,675	3,223,984	4,366,433	7,690,092
<b>Reconciliation of funds</b>					
Total funds brought forward		1,294,118	(2,868,225)	4,507,155	2,933,048
Total funds carried forward		<u>1,393,793</u>	<u>355,759</u>	<u>8,873,588</u>	<u>10,623,140</u>

# SCHOLARS ACADEMY TRUST

## BALANCE SHEET AS AT 31 AUGUST 2023

	Notes	2023		2022	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		8,708,846		8,734,740
<b>Current assets</b>					
Debtors	15	727,735		118,955	
Cash at bank and in hand		2,155,119		2,468,369	
			<u>2,882,854</u>		<u>2,587,324</u>
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	16	(522,637)		(486,924)	
<b>Net current assets</b>			<u>2,360,217</u>		<u>2,100,400</u>
<b>Net assets excluding pension liability</b>			11,069,063		10,835,140
Defined benefit pension scheme liability	20		-		(212,000)
<b>Total net assets</b>			<u>11,069,063</u>		<u>10,623,140</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	18				
- Fixed asset funds			9,352,128		8,873,588
- Restricted income funds			171,849		567,759
- Pension reserve			-		(212,000)
<b>Total restricted funds</b>			<u>9,523,977</u>		<u>9,229,347</u>
<b>Unrestricted income funds</b>	18		1,545,086		1,393,793
<b>Total funds</b>			<u>11,069,063</u>		<u>10,623,140</u>

The financial statements on pages 26 to 50 were approved by the Trustees and authorised for issue on 15/12/2023 and are signed on their behalf by:



S Richards  
Chair

Company registration number 08515149 (England and Wales)

# SCHOLARS ACADEMY TRUST

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

	Notes	2023 £	£	2022 £	£
<b>Cash flows from operating activities</b>					
Net cash (used in)/provided by operating activities	21		(88,416)		222,890
<b>Cash flows from investing activities</b>					
Dividends, interest and rents from investments		971		291	
Capital grants from DfE Group		60,676		19,745	
Capital funding received from sponsors and others		-		155,000	
Purchase of tangible fixed assets		(286,481)		(66,737)	
<b>Net cash (used in)/provided by investing activities</b>			<b>(224,834)</b>		<b>108,299</b>
<b>Net (decrease)/increase in cash and cash equivalents in the reporting period</b>			<b>(313,250)</b>		<b>331,189</b>
Cash and cash equivalents at beginning of the year			2,468,369		2,137,180
<b>Cash and cash equivalents at end of the year</b>			<b>2,155,119</b>		<b>2,468,369</b>

# SCHOLARS ACADEMY TRUST

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

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### 1 Accounting policies

Scholars Academy Trust is a charitable company (the Academy Trust). The address of the Academy Trust's principal place of business is given on the reference and administrative details page. The nature of the Academy Trust's operations is set out in the Trustees' report.

#### 1.1 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 financial statements 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. The Academy Trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented, unless otherwise stated.

The financial statements are presented in sterling which is also the functional currency of the Academy Trust. Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

#### 1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable 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 statements.

#### 1.3 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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### Donations

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



# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

#### Other income

Other income, including the hire of facilities, income from recharge of services, teaching resources and training, contributions to trips, catering income and other income is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

#### Donated fixed assets

Donated fixed assets are measured at fair value unless it is impractical to measure this reliably, in which case the cost of the item to the donor is 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.

### 1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### 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.

### 1.5 Tangible fixed assets and depreciation

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Subsequent costs are capitalised only when it is probable that such costs will generate future economic benefits. All other costs of repairs and maintenance are charged to the statement of financial activities incurred.

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 that require 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.

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

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

Long leasehold buildings & leasehold improvement	2 - 5%
Computer equipment	33%
Fixtures, fittings & equipment	20%

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

#### 1.6 Liabilities

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

#### 1.7 Leased assets

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

#### 1.8 Financial instruments

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

##### Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

##### Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

#### 1.9 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.

#### 1.10 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 and the assets are held separately from those of the Academy Trust.

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 1 Accounting policies

(Continued)

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

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

#### 1.11 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 Department for Education Group.

### 2 Critical accounting estimates and areas of judgement

Accounting 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 asset/liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, 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.

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 2 Critical accounting estimates and areas of judgement (Continued)

#### Critical areas of judgement

In the opinion of the Trustees there are no critical areas of judgement that would have a significant effect of the amounts already recognised in the financial statements.

### 3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donated fixed assets	-	-	-	4,354,452
Capital grants	-	656,801	656,801	174,745
Other donations	6,170	-	6,170	74,124
	<u>6,170</u>	<u>656,801</u>	<u>662,971</u>	<u>4,603,321</u>

Other donations of £6,170 (2022: £74,124) includes £nil (2022: £73,524) in relation to full and final donations from a related party. See note 23 for more information on related parties.

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
<b>DfE/ESFA grants</b>				
General annual grant (GAG)	-	4,743,806	4,743,806	4,550,439
Other DfE/ESFA grants:				
- UIFSM	-	154,314	154,314	143,372
- Pupil premium	-	152,104	152,104	147,939
- Supplementary Grant	-	121,966	121,966	-
- Mainstream schools additional grant	-	61,256	61,256	-
- Others	-	141,496	141,496	151,138
	<u>-</u>	<u>5,374,942</u>	<u>5,374,942</u>	<u>4,992,888</u>
<b>Other government grants</b>				
Local authority grants	-	215,363	215,363	323,883
	<u>-</u>	<u>215,363</u>	<u>215,363</u>	<u>323,883</u>
<b>Other incoming resources</b>	<u>11,939</u>	<u>-</u>	<u>11,939</u>	<u>-</u>
<b>Total funding</b>	<u>11,939</u>	<u>5,590,305</u>	<u>5,602,244</u>	<u>5,316,771</u>

The income from funding for educational operations was £5,602,244 (2022: £5,316,771) of which £5,590,305 was restricted (2022: £5,316,771) and £11,939 was unrestricted (2022: £nil).

Other DfE/ESFA grants includes £21,325 (2022: £25,000) for support on academy conversion and £41,010 (2022: £49,409) for PE and sport premium.

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Hire of facilities	102,874	-	102,874	100,489
Catering income	64,725	-	64,725	65,071
Income from recharge of services	12,086	9,185	21,271	-
Contributions to trips	88,994	-	88,994	87,112
Teaching resources and training	-	-	-	5,975
Other income	33,486	-	33,486	60,302
	<u>302,165</u>	<u>9,185</u>	<u>311,350</u>	<u>318,949</u>

### 6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Other investment income	971	-	971	291
	<u>971</u>	<u>-</u>	<u>971</u>	<u>291</u>

### 7 Expenditure

	Staff costs £	Non-pay expenditure		Total 2023 £	Total 2022 £
		Premises £	Other £		
Expenditure on raising funds					
- Direct costs	-	-	94,826	94,826	101,858
Academy's educational operations					
- Direct costs	3,233,334	-	292,237	3,525,571	3,970,890
- Allocated support costs	1,602,896	586,385	594,935	2,784,216	2,041,492
	<u>4,836,230</u>	<u>586,385</u>	<u>981,998</u>	<u>6,404,613</u>	<u>6,114,240</u>

#### Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	23,643	23,528
Depreciation of tangible fixed assets	312,375	191,279
Amortisation of intangible fixed assets	-	2,325
Fees payable to auditor for:		
- Audit	11,500	10,000
- Other services	6,925	6,250
Net interest on defined benefit pension liability	10,000	58,000
	<u>364,443</u>	<u>391,382</u>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 8 Central services

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

- Human resources;
- Financial services;
- Audit and governance

The Academy Trust charges for these services on the following basis:

- flat percentage of 4.25% (2022: 3%) based on GAG income, excluding higher needs.

The amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	£	£
Launde Primary School	106,625	78,124
Glenfield Primary School	76,894	52,543
Foxbridge Primary School	5,939	-
	<u>189,458</u>	<u>130,667</u>

### 9 Charitable activities

	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
	<b>funds</b>	<b>funds</b>	<b>2023</b>	<b>2022</b>
	£	£	£	£
<b>Direct costs</b>				
Educational operations	75,126	3,450,445	3,525,571	3,970,890
<b>Support costs</b>				
Educational operations	-	2,784,216	2,784,216	2,041,492
	<u>75,126</u>	<u>6,234,661</u>	<u>6,309,787</u>	<u>6,012,382</u>

	<b>2023</b>	<b>2022</b>
	£	£
<b>Analysis of support costs</b>		
Support staff costs	1,620,983	1,103,690
Depreciation and amortisation	312,375	193,604
Technology costs	73,265	-
Premises costs	274,010	257,583
Other support costs	486,679	470,527
Governance costs	16,904	16,088
	<u>2,784,216</u>	<u>2,041,492</u>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

#### Staff costs

Staff costs during the year were:

	2023 £	2022 £
Wages and salaries	3,351,684	3,191,060
Social security costs	302,738	276,240
Pension costs	910,726	944,612
	<hr/>	<hr/>
Staff costs - employees	4,565,148	4,411,912
Agency staff costs	271,082	358,926
	<hr/>	<hr/>
	4,836,230	4,770,838
Staff development and other staff costs	60,314	48,283
	<hr/>	<hr/>
Total staff expenditure	4,896,544	4,819,121
	<hr/> <hr/>	<hr/> <hr/>

#### Staff numbers

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

	2023 Number	2022 Number
Teachers	41	42
Administration and support	92	89
Management	11	10
	<hr/>	<hr/>
	144	141
	<hr/> <hr/>	<hr/> <hr/>

The number of persons employed, expressed as a full time equivalent, was as follows:

	2023 Number	2022 Number
Teachers	37	38
Administration and support	53	47
Management	11	10
	<hr/>	<hr/>
	101	95
	<hr/> <hr/>	<hr/> <hr/>

#### Higher paid staff

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

	2023 Number	2022 Number
£70,001 - £80,000	2	2
£90,001 - £100,000	-	1
	<hr/> <hr/>	<hr/> <hr/>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 10 Staff

(Continued)

#### Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page one. The total amount of key management personnel employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £354,509 (2022: £793,977).

### 11 Trustees' remuneration and expenses

One or more of the Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff members under their contracts of employment, and not in respect of their services as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

I Hasall OBE (Executive Headteachers and Accounting Officer) (Resigned 31 March 2023):

Remuneration: £50,001 - £60,000 (2022: £95,001 - £100,000)

Employers pension contribution: £5,001 - £10,000 (2022: £10,001 - £15,000)

S Coy (CEO and Accounting Officer) (Appointed 1 April 2023):

Remuneration: £30,001 - £40,000 (2022: £Nil)

Employers pension contribution: £5,001 - £10,000 (2022: £Nil)

During the year, no Trustees (2022: two) claimed expenses or had their expenses met by the Academy Trust. The expenses incurred were in respect of travel expenses and amounted to £0 (2022: £811) and were reimbursed or paid by the Academy Trust.

### 12 Trustees' and officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 (2022: £5,000,000) on any one claim and the cost for the year ended 31 August 2023 was £57 (2022: £57). The cost of this insurance is included in the total insurance cost.

### 13 Intangible fixed assets

	Computer software £
<b>Cost</b>	
At 1 September 2022 and at 31 August 2023	11,075
<b>Amortisation</b>	
At 1 September 2022 and at 31 August 2023	11,075
<b>Carrying amount</b>	
At 31 August 2023	-
At 31 August 2022	-



# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 14 Tangible fixed assets

	Long leasehold buildings & leasehold improvement	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 September 2022	9,522,235	307,288	121,398	9,950,921
Additions	156,028	48,784	81,669	286,481
At 31 August 2023	9,678,263	356,072	203,067	10,237,402
<b>Depreciation</b>				
At 1 September 2022	894,633	234,144	87,404	1,216,181
Charge for the year	215,205	70,800	26,370	312,375
At 31 August 2023	1,109,838	304,944	113,774	1,528,556
<b>Net book value</b>				
At 31 August 2023	8,568,425	51,128	89,293	8,708,846
At 31 August 2022	8,627,602	73,144	33,994	8,734,740

During the last financial year the Trust took control of a newly built school in Castle Donington known as Foxbridge Primary School. This asset had been accounted for as a donation using the cost share information as provided by the builders of the school as the donated asset value. The school was opened to pupils from 1 September 2022 and therefore no depreciation had been provided on this asset in the year to 31 August 2022.

### 15 Debtors

	2023	2022
	£	£
Trade debtors	1,933	4,012
VAT recoverable	30,305	22,110
Prepayments and accrued income	695,497	92,833
	727,735	118,955

### 16 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	-	97,661
Other taxation and social security	66,342	62,403
Other creditors	173,843	133,959
Accruals and deferred income	282,452	192,901
	522,637	486,924

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 17 Deferred income

	2023 £	2022 £
Deferred income is included within:		
Creditors due within one year	98,847	136,852
	<u>98,847</u>	<u>136,852</u>
Deferred income at 1 September 2022	136,852	296,428
Released from previous years	(136,852)	(296,428)
Resources deferred in the year	98,847	136,852
	<u>98,847</u>	<u>136,852</u>
Deferred income at 31 August 2023	<u>98,847</u>	<u>136,852</u>

At the balance sheet date, deferred income for the Academy Trust was made up of £1,899 (2022: £1,601) for income for trips taking place in the year ended 31 August 2024, £94,501 (2022: £134,045) relating to grants received in advance and £2,447 (2022: £1,206) for other income received in advance.

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2023 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	442,759	4,743,806	(4,980,602)	(134,114)	71,849
UIFSM	-	154,314	(154,314)	-	-
Pupil premium	-	152,104	(152,104)	-	-
Other DfE/ESFA grants	-	141,496	(141,496)	-	-
Other government grants	125,000	215,363	(240,363)	-	100,000
Supplementary grant	-	121,966	(121,966)	-	-
Mainstream schools additional grant	-	61,256	(61,256)	-	-
Other restricted funds	-	9,185	(9,185)	-	-
Pension reserve	(212,000)	-	(61,000)	273,000	-
	<u>355,759</u>	<u>5,599,490</u>	<u>(5,922,286)</u>	<u>138,886</u>	<u>171,849</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	3,844,747	-	(92,244)	-	3,752,503
DfE group capital grants	667,697	656,801	(126,544)	134,114	1,332,068
Private sector capital sponsorship	4,361,144	-	(93,587)	-	4,267,557
	<u>8,873,588</u>	<u>656,801</u>	<u>(312,375)</u>	<u>134,114</u>	<u>9,352,128</u>
<b>Total restricted funds</b>	<u>9,229,347</u>	<u>6,256,291</u>	<u>(6,234,661)</u>	<u>273,000</u>	<u>9,523,977</u>
<b>Unrestricted funds</b>					
General funds	<u>1,393,793</u>	<u>321,245</u>	<u>(169,952)</u>	<u>-</u>	<u>1,545,086</u>
<b>Total funds</b>	<u>10,623,140</u>	<u>6,577,536</u>	<u>(6,404,613)</u>	<u>273,000</u>	<u>11,069,063</u>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### 18 Funds

(Continued)

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

Restricted general funds

This fund represents grants received for the Academy's operational activities and development. The includes the pension reserve which represents the potential liability due by the Academy at the year end.

Restricted other funds

From time to time, additional funds are applied as set out above for specific purposes laid down by the grant provider and to be used in the short term.

Restricted fixed asset funds:

This fund represents the net book value of fixed assets that the Academy has purchased out of grants received and have been transferred on conversion. The difference between the carrying value of the fixed asset and the amount in the fund relates to unspent condition improvement fund grants that will be spent in 2023/24.

Unrestricted funds:

The unrestricted funds represent funds available to the Trustees to apply for the general purposes of the Academy Trust.

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

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2022 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	443,775	4,550,439	(4,551,455)	-	442,759
UIFSM	-	143,372	(143,372)	-	-
Pupil premium	-	147,939	(147,939)	-	-
Other DfE/ESFA grants	-	151,138	(151,138)	-	-
Other government grants	-	323,883	(198,883)	-	125,000
Other restricted funds	-	160,746	(160,746)	-	-
Pension reserve	(3,312,000)	-	(465,000)	3,565,000	(212,000)
	<u>(2,868,225)</u>	<u>5,477,517</u>	<u>(5,818,533)</u>	<u>3,565,000</u>	<u>355,759</u>
<b>Restricted fixed asset funds</b>					
Inherited on conversion	3,936,991	-	(92,244)	-	3,844,747
DfE group capital grants	550,308	174,745	(88,196)	30,840	667,697
Private sector capital sponsorship	19,856	4,354,452	(13,164)	-	4,361,144
	<u>4,507,155</u>	<u>4,529,197</u>	<u>(193,604)</u>	<u>30,840</u>	<u>8,873,588</u>
<b>Total restricted funds</b>	<u>1,638,930</u>	<u>10,006,714</u>	<u>(6,012,137)</u>	<u>3,595,840</u>	<u>9,229,347</u>
<b>Unrestricted funds</b>					
General funds	<u>1,294,118</u>	<u>232,618</u>	<u>(102,103)</u>	<u>(30,840)</u>	<u>1,393,793</u>
<b>Total funds</b>	<u>2,933,048</u>	<u>10,239,332</u>	<u>(6,114,240)</u>	<u>3,565,000</u>	<u>10,623,140</u>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 18 Funds

(Continued)

#### Total funds analysis by academy

	2023	2022
	£	£
Fund balances at 31 August 2023 were allocated as follows:		
Launde Primary School	853,417	877,009
Glenfield Primary School	775,617	777,859
Foxbridge Primary School	40,838	125,000
Central services	47,063	181,684
	<u>1,716,935</u>	<u>1,961,552</u>
Total before fixed assets fund and pension reserve	1,716,935	1,961,552
Restricted fixed asset fund	9,352,128	8,873,588
Pension reserve	-	(212,000)
	<u>11,069,063</u>	<u>10,623,140</u>
Total funds	<u><u>11,069,063</u></u>	<u><u>10,623,140</u></u>

#### Total cost analysis by academy

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

	Teaching and educational support staff	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	Total 2022
	£	£	£	£	£	£
Launde Primary School	1,629,871	930,743	396,756	230,345	3,187,715	3,371,430
Glenfield Primary School	1,130,949	702,317	274,790	168,033	2,276,089	2,219,675
Foxbridge Primary School	112,574	59,078	36,685	26,082	234,419	-
Central services	131,086	154,453	-	53,002	338,541	329,627
	<u>3,004,480</u>	<u>1,846,591</u>	<u>708,231</u>	<u>477,462</u>	<u>6,036,764</u>	<u>5,920,732</u>

### 19 Analysis of net assets between funds

	Unrestricted Funds	Restricted funds:		Total Funds
	£	General	Fixed asset	£
		£	£	
<b>Fund balances at 31 August 2023 are represented by:</b>				
Tangible fixed assets	-	-	8,708,846	8,708,846
Current assets	2,067,723	171,849	643,282	2,882,854
Current liabilities	(522,637)	-	-	(522,637)
	<u>1,545,086</u>	<u>171,849</u>	<u>9,352,128</u>	<u>11,069,063</u>
<b>Total net assets</b>	<u><u>1,545,086</u></u>	<u><u>171,849</u></u>	<u><u>9,352,128</u></u>	<u><u>11,069,063</u></u>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 19 Analysis of net assets between funds

(Continued)

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	Funds
	£	£	£	£
<b>Fund balances at 31 August 2022 are represented by:</b>				
Tangible fixed assets	-	-	8,734,740	8,734,740
Current assets	1,363,793	1,084,683	138,848	2,587,324
Current liabilities	30,000	(516,924)	-	(486,924)
Pension scheme liability	-	(212,000)	-	(212,000)
<b>Total net assets</b>	<b>1,393,793</b>	<b>355,759</b>	<b>8,873,588</b>	<b>10,623,140</b>

### 20 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 Leicestershire County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016, and that of the LGPS related to the period ended 31 March 2019.

Contributions amounting to £75,508 were payable to the schemes at 31 August 2023 (2022: £72,326) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary. These contributions are credited to the Exchequer. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out below the information available on the scheme.

##### Valuation of the Teachers' Pension Scheme

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

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £432,574 (2022: £412,977).

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 an unfunded multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are % for employers and 5.5 to 12.5% for employees.

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

<b>Total contributions made</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Employer's contributions	394,000	262,000
Employees' contributions	77,000	65,000
	<u>          </u>	<u>          </u>
Total contributions	<u>471,000</u>	<u>327,000</u>

<b>Principal actuarial assumptions</b>	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	3.50	3.55
Rate of increase for pensions in payment/inflation	3.00	3.05
Discount rate for scheme liabilities	5.20	4.25
	<u>          </u>	<u>          </u>



# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 20 Pension and similar obligations

(Continued)

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

	<b>2023</b>	<b>2022</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	20.8	21.5
- Females	23.9	24.0
Retiring in 20 years		
- Males	21.5	22.4
- Females	25.3	25.7

Scheme liabilities would have been affected by changes in assumptions as follows:

<b>The Academy Trust's share of the assets in the scheme</b>	<b>2023</b>	<b>2022</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£</b>	<b>£</b>
Equities	2,956,020	2,731,580
Bonds	1,763,240	1,253,840
Property	363,020	403,020
Other assets	103,720	89,560
Total market value of assets	<u>5,186,000</u>	<u>4,478,000</u>

The actual return on scheme assets was £318,000 (2022: £(6,000)).

<b>Amount recognised in the statement of financial activities</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Current service cost	357,000	669,000
Interest income	(198,000)	(72,000)
Interest cost	208,000	130,000
Benefit changes, curtailments and settlements gains or losses	(514,000)	-
Administration expenses	602,000	-
Total operating charge	<u>455,000</u>	<u>727,000</u>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

<b>20</b>	<b>Pension and similar obligations</b>		<b>(Continued)</b>
	<b>Changes in the present value of defined benefit obligations</b>		<b>2023</b>
			<b>£</b>
	At 1 September 2022		4,690,000
	Current service cost		357,000
	Interest cost		208,000
	Employee contributions		77,000
	Actuarial gain		(755,000)
	Benefits paid		(81,000)
	Asset ceiling curtailment		690,000
	At 31 August 2023		5,186,000
	<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>		<b>2023</b>
			<b>£</b>
	At 1 September 2022		4,478,000
	Interest income		198,000
	Actuarial (gain)/loss		120,000
	Employer contributions		394,000
	Employee contributions		77,000
	Benefits paid		(81,000)
	At 31 August 2023		5,186,000
<b>21</b>	<b>Reconciliation of net income to net cash flow from operating activities</b>		
		<b>Notes</b>	<b>2023</b>
			<b>£</b>
	Net income for the reporting period (as per the statement of financial activities)		172,923
	Adjusted for:		
	Capital grants from DfE and other capital income		(656,801)
	Investment income receivable	<b>6</b>	(971)
	Defined benefit pension costs less contributions payable	<b>20</b>	51,000
	Defined benefit pension scheme finance cost	<b>20</b>	10,000
	Depreciation of tangible fixed assets		312,375
	Amortisation of intangible fixed assets	<b>13</b>	-
	(Increase) in debtors		(12,655)
	Increase/(decrease) in creditors		35,713
	<b>Net cash (used in)/provided by operating activities</b>		<b>(88,416)</b>
			<b>222,890</b>

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

### 22 Analysis of changes in net funds

	1 September 2022 £	Cash flows £	31 August 2023 £
Cash	2,468,369	(313,250)	2,155,119

### 23 Long-term commitments

#### Operating leases

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

	2023 £
Amounts due within one year	2,765
Amounts due in two and five years	2,345
	<u>5,110</u>

### 24 Capital commitments

The trust has committed to a total project cost of £806,125, of which £596,125 has been provided for with CIF funding. The trust has a contribution of £210,000 to the total project cost, of this £19,370 has been spent.

### 25 Related party transactions

#### Group and Trust

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, transactions may 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 Academy Trust's financial regulations and normal procurement procedures.

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

Key management personnel compensation disclosure is included in note 10.

#### Expenditure related party transactions

##### Trust only

During the year, Scholars Academy Trust received income of £Nil (2022: £73,524) from Oadby Learning Partnership Limited, the Trust's wholly owned trading subsidiary.

The transactions in the year to 31 August 2022 were the final transactions with the Oadby Learning Partnership Limited. The company has now been wound up.

#### Income related party transactions

On 5th April 2022 Sarah Ridley, Director of primary for the Mead Educational Trust ("TMET") became a trustee of Scholars Academy Trust. Services were being provided to TMET before the appointment and continued for the rest of the year. No transactions were provided for the year ended 31 August 2023.

# SCHOLARS ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2023

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### **26 Members' liability**

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