

Registration number: 06237630

Great Academies Education Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Beever and Struthers
One Express
1 George Leigh Street
Manchester
M4 5DL

Great Academies Education Trust

Contents

Reference and administrative details	1 to 2
Trustees' report	3 to 17
Governance statement	18 to 21
Statement of regularity, propriety and compliance	22
Statement of Trustees' Responsibilities	23
Independent Auditor's Report on the Financial Statements to the Members of Great Academies Education Trust	24 to 27
Independent Reporting Accountant's Assurance Report on Regularity to Great Academies Education Trust and the Education and Skills Funding Agency	28 to 29
Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account)	30 to 31
Balance Sheet as at 31 August 2023	32
Statement of Cash Flows for the year ended 31 August 2023	33
Notes to the Financial Statements	34 to 58

Great Academies Education Trust

Reference and administrative details

Members	Annette Hall Michael O'Hare Richard Mark Thompson Nicholas Smith Amanda Webb (appointed 21 October 2022)
Trustees (Directors)	Paul Jones, (Chair) Frank Norris Christopher Bowes Catherine Sullivan-Williams Khalida Kay (resigned 19 July 2023 and appointed as co-opted trustee 19 July 2023) Stephen Griffiths Paul Broderick (resigned 26 September 2022) Barbara Daykin Christopher Brislen (appointed 21 October 2022 and resigned 7 April 2023) Harjit Kilshaw (appointed 19 July 2023)
Senior Management Team	B Loughran, Chief Executive Officer L Bowman, Director of Finance & Estates P Smith, Education Director S Cheeseman, HR Manager D Waugh, Principal Great Academy Ashton D Mason, Principal Silver Springs Primary Academy R Craven, Principal Copley Academy J Kellett, Principal Middleton Technology School
Principal and Registered Office	Cavendish 249 Cavendish Street Ashton Under-Lyne Lancashire OL6 7AT
Company Registration Number	06237630
Auditors	Beever and Struthers One Express 1 George Leigh Street Manchester M4 5DL

Great Academies Education Trust

Reference and administrative details (continued)

Bankers	Co-Operative Bank 1 Balloon Street Manchester M60 4EP
	Virgin Money 58 Spring Gardens Manchester M2 1YB
Solicitors	Hill Dickinson LLP No1 St Paul's Square Liverpool L3 9SJ

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023

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

The Academy Trust operated three secondary academies and one primary academy in the North West during the year. The academies have a combined pupil capacity of 3,870 ranging from 3 to 16 years old and had a roll of 3,666 in October 2023.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee (company number 06237630) and an exempt charity. The charitable company's memorandum and articles of association dated April 2007 as amended December 2016 and September 2020 are the primary governing documents of the Trust. The Trustees of Great Academies Education 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 the dates these accounts are approved are included in the Reference and Administrative Details on pages 1 and 2. The four academies within the Academy Trust during the financial year are Great Academy Ashton, Copley Academy, Middleton Technology School and Silver Springs Primary Academy.

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

The Academy Trust is a member of the Department for Education risk protection arrangement (RPA) which includes risk protection for Governors Liability with a liability limit of £10m.

Method of recruitment and appointment or election of Trustees

The Academy Trust currently has seven Trustees who may appoint committees to be known as Local Governing Committees for each Academy. The constitution, membership and proceedings of any committee shall be determined by the Trustees. Appointments will be in accordance with the Trust's Memorandum and Articles of Association and Governor Recruitment Policy.

The members may appoint up to nine Trustees and any number of staff Trustees so long as the number does not exceed one third of the total number. The Trustees may also co-opt up to three Trustees onto the Board.

Trustees with the appropriate skills and experience are sought out to ensure a good balance of knowledge and expertise on the Board. The Academy Trust uses a combination of the external recruitment advisors and on-line adverts to attract suitable candidates.

Policies and procedures adopted for the induction and training of Trustees

A flexible induction process takes place taking into account the skills and experience of the Trustee but includes, as a minimum, meetings with the Chair of the Board, the Clerk and the Chairs and Principals of each Academy and a day within the organisation spending time in each of the academies.

Trustees receive no remuneration or benefits in respect of their duties as Trustees but are reimbursed for expenses incurred in carrying out their duties. During the year, the Trustees held six Trust Board meetings.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Organisational structure

The Trustees meet at least four times a year to receive reports and manage its strategic objectives. In addition to the Trust Board, there are Trustee subcommittees for Finance and Resources, Audit and Risk, Outcomes, SCITT and Pay and Remuneration. These subcommittees meet to review and discuss key areas in more detail and make recommendations to Trust Board. Each academy has a local governing committee which operates as a sub-committee of the Trust Board.

The day-to-day management is delegated to the Chief Executive Officer and the Principals who are each supported by a Leadership Team. The scheme of delegation clarifies those decisions that must be referred to the Trustees.

Arrangements for setting pay and remuneration of key management personnel

Each local governing committee has a pay sub-committee to agree the decisions of the Principal with regard to their local staff and the Academy Trust has a Remuneration Committee which is responsible for setting the pay and remuneration of the Trust's senior managers and Principals (key management personnel). The Committee consists of two Trustees.

Connected organisations, including related party relationships

The Academy Trust works to advance, for public benefit, the education of all pupils within our academies. Working with the Department for Education (DfE), Education and Skills Funding Agency (ESFA), Rochdale and Tameside Local Authorities, Tameside Sports Trust (Active Tameside), local primary schools and other local organisations to establish links with the local community.

Trade union facility time

The Academy Trust does not employ any trade union representatives, instead this service is provided via the local authority.

Engagement with employees (including disabled persons)

Communications

Great Academies Education Trust has 513 employees the majority working in the four academies in the Trust. Much of the communications with employees in each of the schools comes through the senior leaders in that school. The Principals of the schools attend regular meetings with members of the Trust Executive Team where relevant information is shared and so they can cascade information as appropriate to their staff.

The Trust produces a fortnightly newsletter in order to communicate with employees.

The Trust has a number of network groups which bring together those in the schools with particular roles and members of the Trust Executive Team. This enables staff to share ideas and challenges and to collaborate on solutions and new projects. It also enables relevant information to be communicated by the Executive Team members both to and from these groups.

Equal opportunities

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

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Disabled persons

The Academy Trust welcomes applications from candidates with a disability. Applicants are advised to contact HR if they have any specific requirements to enable them to apply.

Selection panels are not provided with information about whether candidates have a disability at the shortlisting stage, as the equal opportunities monitoring information is removed prior to shortlisting taking place. New starters complete a health questionnaire which enables the Trust and academies to assess whether any adjustments are needed to the working environment.

The Trust makes use of an occupational health provider. Any employee can request self-referral, and the academies make regular referrals, most often for staff returning to work after a period of sickness absence, but also for employees who may be encountering difficulties at work, either due to a disability or due to other reasons. The academies endeavour to act on the advice provided wherever possible and will consult with the employee to ensure reasonable adjustments are provided.

Disabled employees are entitled to the same opportunities for training, development and promotion as other employees. Opportunities for promotion are advertised within the academy, and staff wishing to be considered would be entitled to the same adjustments as candidates coming for interview and to have other adjustments considered, thus ensuring there are no barriers to their promotion.

The Trust purchases an employee assistance scheme from Westfield Health Ltd, which provides a range of benefits including counselling and money towards routine health appointments (for example dental or optical).

Consultation and seeking views

The Academy Trust recognises and regularly consults with a number of trade unions for both teaching and non-teaching staff. Regular scheduled meetings are held with full time union officials, and both the Academies and the trade union representatives also request additional meetings whenever the need arises. In addition to consultation with full time officials, local meetings are also held with the internal representatives both on a regular scheduled basis and on an ad hoc basis as required.

Consultation also takes place through staff events, staff questionnaires and a general culture of leaders being available and open to staff feedback.

A staff survey has been conducted annually over the past three years with results considered at Trust and school level. Statutory consultations with appropriate staff are carried out on key changes such as staff restructures, staffing changes and planned pupil admission number.

The Trust holds Joint Consultative Committee meetings six times a year for union representatives and members of the Trust executive team to discuss HR matters and policies.

Sharing Trust's performance

The schools engage staff in discussing information such as the educational performance of pupils at their school. Headline performance information such as Ofsted inspection outcomes are shared through staff newsletters and this information along with other key information is published online, e.g., end of key stage performance and Trust annual accounts.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Engagement with suppliers, customers and others in a business relationship with the trust

Suppliers

GAET relies on external suppliers for a number of key services. As well as being important for our success, we believe that dealing with suppliers in the right way is the right thing to do.

The Trust actively engages with suppliers through the undertaking of appropriate procurement exercises, ongoing contract management processes and partnership engagement. The Board-approved Finance Procedures Manual sets out the procurement rules for the Trust which ensure that taxpayers' money is used in ways that are demonstrably open, fair, and good value. It requires that all suppliers are given an equal opportunity to seek business and make competitive offers, and that spending choices and decisions are transparent and defensible.

The manual expects good contract management with suppliers to build and maintain a strong working relationship with the supplier and all with all relevant partners and stakeholders, checking that the scheduled goods, works or services are being delivered on time and to the required standards set out in the contract.

Parents and carers

The Trust actively engages with parents and carers of pupils via the individual schools' communications methods which include email, text and the use of online platforms such as Schoolcomms and Dojo. These online platforms enable quick communication between staff and parents and one-to-one communications.

The Trust schools seek parent views via annual parent questionnaires and engage face to face (or online) with parents at parents' evenings and a wide range of other school events.

Pupils

Pupil views are gathered through a variety of routes such as pupil questionnaires, school councils and daily communications in class and in school in general. All of our academies now systematically survey all pupils twice a year. At primary level pupils complete a 'Bounce Together' survey. This is an online mental health and well-being platform. At secondary level all our schools now use Pupils Attitude to Self and School (PASS) surveys. This highlights pupils that may have poor perceptions of themselves as learners and provides useful intervention strategies.

Others in a business relationship with the trust

Three of our academies are within the Tameside borough and one falls within Rochdale. The Trust purchases some services from the relevant local authorities (LA) and has regular meetings with representatives from these LA. GAET considers itself and the LA to be strategic partners in that it works with the LA to develop solutions to meeting need in our respective boroughs.

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

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Objectives and activities

Objects and aims

The Trust's objects are specifically restricted to the following:

Advancing education by:

- Establishing, maintaining, managing and developing schools offering a broad and balanced curriculum
- Promoting the physical, intellectual and social development of all children and young people, especially those who are socially and economically disadvantaged
- Developing the capacity and skills of those who are socially and economically disadvantaged in such a way that helps meet their needs and enables them to participate more fully in their communities and society at large
- Providing recreational and leisure time facilities in the interest of social welfare for the local communities in which the academies reside, especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

Our aim is to provide outstanding schools to improve the academic achievement of all our children and young people and increase their life chances and opportunities for successful and fulfilled lives as well-educated future citizens.

Objectives, strategies and activities

The strategic objectives are under five headings; People; Performance; Pupils and communities; structure, support and operations; and finance. The objectives of the strategic plan 2022-2025 are summarised below:

Our pupils and communities

1. To provide Great Academies' students with a rounded experience including wider achievements and enrichment.

In addition to securing great academic outcomes, we will ensure that all of our students benefit from and experience a wide entitlement to extra-curricular activity. After consulting with stakeholders and drawing on good practice (Middleton Technology School Enrichment for all), by August 2024 this will be enshrined in the 'Great Academies Charter of Enrichment for Students'. By August 2023, we will have monitored participation and have measurable outcomes in terms of student wider extra-curricular activities and by 2025, an education with Great Academies will be synonymous with benefiting from a rounded and world-class education.

2. To develop 'Great Academies in the Community' partnerships with our local communities

By September 2023, we will co-ordinate the outward facing dimension of each academy with their local community stakeholders including; parent bodies, local authority representatives, partner schools and trusts, the business community, and third sector organisations. By 2023, all academies will have thriving programmes of engagement with community stakeholders and become increasingly recognised as being truly at the heart of their communities.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Our performance

3. To design and deliver the best possible curriculum and teaching standards leading to the best outcomes for all of our students.

Our focus will be on curriculum in its broadest sense, covering the entire experience of the Great Academies' education. Our starting point will be the intended design and delivery of our curriculum. We aim for our students to achieve the best possible academic outcomes and to have a broad, rounded education experience in all of our academies. All measures such as academic outcomes, student attendance and exclusions data, will reach and then improve upon national average data. We will achieve this by systematically implementing our school improvement model, including a relentless focus on improving the quality of provision in our schools, and specifically ensuring teaching that is routinely great. We will place a great emphasis on the importance of literacy and numeracy, and undertake a trust-wide approach to improving standards in reading. High levels of attendance also comes from supportive and caring staff who ensure that an exciting broad curriculum awaits our students. In terms of impact and outcomes, our high aspiration is that by September 2025, we will be in the top 20% performing Multi Academy Trusts for secondary academies, and Silver Springs Primary Academy will be in the top 10% nationally in the DfE primary performance tables. This required an immediate focus from 2022 on current Y4 and Y9, and a plan for sustained improvement with subsequent years. By September 2027, all of our long-standing academies will be in the top 5% of similar schools, meaning that our Multi Academy Trust will be in the top 5% of similar Multi Academy Trusts. New academies joining the Trust will be given appropriate targets to support the overall objective for the Trust within a three-year period from the point of joining. All performance measures will improve on FFT 50, meet FFT 20, and reach FFT 5 over this time. Where the Covid pandemic has delayed DfE performance tables in 2020 and 2021, we will continue to scrutinise our academies performance against the most reliable data sets that we can source or national average data that is published by DfE.

4. To work towards greater sustainability including a carbon net zero status

This is a newly introduced strategic objective for the Trust and will develop over time. The DfE draft strategy "sustainability and climate change" was published in November 2021 and a final strategy is expected in April 2022. By September 2025 our approach to sustainability will be embedded across the Trust and we will be contributing to the 2030 Sustainability Agenda. We will have reviewed how we teach about sustainability; the environment; climate change; and achieving net zero carbon emissions. We will give our students a voice in the strategic direction that we take, including school-level projects and competitions. We will aim to reduce our overall consumption year on year, including projects around increasingly sustainable transport and improved estates and ways of working. We will seek involvement for our students in the national Education Nature Park & Climate Leaders Award and promote progression into green skills and careers.

Our people

5. To develop and promote staff good health and well-being through Charters for our people

As we move out of the 2020-21 two years of pandemic, we recognise we can strengthen our offer to support and promote staff well-being and good health. In 2020, we introduced our first trust wide staff survey, which we will maintain as an annual process securing the best possible response rate from staff. We will ensure that we respond to and act on the main themes emerging from staff surveys. By September 2022, we were signed up to the DfE well-being charter and all of our academies are signed up the Great Academies Staff Well-Being Charter.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Our finance and resources

6. To manage our finance and resources efficiently to secure and sustain the best provision and opportunities for the future

By September 2023, curriculum led financial planning (CLFP) will be understood by all leaders and managers and schools will recognise the imperative to reach balanced income and expenditure in-year budgets. This will be supported by monthly financial reports, quarterly Local Governing Committees and termly Financial Accountability Meetings (FAMs). By September 2023, all schools will return a surplus of at least 3% of GAG in order to sustain total reserves of at least 10% of in Year GAG and enable a strategic estates management and an ICT refresh-programme.

Our Structure, Support and Operations

7. To develop and provide GAET'S services through our central structure, support and operations

By September 2023, we will have completed a process of alignment across our academies to ensure efficient practices and protocols are standardised against agreed practices of excellence, including our Great School Improvement Model, our finance, HR, governance, estates and ICT functions. These will clearly define the capacity and bespoke support systems required by and offered to each current and future academy.

8. To grow the Great Academies Education Trust

We have identified a pipeline of potential partner schools who may join our Trust, supported by marketing materials and a strategy to engage new prospective partner schools. We will be clear on the 'Ws' of who, when, where and why, as well as ensuring that we have the capacity for sensible growth. By September 2024, we will have at least three more primary schools in our Trust and by September 2025 we will have developed two clusters of around 4-6 schools in each of Rochdale and Tameside, with a view and strategy for growth into other regional areas in the north. If our local partner primary schools are slow to work with us, we will look for primary partners further afield. Trustees have also included in the strategic plan, mergers as a growth opportunity for the trust.

Strategic Report

Achievements and performance

Overview

Academic year 2022/23 has continued to pose several challenges which have impacted some of the student outcomes across the trust. Our analysis shows that rates of attendance have yet to get back to their pre COVID levels. Trust analysis also shows that where pupils attended for 96+% then by the end of Year 11 their progress scores were positive and demonstrated added value. Where attendance was below this, and particularly below 90% then this has a significantly negative impact on progress overall. In addition to this trust and school leaders underestimated the reset to 2019 benchmarks and this had an impact on the accuracy of predictions in some schools and/or in some departments.

Our Academies

Great Academy Ashton (GAA)

During 2022-23, GAA received its latest Ofsted inspection. Whilst the overall judgement was 'Requires Improvement' there were many aspects and comments in the report which demonstrated that through effective trust and school collaboration several positive comments and improvements have been noted.

GAAs Attainment 8 is below predictions (36.02 of 40.4) and a target of 42. This attainment 8 score is lower than both 2018 and 2019 A8 (39.06 in 2019). Predictions in English are particularly below (Level 4+) where leaders predicted 171.6 but achieved 60.1.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

At Level 5 the gap between English predicted and actual was narrower (actual 42.2 predicted 47.1). in mathematics there were less significant differences at both Levels 4 and 5 between predicted and actuals.

English and Maths combined results are showing reasonable correlation, with the correlation gap at G5+ being in line with national at -6%, and slightly below national at 4+ at -8%. Maths was the limiting factor at both grade boundaries, which follows the national pattern. There are promising signs of improvement in relation to both attendance and behaviour currently.

Copley Academy (CA)

Copley Academy continues to make progress and outcomes in 2023 show a trend of improvement since 2019. Particularly impressive has been how well pupils have achieved overall in vocational subjects including health and social care. Mathematics, which for some time has underperformed, is showing an improving trend and rising outcomes.

Although Copley's Attainment 8 (36.60) is below predicted (41.0) and target of 45, there is a good trajectory of accelerating improvement now evident in Copley Academy's outcomes from 2019, 2022 to 2023 of over 0.3. This Attainment 8 score is slightly higher than both 2018 and 2019 (34.58 in 2019) and therefore shows some improvement.

This is also a similar picture for attainment at Level 4 in mathematics (rose from 49 in 2019 to 56.4) however there was a decline from 2019 in English at Level 4 (61 cf 56.4) and at Level 5 (23 cf 20.9) in English. Based on provisional progress information this may indicate a Progress 8 score of -0.67 (in which similar pupils with similar starting points in other schools did over half a grade better than those in Copley).

Pupils' attainment in English (Level 4) was below that predicted (56.4 compared to a predicted of 67) and at Level 5, with a predicted of 40 compared to an actual of 30. A similar picture is seen in mathematics in which Level 4 predictions were inaccurate (71 cf 56.4) and at Level 5 with prediction of 40 cf an actual of 27.3.

English & Maths combined results have less correlation, particularly at G4+. English G4+ is 56.4%, maths G4+ is 56.4%, combined is 44.5%, -11.9% below the individual subjects. At G5+ the gap is -6.4%, the national gap is normally approximately 5%. Maths was the limiting factor at G5+, but there were equal numbers of students only getting English or maths but not at G4+.

Middleton Technology School (MTS)

MTS was inspected by Ofsted in March 2019 and graded as Good. Attainment 8 (44.19) is close to the predicted (45) and target of 51. This attainment 8 score is slightly lower than both 2018 and 2019 (47.41 in 2019). Attainment at Level 4 in mathematics and English was very close to latest predictions.

English Language results are just in line with national at G7+, G5+ and G4+, but English Literature results are well below national. English is the weakest area of Progress 8 results. Based on provisional progress information this may indicate a Progress 8 score of -0.34 (in which similar pupils with similar starting points in other schools did over one third of a grade better than those in MTS).

Pupils' attainment in English (Level 4) was similar to that predicted (67.4 compared to a predicted of 68.1) and at Level 5, with a predicted of 43.3 compared to an actual of 48.1. A similar picture is seen in mathematics in which Level 4 predictions were broadly accurate (72.6 prediction cf 70.4) and at Level 5 with prediction of 51.9 cf an actual of 50.0.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

This suggest that:

- Teachers within English and mathematics have a better understanding of how well their pupils are attaining against GCSE measures of Level 4 and 5.
- Despite some lower levels of Year 11 attendance (that did improve) interventions and support appear to have been more successful.
- MTS are more effective at helping boys achieve.

Silver Springs Primary Academy (SSPA)

SSPA most recent inspection in 2022 saw the school judged as Good in all aspects of the inspection framework. Outcomes in early years, phonics and key stage 1 overall show positive trends and comparisons to national averages.

In Early Years challenging targets were met, apart from in Writing and Communication and Language where targets were broadly met and results were above the Easter prediction, which is testament to the responsive approach to targeted intervention that Reception staff have developed. GLD was in line with the National average as were Reading and Writing.

The Year 1 phonics screening check saw an actual of 75% compared to a target of 80%. School analysis shows that many pupils achieved full marks on the screening check. However, recent arrivals to Year 1 (x 10) have reduced the overall total down. When leaders take these new arrivals out of the data set, the school achieved targets set. Overall combined expected and greater depth are at least as good as targets set.

At Key Stage 1, leaders have provided data for the full cohort alongside shadow data which takes into account the impact of new arrivals. Overall, this shows that children in Key Stage 1 achieved broadly in line for mathematics (at both expected and greater depth). For writing children were overall broadly in line (at both expected and greater depth). However, children did less well in reading (at expected and greater depth).

Key Stage 2 outcomes indicate that reading will be the key area for further focus and development for this academic year. The key areas are in reading and mathematics. As a result of lower outcomes in reading and mathematics, this has had a negative impact on the overall combined outcomes as well.

Going concern

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

The Trust has access to healthy cash reserves, which provide a high degree of comfort in the Trust's ability to respond to and tackle any shortfalls in these turbulent times. This financial resilience will help the schools to stay flexible and adaptable to unexpected changes in pupil numbers and to manage unplanned costs.

Expenditure of the schools is dominated by staff costs, nevertheless opportunities for reducing costs are identified and actioned when possible.

Financial projections were compiled and demonstrated cash resilience to the end of FY2025-26. These projections include continued capital investment in our estates and ICT infrastructure through the strategic use of reserves.

Additionally, it is considered that, after examining likely future risks to the business, that there will be sufficient funds to cope with any unexpected expenditure, predominantly staff salary costs. For this reason, the Trustees have continued to adopt a going concern basis in preparing the Trust's financial statements.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Promoting the success of the academy:

Section 172 of the Companies Act 2006 requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the charity to achieve its charitable purposes.

The Trustees are committed to improving the outcomes of all our pupils through the relentless pursuit of scholarship and excellence and securing the best possible outcomes. Our schools deliver the highest quality teaching and learning, are fully compliant within our policy framework.

We steadfastly believe that our approach allows local governing committees and academy leadership teams to focus on the needs of their communities within a supportive framework. The Trust provides the underpinning systems, structures, and external networks to support the work in our schools, enabling them to prioritise their time on the teaching and learning strategies and outcomes at their schools.

We deliver effective, progressive, professional development opportunities for all staff who work within our schools creating a culture of success. Succession planning throughout the organisation is essential to ensure our standards remain high at all times.

We ensure our school environments are fit for purpose and going forward the trust will also ensure consideration is given to the environmental impact when making decisions with regards to our infrastructure.

As a Trust, we place an important emphasis on the professional conduct of our staff, trustees, and visitors and all abide by a clear framework and policy. This includes being genuine, being aware of equality, impartiality, and the need to act fairly. The recent equality work within all our schools demonstrates the Trust's commitment to review policy and practice and be at the forefront of equality practice.

We deliver effective, progressive, professional development opportunities for all staff who work within our schools creating a culture of success. Succession planning throughout the organisation is essential to ensure our standards remain high at all times.

We ensure our school environments are fit for purpose and going forward the trust will also ensure consideration is given to the environmental impact when making decisions with regards to our infrastructure.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Financial review

The principal sources of funding for the Academy Trust are grants from the ESFA, donations and other external income. Most of the Academy Trust's income is obtained from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the Year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy Trust also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (FRS 102 SORP), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund generally when they are awarded, as set out in the Academy Trust's accounting policies. In prior years the value of the land and buildings occupied by Middleton Technology School, Great Academy Ashton, Copley Academy and Silver Springs Primary Academy have all been recognised. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

No voluntary donations were received from related parties in the current year (2022: nil). £2,000k permanent endowment fund and other cash not required to meet day to day running expenses is invested in short-term deposit accounts with the Academy's banks. Interest received on these deposits was £46k compared to £6k in the previous year.

During the Year ended 31 August 2023, total expenditure exceeded income by £1,922k (2022: £2,513k net expenditure). This included depreciation charges on land and buildings of £2,276k (2022: £1,943k). The deficit on total funds in the year was £381k (Surplus in 2022: £15,189k). This surplus was including an actuarial gain on defined benefit obligations of £1,541k (2022: £17,702k).

The results for the year excluding FRS102 pension adjustments and depreciation was a surplus of £747k (2022: £151k). This is a strong performance particularly in light of the significant cost pressures experienced within the Academy Trust and the sector.

Non-teaching staff are members of the Local Government Pension Scheme (LGPS). The asset/(deficit) as at 31 August 2023 is £ nil (2022: (£1,148k)). Middleton Technology School remained pooled with Rochdale Metropolitan Borough Council upon conversion and therefore employer contribution rates for MTS non-teaching staff (20.5%) differ from the rest of Great Academies Education Trust (18.6%).

The Academy held fund balances at 31 August 2023 of £63,394k comprising £2,000k Permanent Endowment Fund, £3,441k Unrestricted Fund, £57,808k Restricted Fixed Asset Fund, £145k Restricted General Fund and a pension reserve deficit of £nil.

The Academy Trust monitors cash flow and prepares financial forecasts to anticipate and manage financial risk and meet financial objectives.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually and before the approval of strategic use of these reserves. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The Trustees have determined that the appropriate level of general reserves should be equivalent to 10% of GAG income. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, falling student numbers or no-notice changes in schools funding methodology. Variances to the appropriate 10% target are closely monitored. Balances higher or lower than this target are expected to be supported by appropriate spending or recovery plan.

The general reserves balance at the start of the year was higher than the target and therefore to ensure compliance with this policy, the Trust has worked with the academies to deliver an informed spending plan. This has included, but is not limited to, the investment in a new Building Management System (BMS) at Great Academy Ashton, additional investment in school improvement, contribution to the improvement of ventilation at Copley Academy (partly funded through CIF), continued investment in the refresh and replacement of digital devices.

Copley Academy has a deficit reserve position at 31 August 2023 (as a result of historic falling pupil numbers and three years of protected teacher pay following staff restructure) and Trust reserves are supporting Copley Academy whilst the financial recovery plan eliminates the deficit.

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted and endowed funds) is £3,441k (2022: £4,113k). The balance on this reserve mainly comprises charitable donations received from Great Neighbourhoods (previously related to GAET by virtue of common directors) and is used to fund development of the Trust.

Investment policy

The Academy Trust prefers banking institutions that have strong ethical values and a low risk profile. In order to manage risk whilst maximising returns, deposits are placed with more than one institution. Only those institutions approved by the Trust Board are used for the placing of deposits.

Performance Indicators

The Trust Board receive reports on academic and financial performance and management at each meeting. Key information monitored by the Trust Board and Committees include:

- The on-going work towards achieving balanced budgets, approved by the Academy Trust Board and reported on throughout the year along with regular management accounts and forecasts (along with assessment of reserves position to address any in-year deficit budget).
- Managing cash balances - ensuring surplus cash placed on deposit and sufficient available funds to meet operational needs.
- Staff costs as a percentage of total income less donations which is in line with the target level (78%) of 73% in 2022/23 (75% in 2021/22).
- Pupil attendance and behaviour data for all the academies.
- Exam results data including targets and predictions.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Principal risks and uncertainties

The Audit and Risk Committee formally review the risk register three times a year, the Trust Board formally reviews the risk register annually and key risks are discussed at Trust Board meetings as required. The major risks which face the Trust are reviewed quarterly by the Executive Team and appropriate processes and controls have been implemented to minimise and manage risk, including an effective system of internal financial control which is further detailed in the Governance Statement. The main risks identified include:

- * Strategic
- * People
- * Financial
- * Infrastructure and operations.

The Local Governing Committees receive the school risk register three times during the year and key risks are flagged in their interaction with the Trust risk register and vice versa.

In September 2022, the government issued its Coasting Schools Legislation. This empowered the DfE to issue Regulatory Notice warning notices to schools in this category. By virtue of not having been graded good in their respective last two inspections, Copley Academy and Great Academy Ashton are both in this category. The trustees, Local Governing Committees, the Executive Team and school leaders have responded positively to the significant challenge posed by the DfE in executing this process. In March 2023, Copley Academy had a long standing (since January 2019) Minded to Terminate notice rescinded and replaced by a Termination Warning Notice. In July 2023, the trust was notified that Great Academy Ashton would receive a Termination Warning Notice. These challenges are expected to remain in place for the foreseeable future until the schools achieve the Ofsted grading of good.

Previously identified, a key risk to the Academy Trust is the outsourced Facilities Management contract in place at Great Academy Ashton. This contract is expensive and the provision of the services has been poor. The Trust have been working with the parties involved in order to review, monitor and improve the effectiveness and value for money of the contract.

The Trust also faces the risk of the inability to operate due to rising costs in staffing, energy and inflation linked costs. This risk is addressed by a robust financial control system, efficient procurement procedures and the ongoing consideration of efficiency savings.

The on-going changes in funding methodology and associated reduction in grants received, combined with rising staff costs and high fixed cost of the managed service charges for the building at Great Academy Ashton present uncertainty for the years ahead.

Financially, the availability of cash and access to healthy surplus reserves is central to the Trust's availability to mitigate the financial impact of the current economic climate.

All academies in the trust have completed detailed and robust risk assessments and put in place appropriate measures to mitigate the H&S risks and cyber security risks. The Trust is aiming to obtain the Cyber Essentials certification.

Fundraising

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

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions (kWh)	6,964,082	6,633,059
Energy consumption break down (kWh)		
Gas	4,671,958	4,276,916
Electricity	2,275,512	2,345,194
Transport fuel	-	10,949
Scope 1 emissions in metric tonnes CO2e		
Owned transport - mini-buses	0.74	2.21
Gas consumption	852.91	780.71
Total scope 1	853.65	782.92
Scope 2 emissions in metric tonnes CO2e		
Purchased electricity	471.20	453.51
Scope 3 emissions in metric tonnes CO2e		
Business travel in employee-owned vehicles	3.29	1.62
Total gross emissions in metric tonnes CO2e	1328.14	1238.05
Intensity ratio		
Tonnes CO2e per pupil	0.36	0.34

Quantification and Reporting Methodology:

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2023 UK Government's Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Great Academies Education Trust

Trustees' report for the Year Ended 31 August 2023 (continued)

Plans for future periods

Continued installation of LED lighting across the whole trust, with a particular focus at Great Academy Ashton.

Installation of new Building Management System (BMS) at Great Academy Ashton.

Installation of energy efficient windows in Copley Academy as part of significant ventilation works.

The immediate plans for the Academy Trust continue to be centred on driving significant improvement in educational standards in all academies.

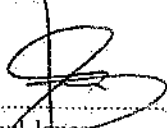
The Academy Trust will continue to strive to improve the performance of all its students and make efforts to ensure its secondary students successfully secure employment, further education or training upon leaving the secondary academies and its primary students move onto secondary education with the required numeracy and literacy skill levels upon leaving the primary academy. In addition to academic achievement, the Academy Trust aims to ensure that when students leave, they take other life skills with them.

Auditor

Insofar 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.

The trustees' report, incorporating a Strategic Report, was approved by order of the members of the Board of Trustees on 13 December 2023 and signed on its behalf by:


.....
Paul Jones
Trustee

Great Academies Education Trust

Governance statement

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Christopher Bowes	5	5
Catherine Sullivan-Williams	4	5
Frank Norris	3	5
Paul Jones, (Chair)	5	5
Khalida Kay (resigned 19 July 2023 and appointed as co-opted trustee 19 July 2023)	4	4
Barbara Daykin	5	5
Stephen Griffiths	5	5
Christopher Brislen (appointed 21 October 2022 and resigned 7 April 2023)	0	3
Paul Broderick (resigned 26 September 2022)	0	1

Governance reviews

Governor and Trustee appraisals are held on an annual basis to review effectiveness across the Boards. Feedback from the appraisals is used to help shape the training and development calendar for the following academic year. There is a termly training session for all GAET members on subjects such as Safeguarding, Admissions and Exclusions, plus academy specific training appropriate to each governing body. In addition, we hold an annual GAET Away Day for all members to look at Governor and Director roles, GAET's vision and objectives and hosts guest speakers. The Trust's Governance Officer provides governors and trustees with a range of information regarding training and online resources to which we have access. We are subscribing members to organisations including the National Governors Association, Governor e-Learning and The Key. Training records are held centrally by the clerk and are reviewed at individual appraisals to ensure attendance and that Governors are playing an active part in their personal training and development needs.

The Trust undertook a full external review of governance in FY22-23 with the National Governors Association (NGA) in order to further ensure the robustness of governance. The headline of this report is 'Great Academies Education Trust has a strong and committed trust board, and governance has been carefully organised to ensure that the three core functions are covered at trust board and LGC level'. This report also identified a number of actions which are being reviewed with the Trust Board in order to ensure they are addressed over the next 12 months.

Great Academies Education Trust

Governance statement (continued)

Finance and Resources Committee

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee financial reporting. In addition to the Finance Director, Khalida Kay is a certified accountant and was a member of the committee. Attendance at meetings in the year is as follows: Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Frank Norris	5	5
Stephen Griffiths	5	5
Paul Jones	5	5
Khalida Kay (resigned 19 July 2023 and appointed as co-opted trustee 19 July 2023)	5	5

Audit and Risk Committee

The Audit Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee risk management and review and approve the audit activity. Attendance at meetings in the year is as follows: Attendance at meetings during the year was as follows:

Trustee	Meetings attended	Out of a possible
Stephen Griffiths	3	3
Paul Jones	3	3
Khalida Kay (resigned 19 July 2023 and appointed as co-opted trustee 19 July 2023)	3	3

Review of value for money

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

The Accounting Officer considers how the Multi 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 where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

• Targeting resources to focus on improving educational results

The Multi Academy Trust regularly reviews its staffing structure to ensure that staffing levels are appropriate to support the delivery of the curriculum. The on-going reduction in funding levels has renewed the focus on ensuring that the right staff are in post to drive improvement in the key areas. Although staff numbers have reduced in response to budget pressures, more flexible and focused deployment of the remaining staff has enabled the Academy Trust to continue driving improvement.

• On-going review and challenge of all costs

The Multi Academy Trust has an established culture of challenging all requested spend – do we need to spend; is there an alternative, more cost-effective way of providing, have we secured the best procurement deal? There is a continued focus through renegotiation of service contracts as they have come due, benchmarking and sharing cost data across the Multi Academy Trust and seeking ways to secure better deals Trust-wide.

Great Academies Education Trust

Governance statement (continued)

The purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Great Academies Education Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the academy trust is exposed, together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Academy 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;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has appointed Jackson Stephen LLP, to carry out a programme of agreed upon procedures for the 2022/23 financial year.

- to appoint Jackson Stephen LLP as internal auditor
- not to appoint an internal auditor. However the Trustees have appointed Beever and Struthers, the external auditor, to perform additional checks

The reviewer's auditor's role included giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. The review focused on the robustness of strategic planning and budgeting. The auditor reported to the Board of Trustees, through the finance and audit committee, on the operation of the systems of control.

On a annual basis, the auditor 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's 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.

For the year ending 31 August 2023, the agreed schedule of work was delivered as planned with no control issues arising from the work.

Great Academies Education Trust

Governance statement (continued)

Review of Effectiveness

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

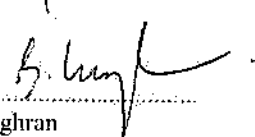
- the work of the internal auditor Jackson Stephen LLP;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 13 December 2023 and signed on its behalf by:



Paul Jones
Trustee



B Loughran
Chief Executive Officer

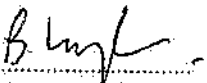
Great Academies Education Trust

Statement of regularity, propriety and compliance

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

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of 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.


B Loughran, Chief Executive Officer
Accounting officer

13 December 2023

Great Academies Education Trust

Statement of Trustees' Responsibilities

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

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

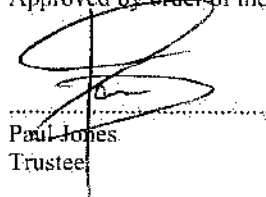
- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 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 on 13 December 2023 and signed on its behalf by:



Paul Jones
Trustee

Great Academies Education Trust

Independent Auditor's Report on the Financial Statements to the Members of Great Academies Education Trust

Opinion

We have audited the financial statements of Great Academies Education Trust "the academy trust" for the year ended 31 August 2023, which comprise the Statement of Financial Activities for the year ended 31 August 2023 (including Income and Expenditure Account), Balance Sheet as at 31 August 2023, Statement of Cash Flows for the year ended 31 August 2023, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report (incorporating the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report.

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

Great Academies Education Trust

Independent Auditor's Report on the Financial Statements to the Members of Great Academies Education Trust (continued)

- 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 set out on page 23, 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's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

Great Academies Education Trust

Independent Auditor's Report on the Financial Statements to the Members of Great Academies Education Trust (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations,
- we identified the laws and regulations applicable to the academy through discussions with trustees and other management, and from our knowledge and experience of the academy sector,
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy, including the Companies Act 2006, the Charities Act 2011, and the Academies Accounts Direction 2022 to 2023 and Academies Trust Handbook 2022, both issued by the Education and Skills Funding Agency,
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence,
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud,
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures on material balances for which robust, substantive analytical procedures have been undertaken to identify any unusual or unexpected relationships,
- tested journal entries to identify unusual transactions,
- investigated the rationale behind significant or unusual transactions.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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

Great Academies Education Trust

Independent Auditor's Report on the Financial Statements to the Members of Great Academies Education Trust (continued)

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an 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 academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Andrew J McLaren (Senior Statutory Auditor)
For and on behalf of Beever and Struthers, Statutory Auditor

One Express
1 George Leigh Street
Manchester
M4 5DL

Date:

Great Academies Education Trust

Independent Reporting Accountant's Assurance Report on Regularity to Great Academies Education Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 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 Great Academies Education 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 Great Academies Education Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Great Academies Education Trust and the 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 Great Academies Education Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Board of Trustees's accounting officer and the reporting accountant

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

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2022 to 2023. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 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:

- Review and testing of financial systems of internal control
- Sample testing of transactions
- Discussions with management

Great Academies Education Trust

Independent Reporting Accountant's Assurance Report on Regularity to Great Academies Education Trust and the Education and Skills Funding Agency (continued)

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 year from 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.

.....
Andrew J McLaren

For and on behalf of Beever and Struthers, Chartered Accountants

One Express
1 George Leigh Street
Manchester
M4 5DL

Date:.....

Great Academies Education Trust

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Endowment Funds £ 000	2022/23 Total £ 000
Income and endowments from:						
Donations and capital grants	2	2	-	229	-	231
Other trading activities	4	677	239	-	-	916
Investments	5	46	-	-	-	46
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	26,667	-	-	26,667
Teaching schools	27	-	456	-	-	456
Total		725	27,362	229	-	28,316
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	550	26,942	1,640	-	29,132
Teaching schools	27	-	470	-	-	470
Total		550	27,412	1,640	-	29,602
Net income/(expenditure)		175	(50)	(1,411)	-	(1,286)
Transfers between funds		(847)	(1,466)	2,313	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	25	-	1,541	-	-	1,541
Net movement in (deficit)/funds		(672)	25	902	-	255
Reconciliation of funds						
Total funds brought forward at 1 September 2022		4,113	120	57,542	2,000	63,775
Total funds carried forward at 31 August 2023		3,441	145	58,444	2,000	64,030

Great Academies Education Trust

**Statement of Financial Activities for the Year Ended 31 August 2022
(including Income and Expenditure Account)**

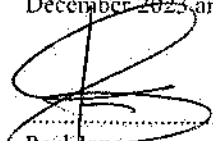
	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Endowment Funds £ 000	2021/22 Total £ 000
Income and endowments from:						
Donations and capital grants	2	-	-	1,298	-	1,298
Other trading activities	4	567	111	-	-	678
Investments	5	6	-	-	-	6
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	24,515	-	-	24,515
Teaching schools		-	430	-	-	430
Total		573	25,056	1,298	-	26,927
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	27,132	1,943	-	29,075
Teaching schools	27	-	365	-	-	365
Net income/(expenditure)		573	(2,441)	(645)	-	(2,513)
Transfers between funds		(922)	-	922	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	25	-	17,702	-	-	17,702
Net movement in (deficit)/funds		(349)	15,261	277	-	15,189
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2021		4,462	(15,141)	57,265	2,000	48,586
Total funds carried forward at 31 August 2022		4,113	120	57,542	2,000	63,775

Great Academies Education Trust

(Registration number: 06237630)
Balance Sheet as at 31 August 2023

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Tangible assets	12	58,444	57,542
Current assets			
Debtors	13	4,004	3,046
Cash at bank and in hand		4,537	5,217
Investments		2,097	2,088
		<u>10,638</u>	<u>10,351</u>
Liabilities			
Creditors: Amounts falling due within one year		<u>(5,052)</u>	<u>(2,970)</u>
Net current assets		<u>5,586</u>	<u>7,381</u>
Total assets less current liabilities		<u>64,030</u>	<u>64,923</u>
Net assets excluding pension asset		64,030	64,923
Defined benefit pension scheme liability	25	<u>-</u>	<u>(1,148)</u>
Total net assets		<u>64,030</u>	<u>63,775</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund	15	145	1,268
Restricted fixed asset fund	15	58,444	57,542
Pension reserve	15	<u>-</u>	<u>(1,148)</u>
		<u>58,589</u>	<u>57,662</u>
Unrestricted funds			
Unrestricted general fund	15	3,441	4,113
Endowment funds			
Permanent fund	15	<u>2,000</u>	<u>2,000</u>
Total funds		<u>64,030</u>	<u>63,775</u>

The financial statements on pages 30 to 58 were approved by the Trustees, and authorised for issue on 13 December 2023 and signed on their behalf by:


Paul Jones
Trustee

Great Academies Education Trust

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £ 000	2022 £ 000
Cash flows from operating activities		1,594	(495)
Cash flows from investing activities	21	<u>(2,266)</u>	<u>(1,863)</u>
Change in cash and cash equivalents in the year		(672)	(2,358)
Cash and cash equivalents at 1 September		<u>7,306</u>	<u>9,664</u>
Cash and cash equivalents at 31 August	22	<u><u>6,634</u></u>	<u><u>7,306</u></u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

Great Academies Education Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

Basis of preparation

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

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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.

Income

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

Grants

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

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

Capital grants are recognised in full when there is an 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 spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Donations

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

Other income

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

Expenditure

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

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.

Tangible fixed assets

Assets costing £500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, per the table below.

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.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Asset class	Depreciation method and rate
Leasehold Land	0.8%
Leasehold Buildings	2% - 20%
Fixtures, Fittings and Equipment	10% - 33%
Computer Equipment	20% - 33%

Liabilities

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

Provisions

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

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

Leased assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly-owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

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.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the notes to the financial statements, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded 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 operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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 the Education and Skills Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

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

Critical accounting estimates and areas of judgement

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

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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 2016 has been used by the actuary in valuing the pensions liability at 31/08/2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

None

Agency accounting

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 0% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note .

2 Donations and capital grants

	Unrestricted Funds £ 000	Restricted Fixed Asset Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Capital grants	-	229	229	1,298
Other donations	2	-	2	-
	<u>2</u>	<u>229</u>	<u>231</u>	<u>1,298</u>

The income from donations and capital grants was £230,761 (2022: £1,298,383) which was allocated between the funds as follows: £2,327 unrestricted funds (2022: (£64)); £Nil restricted funds (2022: £Nil); £228,434 restricted fixed asset funds (2022: £1,298,447) and £Nil endowment funds (2022: £Nil).

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
DfE/ESFA revenue grants			
General Annual Grant (GAG)	22,502	22,502	21,276
Pupil Premium	1,547	1,547	1,400
Others	51	51	529
Universal Infant Free School Meals	16	16	319
Free School Meals Supplementary Grant	705	705	-
Mainstream Grant	351	351	-
Recovery Premium	377	377	-
School Led Tutoring	174	174	-
PE & Sports Grant	19	19	-
	<u>25,742</u>	<u>25,742</u>	<u>23,524</u>
Other government grants			
Local Authority Grants	627	627	633
Non-government grants and other income			
Other Grants	228	228	111
RPA Claims	70	70	-
	<u>298</u>	<u>298</u>	<u>111</u>
Covid-19 additional funding (DfE/ESFA)			
Other DfE/ESFA Covid-19 funding	-	-	247
Total grants	<u>26,667</u>	<u>26,667</u>	<u>24,515</u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

4 Other trading activities

	Unrestricted Funds £ 000	Restricted General Funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Hire of facilities	78	-	78	79
Catering income	541	-	541	458
Other Income	58	239	297	141
	<u>677</u>	<u>239</u>	<u>916</u>	<u>678</u>

The income from other trading activities was £915,745 (2022: £677,319) which was allocated between the funds as follows: £677,344 unrestricted funds (2022: £567,168), £238,401 restricted funds (2022: £110,151), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

5 Investment income

	Unrestricted funds £ 000	2022/23 Total £ 000	2021/22 Total £ 000
Investments	<u>46</u>	<u>46</u>	<u>6</u>

The income from other trading activities was £46,179 (2022: £5,967) which was allocated between the funds as follows: £46,179 unrestricted funds (2022: £5,967), £Nil restricted funds (2022: £Nil), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

6 Expenditure

	Non Pay Expenditure			2022/23 Total £ 000	2021/22 Total £ 000
	Staff costs £ 000	Premises £ 000	Other costs £ 000		
Academy's educational operations					
Direct costs	17,072	-	1,735	18,807	19,022
Allocated support costs	4,555	4,022	1,748	10,325	10,053
Teaching school hub					
Teaching school hub - Direct costs	62	-	103	165	83
Teaching school hub - Allocated support costs	<u>12</u>	<u>-</u>	<u>293</u>	<u>305</u>	<u>282</u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

6 Expenditure (continued)

Non Pay Expenditure			2022/23	2021/22
Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
21,701	4,022	3,879	29,602	29,440

Net income/(expenditure) for the year includes:

	2022/23 £ 000	2021/22 £ 000
Operating lease rentals	77	28
Depreciation	1,639	1,943
Fees payable to auditor - audit	24	19
- other audit services	6	5
Net interest on defined pension liability	56	292

7 Charitable activities

	2023 £ 000	2022 £ 000
Direct costs - educational operations	18,807	19,022
Support costs - educational operations	10,325	10,053
	29,132	29,075

Teaching School

Teaching school hub	470	365
---------------------	-----	-----

	Teaching School £ 000	Educational operations £ 000	2023 Total £ 000	2022 Total £ 000
Analysis of support costs				
Support staff costs	-	4,555	4,555	5,948
Depreciation	-	1,640	1,640	427
Technology costs	-	222	222	238
Premises costs	-	2,382	2,382	1,823
Legal costs	-	214	214	160
Other support costs	-	1,282	1,282	1,420
Governance costs	-	30	30	37
Total support costs	-	10,325	10,325	10,053

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff

Staff costs

	2023 £ 000	2022 £ 000
Staff costs during the year were:		
Wages and salaries	15,189	14,655
Social security costs	1,606	1,470
Operating costs of defined benefit pension schemes	3,609	4,799
	<u>20,404</u>	<u>20,924</u>
Agency staff costs	1,294	1,159
Staff restructuring costs	3	3
	<u>21,701</u>	<u>22,086</u>
	2022/23 £ 000	2021/22 £ 000
Staff restructuring costs comprise:		
Redundancy payments	3	1
Severance payments	-	2
	<u>3</u>	<u>3</u>

Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £Nil (2022: £2,564). Individually, the payments were:

Non-statutory payments: £Nil

Non-contractual payments: £Nil

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff (continued)

Higher paid staff

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

	2022/23 No	2021/22 No
£60,001 - £70,000	8	8
£70,001 - £80,000	6	4
£80,001 - £90,000	2	2
£90,001 - £100,000	2	1
£100,001 - £110,000	1	1
£110,001 - £120,000	1	-
£130,001 - £140,000	-	1
£140,001 - £150,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £966,430 (2022: £911,227).

Staff numbers

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

	2023 No	2022 No
Teachers	235	229
Administration and support	300	318
Management	7	7
	<u>542</u>	<u>554</u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

9 Central services

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

- Human Resources
- Finance
- Legal
- Governance
- School Improvement
- Health & Safety
- Central funding via intervention funds
- Health Cashback Plan

The academy trust charges for these services on the following basis:

The Academy Trust charges for these services as a percentage of income and is currently charged at 5.5% plus 2% of Recovery premium (2022: 5.5%). The actual amounts charged in 2023 were as follows:

The actual amounts charged during the year were as follows:

	2022/23 £ 000	2021/22 £ 000
Great Academy Ashton	491	442
Middleton Technology School	467	431
Copley Academy	245	216
Silver Springs Primary Academy	105	102
	<u>1,308</u>	<u>1,191</u>

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees.

No trustees received remuneration in the year from the trust.

During the year ended 31 August 2023, travel and subsistence expenses totalling £Nil (2022 - £68) were reimbursed or paid directly to trustees (2022 - 1).

Other related party transactions involving the trustees are set out in note 26.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business.

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

12 Tangible fixed assets

	Leasehold land and buildings £ 000	Furniture and equipment £ 000	Computer equipment £ 000	Total £ 000
Cost				
At 1 September 2022	67,456	2,439	1,984	71,879
Additions	2,066	220	255	2,541
At 31 August 2023	69,522	2,659	2,239	74,420
Depreciation				
At 1 September 2022	10,990	1,820	1,527	14,337
Charge for the year	1,189	231	219	1,639
At 31 August 2023	12,179	2,051	1,746	15,976
Net book value				
At 31 August 2023	57,343	608	493	58,444
At 31 August 2022	56,466	619	457	57,542

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

13 Debtors

	2023	2022
	£ 000	£ 000
Trade debtors	11	40
VAT recoverable	2,598	1,358
Prepayments and accrued income	1,395	1,648
	<u>4,004</u>	<u>3,046</u>

14 Creditors: amounts falling due within one year

	2023	2022
	£ 000	£ 000
Trade creditors	1,112	838
Other taxation and social security	363	357
Other creditors	274	97
Pension scheme creditor	381	334
Accruals and deferred income	2,922	1,344
	<u>5,052</u>	<u>2,970</u>
	2023	2022
	£ 000	£ 000

Deferred income

Deferred income at 1 September 2022	47	203
Resources deferred in the period	134	47
Amounts released from previous periods	<u>(47)</u>	<u>(203)</u>
Deferred income at 31 August 2023	<u>134</u>	<u>47</u>

Deferred income at 31 August 2023 relates to Universal Free School Meals, Trip Income and unspent revenue grants.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds

	Balance at 1 September 2022 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2023 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	1,109	22,502	(22,145)	(1,466)	-
Pupil Premium	-	1,547	(1,547)	-	-
Other DfE/ESFA	-	1,677	(1,677)	-	-
Other Local Authority Grants	-	627	(627)	-	-
Other non government grants	-	298	(298)	-	-
Teaching school	159	456	(470)	-	145
UIFSM	-	16	(16)	-	-
Other Trading Activities	-	239	(239)	-	-
<i>Restricted fixed asset funds</i>					
Inherited on conversion	53,834	-	(1,484)	-	52,350
DfE Group capital grants	3,708	229	(156)	-	3,781
Transfer from reserves	-	-	-	2,313	2,313
<i>Pension reserve funds</i>					
Pension reserve	(1,148)	-	(393)	1,541	-
Total restricted funds	57,662	27,591	(29,052)	2,388	58,589
<i>Unrestricted general funds</i>					
General funds	4,113	725	(550)	(847)	3,441
Total unrestricted funds	4,113	725	(550)	(847)	3,441
Endowment funds					
<i>Permanent endowment funds</i>					
Restricted endowment fund	2,000	-	-	-	2,000
Total endowment funds	2,000	-	-	-	2,000
Total funds	63,775	28,316	(29,602)	1,541	64,030

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

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

	Balance at 1 September 2021 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2022 £ 000
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	1,364	21,276	(21,531)	-	1,109
Pupil Premium	(12)	1,400	(1,388)	-	-
Other DfE/ESFA	(122)	529	(407)	-	-
Other Local Authority Grants	-	633	(633)	-	-
Other DfE/ESFA Covid-19 funding	-	247	(247)	-	-
Other non government grants	7	111	(118)	-	-
Teaching school	119	430	(390)	-	159
Other restricted funds	331	-	(331)	-	-
UIFSM	-	319	(319)	-	-
Other Trading Activities	-	110	(110)	-	-
<i>Restricted fixed asset funds</i>					
Inherited on conversion	55,681	-	(1,847)	-	53,834
DfE Group capital grants	1,584	1,298	(96)	922	3,708
<i>Pension reserve funds</i>					
Pension reserve	(16,828)	-	(2,022)	17,702	(1,148)
Total restricted funds	42,124	26,353	(29,439)	18,624	57,662
<i>Unrestricted general funds</i>					
General funds	4,462	573	-	(922)	4,113
Total unrestricted funds	4,462	573	-	(922)	4,113
Endowment funds					
<i>Permanent endowment funds</i>					
Restricted endowment fund	2,000	-	-	-	2,000
Total endowment funds	2,000	-	-	-	2,000
Total funds	48,586	26,926	(29,439)	17,702	63,775

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

Historic income generated from endowed investments, donations from previous related parties and Middleton Technology School Fund balance on conversion have been credited to unrestricted funds.

Restricted incoming resources must be used by the Academy Trust to deliver and improve educational provision. The restricted fixed asset fund includes Devolved Formula Capital Grant and land and buildings.

Where assets have been purchased with a cost in excess of capital funding received in the year, funds have been transferred from the general reserve to the fixed asset reserve. In addition, where specific projects have been funded from reserves, the value of these projects has been transferred from unrestricted reserves to general reserves.

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

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £ 000	2022 £ 000
Great Academy Ashton	274	622
Middleton Technology School	3,009	4,089
Copley Academy	(338)	(120)
Silver Springs Primary Academy	496	657
Central services	145	133
Total before fixed assets and pension reserve	3,586	5,381
Restricted fixed asset fund	58,444	57,542
Pension reserve	-	(1,148)
Endowment Fund	2,000	2,000
Total	64,030	63,775

Copley Academy is carrying a net deficit of £338k (2021: £120k) as a result of historically falling pupil numbers and a number of teaching staff on pay protection agreements. The academy are developing a deficit recovery plan in order to eliminate the deficit balance, which is focused around cost savings and strong pupil growth. The Academy Trust is supporting Copley during the recovery period.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

15 Funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2023 £ 000
Copley Academy	3,324	502	305	914	5,045
Great Academy Ashton	6,112	1,140	684	2,214	10,150
Middleton Technology School	5,713	1,150	509	1,776	9,148
Silver Springs Primary Academy	1,835	324	132	316	2,607
Central services	643	442	113	189	1,387
Academy Trust	<u>17,627</u>	<u>3,558</u>	<u>1,743</u>	<u>5,409</u>	<u>28,337</u>

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

	Teaching and educational support staff costs £ 000	Other support staff costs £ 000	Educational supplies £ 000	Other costs (excluding depreciation) £ 000	Total 2022 £ 000
Copley Academy	3,102	453	254	424	4,233
Great Academy Ashton	6,024	1,017	564	1,870	9,475
Middleton Technology School	5,546	1,021	750	1,639	8,956
Silver Springs Primary Academy	1,807	293	172	317	2,589
Central services	475	555	72	242	1,344
Academy Trust	<u>16,954</u>	<u>3,339</u>	<u>1,812</u>	<u>4,492</u>	<u>26,597</u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Endowment Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	58,444	-	58,444
Current assets	3,441	5,197	-	2,000	10,638
Current liabilities	-	(5,052)	-	-	(5,052)
Total net assets	<u>3,441</u>	<u>145</u>	<u>58,444</u>	<u>2,000</u>	<u>64,030</u>

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

	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	Endowment Funds £ 000	Total Funds £ 000
Tangible fixed assets	-	-	57,542	-	57,542
Current assets	4,113	4,238	-	2,000	10,351
Current liabilities	-	(2,970)	-	-	(2,970)
Pension scheme liability	-	(1,148)	-	-	(1,148)
Total net assets	<u>4,113</u>	<u>120</u>	<u>57,542</u>	<u>2,000</u>	<u>63,775</u>

17 School Sports Partnership (SSP)

School Sports Partnership are groups of schools working together to develop PE and sport opportunities for young people. In 2010 Great Academy Ashton became host to Tameside SSP comprising a partnership development manager, seven local secondary and thirty four primary schools. Additionally, the academy hosted other smaller community sporting projects. 2011 was the final year for this activity in its previous form, as funding streams for schools sports activities have changed. However the SSP Development Manager remains in post and accesses available funding in order to continue these activities. These sporting projects received income of £23,333 (2022: £69,475) and spent £70,041 in the year (2022: £65,214). The associated expenditure is excluded from the academy's income and expenditure account on the basis that the Academy acts only as host to these projects. The balance contained within Other Creditors for SSP was £75,810 (2022: £122,518).

18 Capital commitments

	2023 £ 000	2022 £ 000
Contracted for, but not provided in the financial statements	<u>369</u>	<u>1,878</u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

19 Long-term commitments, including operating leases

Operating leases

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

	2023 £ 000	2022 £ 000
Amounts due within one year	16	20
Amounts due between one and five years	45	20
	<u>61</u>	<u>40</u>

Long-term commitments (other contractual commitments)

At 31 August 2023 the total of the Academy trust's future minimum payments under other contractual commitments was:

	2023 £ 000	2022 £ 000
Amounts due within one year	673	539
Amounts due between one and five years	2,892	2,523
Amounts due after five years	6,776	5,877
	<u>10,341</u>	<u>8,939</u>

A non-cancellable contract exists for the Great Academy Ashton in the form of annual charges to cover the service costs associated with the delivery of hard facility management activity which is charged by the local authority, who pass on the costs charged by the Local Enterprise Partnership vehicle tasked with management of the contract. The commitment amounts are subject to an increase which is linked to the retail price index. The costs incurred in year are recognised within the SOFA.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

20 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2022/23 £ 000	2021/22 £ 000
Net expenditure	(1,286)	(2,513)
Depreciation	1,639	1,943
Capital grants from DfE and other capital income	(229)	(1,298)
Interest receivable	(46)	(6)
Defined benefit pension scheme cost less contributions payable	(1,580)	1,730
Defined benefit pension scheme finance cost	56	292
Decrease/(increase) in debtors	958	(781)
Increase in creditors	2,082	138
Net cash provided by/(used in) Operating Activities	<u>1,594</u>	<u>(495)</u>

21 Cash flows from investing activities

	2022/23 £ 000	2021/22 £ 000
Dividends, interest and rents from investments	46	6
Purchase of tangible fixed assets	(2,541)	(3,168)
Capital funding received from sponsors and others	<u>229</u>	<u>1,298</u>
Net cash used in investing activities	<u>(2,266)</u>	<u>(1,864)</u>

22 Analysis of cash and cash equivalents

	2023 £ 000	2022 £ 000
Cash in hand and at bank	4,537	5,217
Short term deposits	<u>2,097</u>	<u>2,088</u>
Total cash and cash equivalents	<u>6,634</u>	<u>7,305</u>

23 Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash	5,217	(680)	4,537
Cash equivalents	<u>2,088</u>	<u>9</u>	<u>2,097</u>
	<u>7,305</u>	<u>(671)</u>	<u>6,634</u>
Total	<u>7,305</u>	<u>(671)</u>	<u>6,634</u>

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

24 Member 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.

25 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 . Both are multi-employer defined benefit schemes.

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

Contributions amounting to £380,803 (2022:£333,592) were payable to the schemes at 31 August 2023 and are included within creditors.

Teachers' Pension Scheme

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

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

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

25 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £2,314,948 (2022: £2,218,213).

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

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

Local government pension schemes

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,219,000 (2022 - £1,130,000), of which employer's contributions totalled £928,000 (2022 - £859,000) and employees' contributions totalled £291,000 (2022 - £271,000). The agreed contribution rates for future years are 19.1 to 19.4 per cent for employers and 5 - 12.5 per cent for employees. The scheme is managed by Greater Manchester Pension Fund.

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

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

25 Pension and similar obligations (continued)

Principal actuarial assumptions

	2023 %	2022 %
Rate of increase in salaries	3.80	3.80
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	<u>5.20</u>	<u>4.30</u>

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

	2023	2022
Retiring today		
Males retiring today	18.50	20.30
Females retiring today	22.60	23.20
Retiring in 20 years		
Males retiring in 20 years	20.00	21.60
Females retiring in 20 years	<u>24.30</u>	<u>25.10</u>

Sensitivity analysis

	2023 £ 000	2022 £ 000
Discount rate -0.1%	458	525
Mortality assumption – 1 year increase	825	916
CPI rate +0.1%	<u>418</u>	<u>466</u>

The academy's share of the assets in the scheme were:

	2023 £ 000	2022 £ 000
Equities	16,150	15,014
Government bonds	3,230	3,046
Property	1,846	1,938
Cash and other liquid assets	<u>1,846</u>	<u>1,741</u>
Total market value of assets	<u>23,072</u>	<u>21,739</u>

The actual return on scheme assets was £4,922,000 (2022 - £281,000).

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

25 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2023/22	2022/21
	£ 000	£ 000
Current service cost	(1,265)	(2,589)
Interest income	940	348
Interest cost	(996)	(640)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	3,982	-
Total amount recognized in the SOFA	<u>2,661</u>	<u>(2,881)</u>

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

	2023/22	2022/21
	£ 000	£ 000
At start of period	22,907	37,546
Current service cost	1,265	2,589
Interest cost	996	640
Employee contributions	291	271
Actuarial (gain)/loss	(4,375)	(17,769)
Benefits paid	<u>(453)</u>	<u>(370)</u>
At 31 August	<u>20,631</u>	<u>22,907</u>

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

	2023/22	2022/21
	£ 000	£ 000
At start of period	21,759	20,718
Interest income	940	348
Actuarial gain/(loss)	(393)	(67)
Employer contributions	928	859
Employee contributions	291	271
Benefits paid	<u>(453)</u>	<u>(370)</u>
At 31 August	<u>23,072</u>	<u>21,759</u>

Considering the impact of "asset ceiling" and that the pension scheme surplus cannot be recovered, the balance of the net defined pension scheme asset £2,441,000 has been written off to the statement of financial activities. The net asset/liability is therefore Nil. This treatment is in accordance with FRS102 section 28. The actuarial gain recognised in the year is reduced by the value of the net pension asset of £2,441,000 from £3,982,000 to £1,541,000.

26 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Great Academies Education Trust

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

27 Teaching school trading account

	2023 £ 000
Income	
Direct Income	
Other income	456
Other Income	
Total Income	456
Expenditure	
Direct costs	
Direct staff costs	(61)
Other direct costs	(103)
Total direct costs	(164)
Other costs	
Support staff costs	(12)
Other support costs	(294)
Total other costs	(306)
Total Expenditure	(470)
Deficit from all sources	(14)
Teaching school balances at 1 September 2022	159
Teaching school balances at 31 August 2023	145

