

Company Registration Number: 08401607 (England & Wales)

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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



RAYLEIGH SCHOOLS TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	D Stokes (resigned 19 July 2023) M Davis I Smith (resigned 1 March 2023) J Wincott K Hudson (appointed 9 December 2022)
Trustees	J Wincott, Chair of Trustees D Stokes (resigned 19 July 2023) C Jones C Laidler (resigned 19 July 2023) J Morgan K Dines, Chief Executive C Bliss S Brettle J Jacob (appointed 1 September 2023)
Company registered number	08401607
Company name	Rayleigh Schools Trust
Principal and registered office	The Sweyne Park School Sir Walter Raleigh Drive Rayleigh Essex SS6 9BZ
Company secretary	S Smith
Chief executive officer	K Dines
Senior management team	K Dines, CEO & Headteacher (Sweyne Park School) J Edwards, Deputy Headteacher (Sweyne Park School) N Welch, Deputy Headteacher (Sweyne Park School) S Pemberton, Associate Deputy Headteacher (Sweyne Park School) S Smith, Chief Finance Officer A Robertson, Assistant Headteacher (Sweyne Park School) R Bradley, Assistant Headteacher (Sweyne Park School) M Shangolis, Assistant Headteacher (Sweyne Park School) M Clarke, Headteacher (Glebe Primary School) H Coote, Deputy Headteacher (Glebe Primary School)
Independent auditors	MWS Chartered Accountants Registered Auditors Kingsridge House 601 London Road Westcliff-on-Sea Essex SS0 9PE

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Bankers	Lloyds Bank 78 High Street Rayleigh Essex SS6 7EB
Solicitors	Browne Jacobson LLP PO Box 17157 Birmingham B2 2XS

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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 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' report and a directors' report and strategic report under company law.

The Trust operates 2 academies for pupils aged 3 to 18 serving a catchment area in Rayleigh and its surrounds. It has a pupil capacity of (Nursery 30 Reception to Year 6, 420 and on roll 388) (Year 7 – 11, 1306 and on roll of 1321) (Year 12 – 13, 240 and a roll of 182) at 26th September 2023.

A new formal PAN of 270 started from September 2023, the September 2023 intake being 262 at 26th September 2023.

Structure, governance and management

a. Constitution

The academy trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is the primary governing document of the academy trust.

The Trustees of Rayleigh Schools Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates 2 schools, The Sweyne Park School and Glebe Primary Schools.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law which would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. This cover is provided within the Risk Protection Arrangement (RPA) provided by the Department for Education.

d. Method of recruitment and appointment or election of Trustees

Trustees are selected on a skill, knowledge and experience basis. The CEO will carry out due diligence prior to the Members appointing by ordinary resolution up to 6 Trustees to satisfy the objectives of the Trust.

The Trustees will appoint a Local Governing body for each school within the MAT. Staff representatives will sit on the LGB of each school. Parent governors sit on the Local Governing body of the respective schools within the MAT and are appointed in accordance with the terms of reference determined by the Trustees. The method of appointment is set out within the MAT Articles.

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

Structure, governance and management (continued)

e. Policies adopted for the induction and training of Trustees

Prior to any appointment the CEO will conduct discussions and interviews during the appointment process to establish the profile of a prospective member. At the commencement of each academic year a skills audit of training needs will be reviewed. This informs training requirements during the year. The Governing Body of each school subscribes to a training package from Essex Governor Services. Trustees may attend internal and external sessions. Attendance at training sessions is recorded. Formal Safeguarding training is given to Trustees at the start of their term and is refreshed annually. An Induction Pack is provided to all new Trustees and Governors on appointment, this is discussed with them.

f. Organisational structure

Members. Will normally meet once a year at their AGM. There may be additional meeting should there be a requirement or to discharge duties covered within the Scheme of Delegation.

Trustees. Will meet 6 times a year. Additionally, the Assets committee will meet 6 times a year. The Trustees are the strategic decision-making body of the Trust. Their duties and responsibilities are set out in the Scheme of Delegation which they will agree each year.

The Assets committee is delegated to undertake examination of financial and audit matters and report to the Trustees.

The Scheme of Delegation sets out the Trustees role. Summarised by;

- Setting suitable aims and objectives.
- Agreeing policies, targets, and priorities
- Monitoring and reviewing aims and objectives and whether the policies, targets and priorities are being achieved in order to hold the school to account.
- Setting and monitoring a balanced financial budget.

Ensuring the schools are a welcoming and safe place and providing a positive learning environment.

Local Governing Body (LGB)

Trustees will appoint an LGB to each of the Trust Schools. The LGB shall undertake the duties and responsibilities as set out in the Scheme of Delegation. The LGB is where representation shall sit from Staff and Parents.

The LGB administration shall comprise of a full LGB meeting each term and Resources committee and a Standards & curriculum committee meeting as determined by the LGB to discharge their duties.

CEO The CEO shall always be the Headteacher of the lead school within the MAT (The Swayne Park School) and shall be responsible for the day-to-day running of the MAT and the lead school. They shall have the strategic lead in the delivery of education and administration of assets. They shall report to and deliver the policies of the Trustees. They shall also work closely with the LGB. The CEO will be the accounting officer.

Headteacher A Headteacher who is not a CEO shall be responsible for the administration and oversight of the strategic direction for their school. Their role and responsibilities are set out in the Scheme of Delegation. They shall work closely with their LGB.

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

Structure, governance and management (continued)

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

The Trusts Key Management Personnel comprise of the CEO, Headteacher and their Leadership teams. All key personnel are paid according to the relevant national and Essex pay body recommendations. The Trustees are responsible for CEO/Headteacher performance and pay and changes to staffing structures that will influence pay.

The CEO/Headteachers implement a performance reviews that will inform pay decisions for all other staff.

Members receive no remuneration for undertaking their responsibilities.

Trustees receive no remuneration for undertaking their responsibilities.

The Local Governing Body members receive no remuneration for their responsibilities.

h. Trade union facility time

Trade Union facility time is purchased as part of the Essex County Council public duties fund that the Trust subscribes to. The cost equates to £1 per pupil. The Headteachers have regular meetings within directed time with Union representatives. Expenditure is less than 0.1% of the wage bill.

i. Related parties and other connected charities and organisations

Across the Trust, its schools are members of, or subscribes to, wider networks of schools that include close links with The Rayleigh Teaching School Alliance, The Benfleet Teaching School Alliance, Rochford District Schools Partnership Trust (LDG) and Castle Point & Rochford Association of Secondary Heads' Essex (ASHE), EnPro (an informal Trust of Essex Schools with a RBHIP), South Essex Teaching Institute (SETI), The South Essex Teaching School Alliance, The Deanes Schools Sports Partnership, Essex Primary Headteachers Association (EPHA). Castle Point and Rochford Senior schools Behaviour and Attendance Partnership (CPR BAP) Trustees have all completed a declaration of interest form along with senior staff.

Lynda Walker is a Director of Rochford District Schools Partnership Trust. Ceri Jones was Headteacher at Chipping Hill Primary and now CEO of the Connected Learning MAT who are a training provider to the Trust.

j. Engagement with employees (including disabled persons)

The ethos of the Trust promotes a shared approach and joint responsibility. Employees are kept up to date with operational and strategic matters by way of regular briefings and weekly news letters. There are regular timetabled meeting with representatives of professional organisations. All levels of management have an informal "open door" policy to ensure that all issues can be raised. The management system allows for goals to be set for individuals, curriculum areas and schools as a whole. Examples of positive practice include, staff use of "hearing dogs" and the high level of acoustic treatment within the school for deaf staff and pupils.

Disability and all matters related to employment is managed as determined in law without discrimination.

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

Structure, governance and management (continued)

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

Rayleigh Schools Trust endeavours to build and maintain a strong working relationship with all stakeholders including suppliers, customers, parents, governors/trustees, local residents. This is facilitated through, staff who are given specific responsibilities. Also, regular meetings and appropriate reporting take place. The Trust further maintains its presence in the local community with extensive use of its facilities by local groups and organisations.

Objectives and activities

The Trust's object is specifically restricted to the advancement, for the public benefit, of education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum to ensure the highest possible educational standards.

The principal aim of the Trust is to provide high quality learning that helps all students to fulfil their intellectual potential and become good citizens and emotionally well-balanced young people.

a. Objects and aims

The Trustees have complied with their duty under section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the charitable company should undertake.

The Trustees have given consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

The Trust provides education to children and young people that is:

- 1) balanced and broadly based.
- 2) promotes the spiritual, moral, cultural, mental and physical development of students at the school and society.
- 3) prepares students at the school for the opportunities, responsibilities and experiences of later life.
- 4) promotes, sustains and increases individual and collective knowledge and understanding of specific areas of study, skills and expertise.

The Trust operates 2 schools and serves pupils within Rayleigh and its surroundings. It is subject to the current statutory arrangements as laid down in the national Admissions Code. Current arrangements for entry to the schools are available in the section of the respective school websites dealing with admission arrangements.

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TRUSTEES' REPORT (CONTINUED)
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Objectives and activities (continued)

b. Objectives, strategies and activities

Key influences on the Trust Development Plans for the period under review were the Ofsted inspection results, the recovery programme, pupils with additional needs and review and transition of pupil numbers.

Achievements in Teaching and Learning, Leadership, Spiritual, Moral, Social and Cultural, Behaviour, Safety and Child Protection priorities as identified via the school's Self-Evaluation Form and legislation.

Key activities and targets are set out in the school Development Plan for Swayne Park and are available on request, the key priorities are set out on the website, www.sweynepark.com. Glebe Primary continues to receive assistance in many operational areas and has strong links with Chipping Hill Primary.(in the reporting period) Key activities and targets are set with the MAT and are presented within the School Development Plan. This is available on request.

Swayne Park formally increased its PAN to 270 pupils in each of Yrs 7-11. from Sept 2023

c. Public benefit

In setting our objectives and planning our activities, the Trustees have carefully considered the Charity Commission's general guidance on public benefit. A full range of activities have resumed during the reporting period. The MAT supports numerous community activities and has sought to build a high public profile within its local community.

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

Strategic report

Achievements and performance

Our 2022-2023 Priorities (pre-February 2023) were to secure the success of the school, ensuring in Year 7 and Year 12 it becomes the first choice for all families in the catchment area, through:

1. Providing teachers with the necessary CPD to ensure Quality First Teaching across all year groups for all pupils.
2. Improving rates of progress for all cohorts, including those who are disadvantaged, by focusing on Behaviour for Learning.
3. Ensuring all teachers are clear about how the Cornerstones of Teaching and Learning will be used to implement the curriculum in their curriculum area, and how this will be monitored.
4. Providing a wealth of rich culture experiences to develop pupils' character and encourage them to have a deep appreciation of the Arts.

Following the Ofsted Inspection in February 2023, and the overall Judgement of "Requires Improvement" we increased our priorities to include those set out within our Rapid Improvement Plan:

1. to improve consistency in the implementation of the Behaviour Policy.
2. to improve attendance.
3. to improve our monitoring systems to ensure the efficacy of our actions around behaviour and attendance.

In the summer term we:

- introduced centralised detentions for room removals, truanting lessons (including being more than 10 minutes late for lessons) and misuse of the toilets, with the aim of reducing these incidents of low-level mis-behaviour;
- created an Isolation Room to help reduce the number of suspensions;
- made Character Education a whole school priority in order to further build the awareness and resilience of pupils.

The positive impact of these adaptations can be seen from our internal data.

Centralised detentions run for an hour after school the day following the room removal, truanting and/or misuse of the toilets. This had an almost immediate impact on the number of room removals taking place. By way of example:

- in the three-day period of 9th-11th May, average removals from classrooms of pupils for behaviour issues was 31.
- in the three-day period 10th-12th October, average removals from classrooms of pupils for behaviour issues was 11. This amounts to a decrease of almost 71%

A comparison over the same two periods shows that whilst truancy from lessons is less common than room removal, it had reduced significantly, in this case by 50%.

In total, 269 centralised detentions have been issued. It should be noted, however, that some of these will be down to reissues as a result of pupil absence, resets because of various clashes (including pre-arranged appointment etc.) and, in some cases, where further investigation reveals that the sanction may have been unwarranted.

Incidents of isolations were much lower during the same time period last year as there were not always adequate facilities to host pupils efficiently.

During the course of this half-term, there have been 59 isolations in total. Over a third of these have been for failing to attend centralised detentions. As with suspensions, there is a small cohort of pupils who are unfortunately isolated too often. We are working with those pupils, their families and relevant external agencies

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

Strategic report (continued)

Achievements and performance (continued)

to support better behaviour. This can be challenging at times, not least of all because of the demand across the area. For example, there is currently an 18-months waiting list for assessment by 'The Lighthouse' an NHS run group of doctors in the Castle Point and Rochford areas who specialise in assessing and managing ADHD, specific learning disorders and Autism Spectrum Disorders as well as neuro disabilities. Without a diagnosis, pupils will not be prescribed medication and so are unable to control and regulate elements of their behavior.

The number of suspensions

	2022-2023 Term 1a (first six weeks)	2023-2024 Term 1a (first six weeks)
Total no. of pupils suspended	67	23
No. of suspensions for repeat offenders	23	18

An analysis shows that the number of suspensions has decreased overall by 66%. Three quarters of the suspensions are made up of repeat offenders, suggesting there is a small cohort of pupils whose behavior is still so consistently poor that there is no option other than to issue a suspension and remove the pupil from the school for a period of time.

Pupil numbers remain very strong and in spite of the Ofsted Judgement and the marketing of our school has focused on the 4 out of the 5 areas that were all judged as "Good". We entered our third year of an increased PAN and were oversubscribed with applications for Year 7. Recruitment of Sixth Formers was not as strong as we had hoped, and a full review of the provision will be undertaken to assess viability. This will include the use of the Integrated Curriculum Financial Planning (ICFP) tool which was one of the recommendations from the SRMA, following our review in 2022.

Our self-generated income has increased significantly due to the very successful management of external lettings, the number of which has continued to grow since the end of COVID related restrictions.

In July, we experienced a higher turnover of staff than in recent years. Where possible we adopted a policy of non-replacement of staff, and sought to replace staff leaving with more junior staff. However, we have been affected by the national recruitment crisis and securing appointments in Maths, Science and Geography. This has meant using agency staff to fill vacancies on a temporary basis, all of which come with a significant finders'/referral fee. Whilst we have historically been proactive in developing and maintaining links with Initial Teacher Training Providers, the DfE has fallen well short of their own recruitment targets of graduates into the profession.

Whilst a 'Catch-up' fund has continued to be allocated centrally, this is still insufficient to meet the rising level of need identified post-pandemic. The increase in the number of pupils presenting with mental health issues and requiring counselling continues to rise and is not assisted by any additional funding. We have restructured our Learning Support team which now includes a SEMH Lead to increase capacity to internally manage this growth in need wherever possible. We have also continued to engage with the NHS Mental Health Support Team which is externally funded. As noted during our Ofsted Inspection, a minority of our pupils, post-pandemic struggle to access mainstream curriculum and self-regulate their behaviour. All local schools are experiencing the same challenges and avenues to seek external support are limited and places in Pupil Referral Units are available only to pupils who have been permanently excluded from their schools. As a result, we have planned to create an on-site "Alternative Provision" to provide an appropriate curriculum for this small cohort of pupils.

During the course of the year the Finance/HR Team has been restructured to provide greater efficiency and a centralised function for the Trust. To meet our aim of administering payroll in-house, an experienced officer has been appointed.

The outcomes for GCSE were broadly in line with the 2019 results, and reflective of the national picture. At GCSE level, 41% achieved Basics (both English and Mathematics) at grade 5 or above, and 63% achieved

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Basics at grade 4 or above. The overall Attainment 8 score was 42.8. EBacc entry was at 49.6%

However, in Year 13 the outcomes were disappointing, this was the year group who had never taken external examinations due to the pandemic. Students saw a pass rate of 96% of which 57% were A* – C grades, and 29% were A* – B grades. The average A-Level grade achieved by our Year 13 students was a C-. The average vocational qualification grade was Distinction* -

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

Strategic report (continued)

Achievements and performance (continued)

a. Key performance indicators

The Trustees, during the course of the year, with assistance from the LGBs, will monitor and scrutinise all aspects of financial performance and benchmark against data that is centrally produced.

Financial income streams and transactions are monitored against projections. Challenge and rigour are provided to the CEO and the Chief Financial Officer by the Finance and Assets Committee and the Board of Trustees. The financial system, PS Financial is now embedded and providing more accurate budgetary and reporting tools which are shared with the Board.

External trends and influences within the education sector are closely monitored and reflected in the agendas of the Board meetings. External advice and guidance are provided by our Auditors.

Glebe Primary School

Our key priorities for 2023-24 are:

- To implement the new assessment system 'Insight' to effectively track outcomes and progress across the curriculum.
- Ensure adaptations for Individual needs of SEND, Deaf, and More Able Pupils provide adequate Stretch and Challenge.
- Ensure all new staff are adequately trained to deliver phonics sessions and phonics catch up for the bottom 20% whilst maintaining fidelity to the scheme.
- Ensure that all year groups effectively implement the letter-join handwriting scheme to improve presentation, increase legibility of writing, and ensure pupils take pride in their work.

Leadership and Management

- All subject leaders articulate the links to build on prior knowledge to sequence their curriculum from Early Years to year 6.
- Create and promote a culture which shares a love of reading across the community.

Behaviour and Attitudes

- Implement more robust procedures to tackle unauthorised and persistent absence to improve whole school, whole cohort, and individual attendance.

Personal Development

- Use school funding and expenditure to increase enrichment and engagement opportunities which develop the individual character of pupils.

Early Years

- Induct all new EYFS into effective use of the environment and working practices.

Safeguarding

- Review and implement more robust Health and safety procedures, processes and training.

Staff workload and wellbeing

- To review and refine working practices to reduce workload for staff.

We were successful against many areas in the Rapid improvement plan during summer Term. This term we are reviewing and refining areas such as curriculum, implementation of a new assessment system which we believe is more suitable to primary.

The Statutory Assessment data for 2022-23 is as follows:

Statutory Assessment Data July 2023

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

Strategic report (continued)

Achievements and performance (continued)

Reception ELG

Glebe Primary School Data		National Data
% of pupils with GLD 2022	% of pupils with GLD 2023	% of pupils meeting with GLD 2022
68%	76%	65.2%

Phonics Year 1 and 2

Subject	Glebe Primary School Data		National Data
	% of pupils meeting threshold in 2022	% of pupils meeting threshold in 2023	% of pupils meeting threshold in 2022
Year 1	88%	88%	75%
Year 2	94%	92%	87%

KS1 End of Key Stage Results

Subject	Glebe Primary School Data		National Data
	% of pupils meeting expected standard in 2022	% of pupils meeting expected standard in 2023	% of pupils meeting expected standard in 2022
Reading	72%	50%	67%
Writing	60%	25%	58%
Maths	66%	58%	68%
Science	84%	52%	77%

KS1 End of Key Stage Results

25% of the cohort are SEND. They entered Year 2 with low attainment. They made progress against starting points, however data, particularly writing, remains low.

Year 4 MTC Check (Score out of 25)

Average Score- 18 17% of pupils achieved the maximum score.

KS2 End of Key Stage Results

Subject	Glebe Primary School Data		National Data	
	% of pupils meeting expected standard in 2022	% of pupils meeting expected standard in 2023	% of pupils meeting expected standard in 2022	% of pupils meeting expected standard in 2023
Reading	83%	82%	74%	73%
Writing	75%	72%	69%	73%
Maths	70%	73%	71%	71%
Grammar, Punctuation and Spelling	75%	75%	72%	72%
Science	83%	83%	79%	80%
Reading, Writing, Maths Combined	62%	60%	59%	59%

KS2 End of Key Stage Results

All results were in line or above national.

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

Achievements and performance (continued)

Attendance

We have worked hard to implement a new robust attendance procedure as per the OFSTED report. Last years attendance year to date was 94%. Nationally, more children were absent. We maintained our attendance despite this. We have already become more timely and robust this year, serving penalty notices and issued warning of a legal warning letter.

Staffing

There has been a significant staff turnover with new leadership. We have four new teachers. Two experienced teachers and two second year ECTs have joined the team. They all have the relevant experience needed to deliver our curriculum.

b. Going concern

A balanced budget is set for 2023/2024. Additional grants also give flexibility to the budget as the year progresses. Post accounts there may also be the ability to deliver additional projects. There seems to be some further stability in energy costs compared to last year. Reserves remain available to cover an in-year deficit. However, after making appropriate enquiries and consideration of previous performance, the Board of Trustees has a reasonable expectation that the Trust has adequate resources and skill to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

c. Promoting the success of the company

The governance structure of the trust is designed to ensure the trustees have regard to the following:

- Strategic medium and long term visioning of the Trust position with challenges.
- The interests of the company's employees through challenge and oversight of the Personnel & Pay.
- The need to foster the company's business relationships with suppliers, customers and others as described in the Structure, Governance and Management section of this report.
- The impact of the trust's operations in the community and the environment through reports submitted from in the Structure, Governance and Management section of this report.
- The desirability of the Trust to maintain and further build its reputation for high standards of business conduct.
- Maintaining it's business continuity plan and other Policies. This is complimented with registers and declarations on interests from Trustees, Governors and key staff.

Financial review

The Trustees have established a system of strategic overview for Trust finances. Monthly management reports are presented along with budget setting progress reports. These also benefit from the examination of detail by the LGBs of the respective schools. The Trust purchased an internal scrutiny review in line with the Academies Handbook requirement. Reports were presented to Trustees. The Trust's accountants attend (at Partner level) key strategic meetings. The MAT accountants changed during 22/23 as recommended in the financial handbook. The Trust has established strong support links with Glebe Primary to ensure financial stability. Staff within the Finance teams service across the MAT. Trustees have also given due consideration to the risk associated with financial mismanagement and / or compliance failures.

The Swayne Park School and Glebe Primary are operating in a period of considerable financial uncertainty there has been notification of significant pay increases, energy cost instability increase and significant levels of general inflation. There is some reasonable expectation that the education sector as a whole will receive some

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TRUSTEES' REPORT (CONTINUED)
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Strategic report (continued)

additional funding, however clarity often arrives post budget setting. Financial planning is focused on maintaining the breadth and quality of future work in the context of lack of clarity in budgets. The LGB of both schools has taken a closer monitoring role with the budget in the period covered by this report with monthly management reports being presented for examination. During the reporting period meetings took place with normal reporting.

The principal funding for the operation of the school is provided by the Education Funding Agency. A formal funding agreement is in place for this. Other funding is provided by Essex County Council and other local authorities who receive invoices for education provided for pupils who live in their administrative area. The School's governance arrangements ensure that financial performance is reviewed on a half termly basis. An overall increase in pupil numbers has helped to mitigate other cost pressures at SPS, at Glebe there is still a 2 year dip to work through. Pupil intakes and projections are being more closely monitored during 23/24

Monthly accounts are produced, and a financial review is carried out with results circulated to the Trustee Assets Committee. Budget planning is started in detail by November each year to ensure continuity. All sources of income, especially those around pupils' numbers are examined for robustness and sustainability. Support is provided by our auditors at key points. The day-to-day management of financial matters is handled on-site by a skilled team. The new MAT wide approach to finance should allow team skills to be built further. A new CFO is due to be appointed in Autumn 23. This should further enhance the robustness of financial skills. The Finance team has also been further enhanced with the start of the in-house payroll service. Skill levels continue to develop in the use of finance software.

During the period covered by the report, designated funds were used for infrastructure projects. There are further plans use funds to provide additional provision for high need pupils. The majority of spend will be capital although some short-term revenue cost may be incurred. The change of Headteacher at Glebe has created some new initiatives. During the year some additional income streams were received. This will offset some of the reserve spending. Additional income also helped cashflow at all periods of the year. Some short-term low risk investment is now taking place. It should be noted that Trustees are aware and concerned about inflationary pressures around prices, wages, energy and taxation which are difficult to quantify at this point.

CIF(Condition Improvement Fund) bids have not been successful in the reporting period for significant boiler and roofing replacement projects. This will lead to increased maintenance costs. And increased risk of failures. Funder work from summer 22 was paid for during 22/23.

Pupil numbers have been good in the Nursery provision. However, there are still concerns resulting from the demographic area wide dip in pupil numbers in Reception and Years 2/3. Recruitment of pupils into Yr12 has also again not been strong in September 23. During the forthcoming year a strategic overview will be required on the implication of these figures. Both these factors will impact budget setting for 24/25.

During the year Sweyne park received a new Ofsted rating of Requires Improvement. This was disappointing. The impact will be hard to quantify at this point, but it could impact on staffing, pupil number and overall reputation. The Trustees and Local Governing body have taken the potential impact seriously and have a detailed action plan. The Trustees are still open to further expansion of the MAT, however the inspection result puts this on hold.

PS financials along with Iris planner remain as the 2 principle tools for administering MAT finance. Staff training and continued use of the system has helped to provide consistent reporting during 22/23. The required transition to DFE Consistent financial reporting and Chart of Accounts has not always helped clarity for trustees. All deadlines for the preparation of data and statutory submissions have been met. The Trustee skill set has proved effective in analysing and probing figures and results. The previous SRMA report suggested use of an ICFPT. Work has started on this along with regular examination of benchmarking data in meetings. This along with the regular submission of monthly accounts has allowed for the effective discharge of duties.

During the year 2 trustees resigned and a new Trustee has been appointed with a school based skill set. During the year a Member resigned. There are ideally 2 vacancies to fill.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

Strategic report (continued)

Covid-19 related factors

Covid 19 has still impacted on the operation of the Trust over the reporting period. Staff absence, pupil mental health demands and catch-up all provided pressures. These pressures are not insignificant in quantity or severity. The demand for specialist provision will continue for many years.

All other aspects of school operation are back to previous levels. However, there is still an impact on attendance and sickness levels for both pupils and staff.

The MAT is confident that from the experiences gained it will be able to respond effectively to any future requirements. The open and transparent administration of finances will ensure that proper and effective management continues.

Premises and estate factors including RAAC

The MAT continues to manage its estate on a day-to-day basis with its premises team and the engagement of contractors for service works. A large spend register is maintained for significant items to aid the planning of replacement. CIF bids have been unsuccessful for the last 2 years for large projects. This has led to some increased spending on repairs. Boiler and roofing replacement at SPS are the greatest need. The financial demands for capital spend are starting to build, greater financial provision may need to be made in 24/25.

Grant money has been received to aid Energy efficiency measures during the reporting year. This is funding on-going work to convert to LED lighting across the estate.

The national problem with Reinforced autoclave aerated concrete (RAAC) has prompted an external inspection of the SPS site. The issued report does not raise concerns. However, at the time of writing, some further assurance checks have been commissioned. The construction of GPS does not involve the use of concrete. It is considered unlikely that closures will result from RAAC issues.

a. Reserves policy

The MAT as a whole, holds a reserves to deal with strategic issues. Schools may make requests to access these funds for a specific purpose. They should not be used to maintain on going revenue costs. The Trustees have overall control of the use of reserves in consultation with Headteachers and LGB's. The ambition is to hold 1 months running cost as reserves A target reserves figure of £1,000,000 is set for 2026. There is no plan to specifically not spend all funds allocated for the education of pupils to build reserves. Capital funds need to be built up to allow for larger spend items that will occur on a periodic basis

At 31 August 2023 the total funds comprised:

Unrestricted	£812,014
Restricted: Fixed asset funds	£18,949,555
Pension reserve	£(39,000)
Other	£660,237

	£20,382,806

b. Investment policy

The Trust will invest reserves only within a low-risk environment of a commercial high street bank. There were no investments during the period covered by this document. During 22/23 short term investment took place. This will continue in 23/24. The Trustees investments is currently being reviewed.

RAYLEIGH SCHOOLS TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Principal risks and uncertainties

The principal risks facing the Trust are set out in the Academy's Risk Management policy and Risk Register which is reviewed annually by the Trustees. The Trustees and LGB's accept that managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Trustees and LGB's, whilst more minor risks are dealt with by senior staff. Principle risks is a regular agenda item for Trustees.

Trustees have identified the following principal risks and uncertainties facing the MAT:

The MAT is operating in a period of considerable financial uncertainty with regard to public funding. Financial planning is focused on maintaining the breadth and quality of future work in the context of potential diminishing budgets. Trustees have given due consideration to the risk associated with financial mismanagement and / or compliance failures. Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks. Regular and detailed monitoring gives opportunity for timely examination and intervention.

The direction of travel for national education funding has been difficult to predict. The overall view is taken that the strength of argument in support of increased funding may at best result in neutral funding in real terms. A reduction in pupil numbers would cause a significant impact on long term finances. Value for money checks take place during the year. DfE benchmarking data is used for comparison with other and similar schools/MATs.

The monthly financial management reporting should be accurate to the end of year position and direction of travel. If flawed this could lead to mis representation of a mid-year financial position on which management and future budget decisions could be made. Ongoing efforts are required to mitigate this risk. The introduction of PS Financials will improve budget reporting.

Sweyne Park School and Glebe depends on maintaining the highest educational standards in order to continue to attract applicants in sufficient numbers. Trustees are clearly focused on monitoring and reviewing the achievement and success of students. Ofsted judgements can have a wide-ranging impact and any impact on pupil numbers will be closely monitored. Trustees continue to give due consideration to other aspects of the school's activities where there could be a reputational risk, including discipline, safeguarding, Health and Safety etc., with policies reviewed regularly.

Safeguarding and Child Protection Risks

Trustees continue to ensure that the highest standards are maintained in the selection and monitoring of staff and volunteers. Governors also independently scrutinises the school's Single Central Record, the operation of child protection policies of the school, the training and support, to protect the young people in its care. There are staff specifically appointed with Child protection responsibilities. All staff receive refresher training annually. The vice Chair of each LGB on is also the safeguarding Governor.

Significant Changes in Staff

Trustees continue to review and monitor arrangements for recruitment and the development of existing staff to minimise the risk resulting from major changes in key staff. Staff training and development has consistently provided opportunity for internal promotions. Staff are requested to advise of upcoming plans in advance.

Fundraising

Both schools within the MAT have Parent Associations who will carry out fundraising activities for the benefit of the respective schools. At present Glebe have strong support. Support is weak at Sweyne Park. A member of staff from each school acts as a liaison. Sweyne Park School is used by a large number of local groups and clubs who pay for the use of facilities. This use provides a significant additional income stream and also further develops its links with the local Community. There is also some use of Glebe for this. Voluntary contributions to wider school life are sought from parents in Yr7. The Trust does not use any external fundraisers.

RAYLEIGH SCHOOLS TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Streamlined energy and carbon reporting

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

	2023
Energy consumption used to calculate emissions (kWh)	1,770,908
Energy consumption breakdown (kWh):	
Gas	292
Scope 2 emissions (in tonnes of CO2 equivalent):	
Purchased electricity	67
Scope 3 emissions (in tonnes of CO2 equivalent):	
Business travel in employee-owned or rental vehicles	1
Total gross emissions (in tonnes of CO2 equivalent):	68
Intensity ratio:	
Tonnes of CO2 equivalent per pupil	0.24

The academy trust has followed and used the following quantification and reporting methodologies:

- the 2019 HM Government Environmental Reporting Guidelines;
- the GHG Reporting Protocol - Corporate Standard; and
- the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity ratio is total gross emissions in tonnes of CO2 equivalent per pupil, the recommended ratio for the sector.

Plans for future periods

The Trustees remain open to further expansion of the MAT and has undertaken information gather discussions but accepts that this needs to be supported with a clear Government direction of travel. Ofsted grading mean that any plans must be paused until Ofsted gradings are raised. 6th form uptake will be reviewed in the coming year. Nursery provision at Glebe will be considered for expansion. The Trust will continue to make CIF bids to help maintain the fabric of its schools. The Trust will continue to develop the quality of its Teaching and Learning at all levels and specifically address Ofsted gradings.

MWS are now appointed as the MAT audit and accounting partners. It is hoped that we will develop a good working relationship with them.

Funds held as custodian on behalf of others

The MAT does not hold any funds on behalf of other parties. It acts as an agent of the ESFA to distribute 6th form Bursary funds.

RAYLEIGH SCHOOLS TRUST
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

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

Jo Wincott

.....
J Wincott
Chair of Trustees

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO/Headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Rayleigh Schools 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 6 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
J Wincott, Chair of Trustees	5	6
D Stokes	3	6
C Jones	4	6
C Laidler	3	6
J Morgan	5	6
K Dines, Chief Executive	6	6
C Bliss	6	6
S Brettle	3	6
J Jacob	0	0

Trustees take the strategic overview of school operation and performance and inform the decision making process. Their skills profile is used to provide rigour and challenge. 1 new Trustee was appointed during the reporting period to start from 1st September 2023

The Scheme of Delegation sets out the responsibilities at the different levels of Trust management and administration. This is reviewed annually. There have been no changes in the last year.

Conflicts of interest are declared and refreshed each year for both Trustees senior budget holders and members of the LGB. Each meeting also covers Conflict of interest as a standing agenda item. There are no formally registered interests at present.

The LGB continue to take an active part in the development of the school's and the formation of the MAT. Governor visits to the school take place on a regular basis. They inform the decision-making process. Attendance is good and skill levels have been increasing with a greater ability to scrutinise and analyse information and statistics that are presented covering all aspects of the school operation. It should be noted that at Glebe primary there is a now a need to recruit additional members of the LGB. At all levels of Governance, an annual audit is carried out of skills and training requirements. LGB support packages are purchased. Professional clerking is provided to all formal meetings. Each school has an LGB Committee that will focus on Finance and examination of all finance matters below the strategic view of the Trustees.

Data to inform Trustee and LGB considerations is provided by the staff within schools but external benchmarking is considered along with our independent Auditor opinion.

The Finance, Assets, Audit & Scrutiny Committee is a sub-committee of the main Board of Trustees. It meets

RAYLEIGH SCHOOLS TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

six times a year. Its purpose is to: monitor, evaluate and review school policy and practice in relation to financial planning and monitoring; to decide how to spend the General Annual Grant and other funds under the control of Trustees for the purposes of the Trust; to monitor and ensure compliance with DfE, EFA, Charity Commission and other relevant bodies and all relevant legal requirements in relation to the proper financial management of Trust; to agree limits of financial delegation; to ensure that full accounts are kept; to ensure appropriate insurance cover is in place; to receive monthly reports from the Chief Financial Officer, to report the Trust's financial position to the full Trustee Board each half term. The Trustee Assets Committee assumes the role of an Audit Committee. This role is further supported by regularity visits from the school's auditors. A teaching and learning group is run by the CEO with Trustees to deliver specific education based scrutiny to the running of Glebe Primary School. Education based scrutiny at Swayne Park School is undertaken by external education professionals.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Morgan	6	6
C Bliss	6	6
S Brettle	6	6
K Dines	5	6
J Wincott	5	6

The CEO Teaching and Learning Group had 6 meetings during the year. Reports from these meetings feature in CEO and headteachers reports.

Review of value for money

As accounting officer, the CEO/Headteacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

- Integrated and share best practice for the new teaching block.
- Placed new Trustees and LGB members.
- Recruited a new Headteacher at GPS.
- Remodelled office hours and not replaced where possible.
- Made MAT savings by use of SPS premises team at Glebe.
- Made CIF bids for larger capital projects.
- Improved opportunities for CPD via Chipping Hill.
- Placed a new Catering contract at Glebe to provider given value for money.
- Continued sourcing of ICT support and equipment within the Trust.
- Reported and reviewed the financial position on a monthly basis.
- Undertaken a review of support staff grades.
- Developed the use of specialist support staff for Pastoral support.
- Maintaining links with other schools and agencies so the good practice can be shared.
- Maximizing use of the schools for lettings.
- Reviewed key performance indicators and benchmarked for education and administrative functions.

RAYLEIGH SCHOOLS TRUST
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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 on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Rayleigh Schools Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has decided to buy-in an internal audit service from SBM Services Limited.

The Trustees engaged SBM, an independent school's finance services provider to perform focused checks on specific areas according to the Academies financial handbook. Their findings were presented to Trustees. This is supplemented by the work of the Trustees Assets committee and LGB's resources committees and at SPS the Finance working party.

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

- Payroll
- Banking
- Cash

On an annual basis SBM prepare a summary report to the Trustees outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

SBM have delivered and have planned a schedule of works on key operational areas particularly finance. Reporting to trustees is on a regular basis with formal reports submitted as required. No significant material concerns have been raised. Actions have been agreed for lesser concerns. During the next year, Income stream and letting will receive particular focus.

RAYLEIGH SCHOOLS TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

As accounting officer, the CEO/Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the SBM Services;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;
- the work with the SRMA.

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

Approved by order of the members of the Board of Trustees and signed on their behalf by:

Jo Wincott
.....
J Wincott
Chair of Trustees

Katharine Dines
.....
K Dines
Accounting Officer

Date: 15 December 2023

RAYLEIGH SCHOOLS TRUST
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Rayleigh Schools 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.

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

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

Katharine Dines

K Dines
Accounting Officer
Date: 15 December 2023

RAYLEIGH SCHOOLS TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

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

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

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

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

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

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

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

Jo Wincott

.....
J Wincott
Chair of Trustees

Date: 15 December 2023

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST**

Opinion

We have audited the financial statements of Rayleigh Schools Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 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 trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

RAYLEIGH SCHOOLS TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

RAYLEIGH SCHOOLS TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST (CONTINUED)**

Auditors' responsibilities for the audit of the financial statements

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

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

We obtained an understanding of the legal and regulatory frameworks applicable to the Academy Trust and the industry in which it operates. We determined that the following laws and regulations were most significant:

The Companies Act 2006, Safeguarding (including statutory guidance Keeping Children Safe in Education), employment law and public sector pay and conditions. We enquired of management to obtain an understanding of how the Academy Trust is complying with those legal and regulatory frameworks and whether they had any knowledge of actual or suspected fraud. We corroborated the results of our enquiries through our review of the board minutes for the year. We did not identify any matters relating to material non compliance with laws and regulation or matters in relation to fraud;

- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries of management and those responsible for legal and compliance procedures;
- In assessing the potential risks of material misstatement, we obtained an understanding of the Company's operations, including its objectives and strategies to understand the expected financial statement disclosures and business risks that may result in risks of material misstatement;
- In assessing the appropriateness of the collective competence and capabilities of the engagement team, the engagement partner considered the engagement team's:
 - understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation
 - the specialist skills required and
 - knowledge of the industry in which the client operates.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - identifying and testing journal entries, in particular manual journal entries made at year end for financial statement preparation; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial

RAYLEIGH SCHOOLS TRUST
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
RAYLEIGH SCHOOLS TRUST (CONTINUED)**

Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the academy trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Jason Lamont

Jason Lamont ACA (Senior statutory auditor)

for and on behalf of

MWS

Chartered Accountants

Registered Auditors

Kingsridge House

601 London Road

Westcliff-on-Sea

Essex

SS0 9PE

Date: 19 December 2023

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO RAYLEIGH SCHOOLS TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 10 February 2023 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 Rayleigh Schools Trust during the year 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 Rayleigh Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Rayleigh Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Rayleigh Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Rayleigh Schools Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Rayleigh Schools Trust's funding agreement with the Secretary of State for Education dated 27 March 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

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:

- Assessing the risk of material irregularity in the Academy Trust
- Commissioning a self-assessment review of the Trustees' governance arrangements and consideration of any material non-compliance with the Academies Financial Handbook
- Investigating any areas of significant risk identified
- Consideration of the work performed under our audit engagement and any impact this may have on our regularity conclusion or regularity risk assessment
- A review of the internal controls and internal audit procedures for areas of significant risk and performing further substantive testing where necessary.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

MWS

Reporting Accountant
MWS
Chartered Accountants

Date: 19 December 2023

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023**

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	4	45,080	-	114,643	159,723	3,966,345
Other trading activities		247,606	-	-	247,606	231,194
Investments	7	6,776	-	-	6,776	253
Charitable activities		16,519	12,278,498	-	12,295,017	11,806,593
Total income		315,981	12,278,498	114,643	12,709,122	16,004,385
Expenditure on:						
Charitable activities	9	-	12,158,513	306,990	12,465,503	12,593,466
Total expenditure		-	12,158,513	306,990	12,465,503	12,593,466
Net movement in funds before other recognised gains/(losses)		315,981	119,985	(192,347)	243,619	3,410,919
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	25	-	1,080,000	-	1,080,000	5,002,000
Net movement in funds		315,981	1,199,985	(192,347)	1,323,619	8,412,919
Reconciliation of funds:						
Total funds brought forward		496,034	(578,748)	19,141,902	19,059,188	10,646,269
Net movement in funds		315,981	1,199,985	(192,347)	1,323,619	8,412,919
Total funds carried forward		812,015	621,237	18,949,555	20,382,807	19,059,188

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 35 to 59 form part of these financial statements.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08401607

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	18,822,666	19,016,902
		<u>18,822,666</u>	<u>19,016,902</u>
Current assets			
Debtors	17	132,548	377,954
Cash at bank and in hand		2,150,914	1,515,014
		<u>2,283,462</u>	<u>1,892,968</u>
Creditors: amounts falling due within one year	18	(684,322)	(797,682)
Net current assets		<u>1,599,140</u>	<u>1,095,286</u>
Total assets less current liabilities		<u>20,421,806</u>	<u>20,112,188</u>
Net assets excluding pension liability		<u>20,421,806</u>	<u>20,112,188</u>
Defined benefit pension scheme liability	25	(39,000)	(1,053,000)
Total net assets		<u><u>20,382,806</u></u>	<u><u>19,059,188</u></u>
Funds of the academy trust			
Restricted funds:			
Fixed asset funds	19	18,949,555	19,141,902
Restricted income funds	19	660,237	474,252
		<u>19,609,792</u>	<u>19,616,154</u>
Restricted funds excluding pension asset	19	19,609,792	19,616,154
Pension reserve	19	(39,000)	(1,053,000)
Total restricted funds	19	<u>19,570,792</u>	<u>18,563,154</u>
Unrestricted income funds	19	<u>812,014</u>	<u>496,034</u>
Total funds		<u><u>20,382,806</u></u>	<u><u>19,059,188</u></u>

The financial statements on pages 31 to 59 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Jo Wincott

.....
J Wincott
Chair of Trustees

Katharine Dines

.....
K Dines
Chief Executive Officer

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08401607

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

Date: 15 December 2023

The notes on pages 35 to 59 form part of these financial statements.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	21	627,234	230,733
Cash flows from investing activities	22	8,666	265,698
Change in cash and cash equivalents in the year		635,900	496,431
Cash and cash equivalents at the beginning of the year		1,515,014	1,018,583
Cash and cash equivalents at the end of the year	23, 24	<u>2,150,914</u>	<u>1,515,014</u>

The notes on pages 35 to 59 form part of these financial statements

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

1. General information

Rayleigh Schools Trust is a company limited by guarantee, incorporated in England and Wales.

The address of the registered office and principal place of operation is detailed on page 1.

The nature of the Trust's operations and principal activity are detailed in the Trustees' Report.

2. Accounting policies

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

2.1 Basis of preparation of financial statements

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

2.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

2.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of financial activities as the related expenditure is incurred.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.6 Interest receivable

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

2.7 Tangible fixed assets

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- 14-50 years
Furniture and equipment	- 5-125 years
Computer equipment	- 5 years
Motor vehicles	- 5-10 years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.10 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.

2.11 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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

2.12 Operating leases

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

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.13 Pensions

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

2.14 Agency arrangements

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA. Payments received from the 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 5% of the allocation towards administration costs and this is recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then the amounts due to the ESFA will be included within, Creditors: Amounts falling due within one year.

2.15 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 funders where the asset acquired or created is held for a specific purpose.

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

Investment income, gains and losses are allocated to the appropriate fund.

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Trustees consider there to be no critical areas of judgement that effect the amounts recognised in these financial statements.

4. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations				
Donations	45,080	-	45,080	50,900
Capital donations	-	-	-	3,650,000
	45,080	-	45,080	3,700,900
Capital grants	-	114,643	114,643	265,445
	-	114,643	114,643	265,445
	45,080	114,643	159,723	3,966,345
Total 2022	50,900	3,915,445	3,966,345	

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

5. Funding for the academy trust's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations				
DfE/ESFA grants				
General Annual Grant (GAG)	-	10,258,131	10,258,131	9,777,989
Other DfE/ESFA grants				
Pupil Premium	-	363,165	363,165	333,456
Schools Supplementary Grant	-	273,916	273,916	-
Mainstream Schools Additional Grant	-	136,575	136,575	-
Universal Infant Free School Meals	-	59,299	59,299	105,763
Rates Reclaim	-	50,933	50,933	169,775
Teachers' Pension Grant	-	43,684	43,684	50,222
Teachers' Pay Grant	-	25,659	25,659	17,774
PE Sports Grant	-	19,240	19,240	18,860
Others	-	42,472	42,472	115,696
	-	11,273,074	11,273,074	10,589,535
Other Government grants				
Local Authority revenue grants	-	855,756	855,756	792,459
Other Government revenue grants	-	-	-	648
	-	855,756	855,756	793,107
Other income from the academy trust's educational operations	16,519	78,207	94,726	263,075
COVID-19 additional funding (DfE/ESFA)				
Catch-up Premium	-	71,461	71,461	137,754
	-	71,461	71,461	137,754
COVID-19 additional funding (non-DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	23,122
	-	-	-	23,122
Total Educational Operations	16,519	12,278,498	12,295,017	11,806,593
Total 2023	16,519	12,278,498	12,295,017	11,806,593
Total 2022	211,895	11,594,698	11,806,593	

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

6. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Lettings income	184,153	184,153	186,028
Risk protection arrangement claims	-	-	1,750
Income from services provided	48,913	48,913	36,382
Shop income	14,540	14,540	7,034
	<u>247,606</u>	<u>247,606</u>	<u>231,194</u>
<i>Total 2022</i>	<u>231,194</u>	<u>231,194</u>	

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest receivable	6,776	6,776	253
	<u>253</u>	<u>253</u>	
<i>Total 2022</i>	<u>253</u>	<u>253</u>	

8. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Educational Operations:					
Direct costs	8,786,756	-	789,584	9,576,340	9,301,659
Allocated support costs	1,146,488	1,030,592	712,083	2,889,163	3,291,807
	<u>9,933,244</u>	<u>1,030,592</u>	<u>1,501,667</u>	<u>12,465,503</u>	<u>12,593,466</u>
<i>Total 2022</i>	<u>10,259,428</u>	<u>851,519</u>	<u>1,482,519</u>	<u>12,593,466</u>	

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Educational Operations	-	12,465,503	12,465,503	12,593,466
<i>Total 2022</i>	269,242	12,324,224	12,593,466	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Operations	9,576,340	2,889,163	12,465,503	12,593,466
<i>Total 2022</i>	9,301,659	3,291,807	12,593,466	

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Pension finance costs	35,000	91,000
Staff costs	1,108,487	1,467,263
Depreciation	306,990	230,025
Technology costs	23,288	180,055
Premises costs	1,030,592	851,519
Other costs	367,806	448,405
Governance costs	17,000	23,540
	2,889,163	3,291,807

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

11. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Operating lease rentals	99,858	105,489
Depreciation of tangible fixed assets	306,990	230,025
Fees paid to auditors for:		
- audit	10,200	16,350
- other services	6,800	7,100
	<u>99,858</u>	<u>130,934</u>

12. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	7,232,271	7,138,650
Social security costs	698,071	702,365
Pension costs	1,694,139	2,142,319
	<u>9,624,481</u>	<u>9,983,334</u>
Agency staff costs	270,763	185,094
Defined benefit pension scheme finance cost	38,000	91,000
	<u>9,933,244</u>	<u>10,259,428</u>

b. Staff numbers

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

	2023 No.	2022 No.
Management	10	16
Teachers	130	128
Administration and support	120	116
	<u>260</u>	<u>260</u>

RAYLEIGH SCHOOLS TRUST
(A company limited by guarantee)

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

12. Staff (continued)

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	1
	<u>1</u>	<u>1</u>

The above employees participated in both the Teachers' Pension Scheme and the Local Government Pension Scheme. During the year ended 31 August 2022 pension contributions for these staff members amounted to £133,571 (2022 - £124,578).

d. 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 £968,125 (2022 - £727,067).

13. Central services

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

- ICT support services
- Premises team support
- HR support
- Finance support

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

Rayleigh Schools Trust charge Glebe Primary School an annual levy of 4.5% of expenditure at the time of budget setting for the forthcoming year. This charge is collected on a monthly basis.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Glebe Primary School	<u>108,999</u>	<u>88,306</u>

RAYLEIGH SCHOOLS TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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14. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an 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. The value of Trustees' remuneration and other benefits was as follows:

		2023	2022
		£	£
K Dines, Chief Executive	Remuneration	105,000 -	90,000 -
		110,000	95,000
	Pension contributions paid	25,000 -	20,000 -
		30,000	25,000

During the year, retirement benefits were accruing to 1 Trustees (2022 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, no Trustee expenses have been incurred (2022 - £NIL).

15. Trustees' and Officers' insurance

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

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FOR THE YEAR ENDED 31 AUGUST 2023**

16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2022	20,920,100	109,423	70,575	10,558	21,110,656
Additions	-	18,593	94,160	-	112,753
At 31 August 2023	20,920,100	128,016	164,735	10,558	21,223,409
Depreciation					
At 1 September 2022	1,941,034	73,503	70,575	8,642	2,093,754
Charge for the year	294,036	8,479	3,537	938	306,990
At 31 August 2023	2,235,070	81,982	74,112	9,580	2,400,744
Net book value					
At 31 August 2023	18,685,030	46,034	90,623	978	18,822,665
At 31 August 2022	18,979,066	35,920	-	1,916	19,016,902

Included in long-term leasehold property is land at valuation of £6,334,000 (2022 - £6,334,000) which is not depreciated. The land valuation is comprised of land at Swayne Park School of £4,084,000 (2022 - £4,084,000) and land at Glebe Primary School of £2,250,000 (2022 - £2,250,000).

The leasehold property at the Swayne Park School site was valued as at 31 March 2014 by Mouchel, a RICS registered valuer using the Depreciated Replacement Cost Method. The leasehold property at the Glebe Primary School site was valued as at 31 August 2018 by Montagu Evans, a RICS registered valuer using the Depreciated Replacement Cost Method.

The freehold relating to the above leasehold property is held by Essex County Council. The Trust holds a 125 year lease on a peppercorn rent from 1 April 2013 at Swayne Park School and 1 October 2017 at Glebe Primary School.

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17. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	138	12,528
Other debtors	5,647	55,677
Prepayments and accrued income	126,763	309,749
	<u>132,548</u>	<u>377,954</u>

18. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	50,783	63,029
Other taxation and social security	164,498	137,391
Other creditors	187,530	190,931
Accruals and deferred income	281,511	406,331
	<u>684,322</u>	<u>797,682</u>

	2023 £	2022 £
Deferred income at 1 September 2022	85,378	107,864
Resources deferred during the year	170,349	85,378
Amounts released from previous periods	(85,378)	(107,864)
	<u>170,349</u>	<u>85,378</u>

At the Balance Sheet date the Trust was holding funds received in advance of entitlement as follows:

- Funds received in advance from the ESFA for the 2023/24 academic year £70,723
- Funds received in advance for Local Authority Early Years funding for the 2023/24 academic year £13,955
- Funds received in advance for school trips and academic materials in the 2023/24 academic year £85,672

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

19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General funds	496,034	315,980	-	-	-	812,014
Restricted general funds						
General Annual Grant (GAG)	417,817	10,258,134	(9,594,714)	(421,000)	-	660,237
Pupil Premium	-	363,164	(363,164)	-	-	-
Other DfE / ESFA revenue grants	56,435	651,777	(708,212)	-	-	-
Local Authority revenue grants	-	855,756	(855,756)	-	-	-
Other educational income	-	78,207	(78,207)	-	-	-
Exceptional Government funding	-	71,460	(71,460)	-	-	-
Pension reserve	(1,053,000)	-	(487,000)	421,000	1,080,000	(39,000)
	(578,748)	12,278,498	(12,158,513)	-	1,080,000	621,237
Restricted fixed asset funds						
NBV of fixed assets	19,016,902	-	(306,990)	112,753	-	18,822,665
DfE / ESFA capital grants	125,000	114,643	-	(112,753)	-	126,890
	19,141,902	114,643	(306,990)	-	-	18,949,555
Total Restricted funds	18,563,154	12,393,141	(12,465,503)	-	1,080,000	19,570,792
Total funds	19,059,188	12,709,121	(12,465,503)	-	1,080,000	20,382,806

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

The General fund has been created to recognise the incoming and outgoing resources in respect of activities undertaken by the Trust which fall outside the scope of its core activities.

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal running costs of the Trust.

The Pupil Premium fund has been established to recognise the restricted funding from the ESFA to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Other DfE / ESFA revenue grants fund represents a variety of other grant incomes that are received from the ESFA that fall outside of the core funding of the Trust.

The Local Authority revenue grants fund has been set up to recognise the income received from Essex County Council or other Local Education Authorities as a contribution towards the cost of the Trust's revenue expenditure.

The Other Government grants fund has been established to recognise grants from Government bodies other than the DfE/ESFA and Local Authorities that fall outside the scope of core funding.

The Other Educational income fund has been established to recognise all other restricted funding that cannot be classified above but fall outside the scope of its core activities.

The Exceptional Government funding has been set up in response to the COVID-19 pandemic.

The LGPS deficit (pension reserve) fund has been created to separately identify the pension deficit inherited from the Local Authority upon conversion to Academy Trust status, and through which all the pension scheme movements are recognised.

The NBV of fixed assets fund has been set up to recognise the tangible assets held by the Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund. As tangible fixed assets are purchased from other funds, a transfer is made into this fund.

The DfE/ESFA capital grants fund has been created to recognise capital grants received from the ESFA and the DfE. Capital grants spent on capital expenditure are shown as a transfer within the Restricted fixed asset fund between the Capital grants fund and the NBV of fixed assets fund. Capital grants spent on revenue expenditure are shown as expenditure within the Capital grants fund. Capital grants received and receivable, but not yet spent, are held as current assets within the Restricted fixed assets fund.

In 23/24 the carry forward figure with DfE/EFSA Capital grants shall be used to deliver projects that have previously been delayed as a result of logistics, Covid and staff issues. The funds have built over time to enable larger spend items. The items of work have been identified within assets reports to Trustees and include flooring replacement and specialist room refurbishment.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds					
General funds	271,034	494,242	(269,242)	-	496,034
Restricted general funds					
General Annual Grant (GAG)	120,637	9,777,989	(9,480,809)	-	417,817
Pupil Premium	-	333,456	(333,456)	-	-
Other DfE / ESFA revenue grants	-	478,090	(421,655)	-	56,435
Local Authority revenue grants	-	792,459	(792,459)	-	-
Other educational income	-	51,180	(51,180)	-	-
Exceptional Government funding	-	160,876	(160,876)	-	-
Pension reserve	(5,491,000)	-	(564,000)	5,002,000	(1,053,000)
	<u>(5,370,363)</u>	<u>11,594,050</u>	<u>(11,804,435)</u>	<u>5,002,000</u>	<u>(578,748)</u>
Restricted fixed asset funds					
NBV of fixed assets	15,596,927	3,650,000	(230,025)	-	19,016,902
DfE / ESFA capital grants	148,671	265,445	(289,116)	-	125,000
	<u>15,745,598</u>	<u>3,915,445</u>	<u>(519,141)</u>	<u>-</u>	<u>19,141,902</u>
Total Restricted funds	<u>10,375,235</u>	<u>15,509,495</u>	<u>(12,323,576)</u>	<u>5,002,000</u>	<u>18,563,154</u>
Total funds	<u><u>10,646,269</u></u>	<u><u>16,003,737</u></u>	<u><u>(12,592,818)</u></u>	<u><u>5,002,000</u></u>	<u><u>19,059,188</u></u>

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Sweyne Park School	948,019	599,812
Glebe Primary School	524,232	356,643
Rayleigh Schools Trust	-	13,831

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

	2023 £	2022 £
Total before fixed asset funds and pension reserve	1,472,251	970,286
Restricted fixed asset fund	18,949,555	19,141,902
Pension reserve	(39,000)	(1,053,000)
Total	20,382,806	19,059,188

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Sweyne Park School	7,086,130	915,007	663,396	1,045,070	9,709,603	9,655,782
Glebe Primary School	1,700,657	228,478	126,187	393,588	2,448,910	2,707,659
Academy trust	8,786,787	1,143,485	789,583	1,438,658	12,158,513	12,363,441

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	18,822,666	18,822,666
Current assets	812,014	1,344,559	126,889	2,283,462
Creditors due within one year	-	(684,322)	-	(684,322)
Defined benefit pension scheme liability	-	(39,000)	-	(39,000)
Total	812,014	621,237	18,949,555	20,382,806

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	19,016,902	19,016,902
Current assets	1,293,716	474,252	125,000	1,892,968
Creditors due within one year	(797,682)	-	-	(797,682)
Defined benefit pension scheme liability	-	(1,053,000)	-	(1,053,000)
Total	496,034	(578,748)	19,141,902	19,059,188

21. Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net income for the year (as per Statement of financial activities)	243,619	3,410,919
Adjustments for:		
Depreciation	306,990	230,025
Capital grants from DfE and other capital income	(114,643)	(265,445)
Interest receivable	(6,776)	(253)
Defined benefit pension scheme cost less contributions payable	28,000	473,000
Defined benefit pension scheme finance cost	38,000	91,000
Decrease/(increase) in debtors	244,084	(254,335)
(Decrease)/increase in creditors	(112,040)	195,822
Donation of buildings from Local Authority	-	(3,650,000)
Net cash provided by operating activities	627,234	230,733

22. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	6,776	253
Purchase of tangible fixed assets	(112,753)	-
Capital grants from DfE Group	114,643	265,445
Net cash provided by investing activities	8,666	265,698

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	2,150,914	1,515,014
Total cash and cash equivalents	2,150,914	1,515,014

24. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,515,014	635,900	2,150,914
	1,515,014	635,900	2,150,914

25. Pension commitments

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

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

Contributions amounting to £187,529 were payable to the schemes at 31 August 2023 (2022 - £186,017) 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the year amounted to £1,247,208 (2022 - £1,286,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £524,000 (2022 - £478,000), of which employer's contributions totalled £421,000 (2022 - £383,000) and employees' contributions totalled £103,000 (2022 - £95,000). The agreed contribution rates for future years are 25.0 per cent for employers and 5.5 to 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.90	3.95
Rate of increase for pensions in payment/inflation	2.90	2.95
Discount rate for scheme liabilities	5.30	4.25

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25. Pension commitments (continued)

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

	2023 Years	2022 Years
<i>Retiring today</i>		
Males	20.7	21.0
Females	23.2	23.5
<i>Retiring in 20 years</i>		
Males	22.0	22.3
Females	24.6	24.9

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(118)	(150)
Discount rate -0.1%	121	154
Mortality assumption - 1 year increase	184	200
Mortality assumption - 1 year decrease	(179)	(194)

Share of scheme assets

The academy trust's share of the assets in the scheme was:

	At 31 August 2023 £	At 31 August 2022 £
Equities	3,949,000	3,283,000
Gilts	87,000	112,000
Corporate bonds	-	259,000
Property	531,000	553,000
Cash and other liquid assets	199,000	174,000
Alternative assets	1,074,000	875,000
Other managed funds	947,000	581,000
Total market value of assets	6,787,000	5,837,000

The actual return on scheme assets was £278,000 (2022 - £15,000).

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25. Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2023 £	2022 £
Current service cost	(464,000)	(856,000)
Interest income	253,000	91,000
Interest cost	(288,000)	(182,000)
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	15,000	-
Administrative expenses	(3,000)	-
Total amount recognised in the Statement of financial activities	(487,000)	(947,000)

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

	2023 £	2022 £
At 1 September	6,890,000	11,036,000
Current service cost	464,000	856,000
Interest cost	288,000	182,000
Employee contributions	103,000	95,000
Actuarial gains	(715,000)	(5,081,000)
Benefits paid	(118,000)	(198,000)
Effects of non-routine settlements	(86,000)	-
At 31 August	6,826,000	6,890,000

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

	2023 £	2022 £
At 1 September	5,837,000	5,545,000
Interest income	253,000	94,000
Actuarial gains/(losses)	365,000	(79,000)
Employer contributions	421,000	383,000
Employee contributions	103,000	95,000
Benefits paid	(118,000)	(198,000)
Effects of non-routine settlements	(71,000)	-
Administration expenses	(3,000)	(3,000)
At 31 August	6,787,000	5,837,000

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NOTES TO THE FINANCIAL STATEMENTS
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25. Pension commitments (continued)

Impact of the McCloud/Sargeant judgement on the Local Government Pension Scheme

An allowance was made in 2019 for the Court of Appeal judgement in relation to the McCloud & Sargeant cases which relate to age discrimination within the Judicial & Fire Pension schemes respectively. On 27 June 2019 the Supreme Court denied the Government's request for an appeal, and on 15 July 2019 the Government released a statement to confirm that it expects to have to amend all public service schemes, including the LGPS.

The estimated impact on the total liabilities at 31 August 2019 was allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 August 2023.

This adjustment is an estimate of the potential impact on the Trust's defined benefit obligation as provided by the scheme's actuary.

On 13 May 2021, the Government issued a ministerial statement on the proposed remedy to be applied to LGPS benefits in response to the McCloud and Sargeant cases. It is not anticipated that there are any material differences between the approach underlying the estimated allowance in 2019 and the proposed remedy.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's Lloyds ruling on the equalisation of GMPs between genders, it is anticipated that the Fund will pay limited increases for members that have reached State Pension Age (SPA) by 6 April 2016, with the Government providing the remainder of the inflationary increase.

For members that reach SPA after this date, it has been assumed in the valuation that the Fund will be required to pay the entire inflationary increase. It is not therefore necessary to make any adjustments to the value placed on the liabilities as a result of the above outcome.

Goodwin case

Following a case involving the Teachers' Pension scheme, known as the Goodwin case, differences between survivor benefits payable to members with same-sex or opposite-sex survivors have been identified within a number of public sector pension schemes. As a result, the Government have confirmed that a remedy is required in all affected public sector pension schemes, which includes the LGPS.

It is anticipated that the impact on the value of LGPS liabilities as a whole, and for the majority of employers participating in the LGPS, will not be material. However, the impact on individual employers will vary depending on their specific membership profile.

Sufficient information is not currently available to assess the actual impact on the Academy Trust as such no provision has been included within these financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Operating lease commitments

At 31 August 2023 the academy trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2023 £	2022 £
Not later than 1 year	95,565	99,858
Later than 1 year and not later than 5 years	24,380	129,268
	<u>119,945</u>	<u>229,126</u>

27. Members' liability

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

28. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14.

29. Agency arrangements

The Trust administers the distributions of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the ESFA. During the year the Trust received funds of £6,458 (2022 - £10,353) and disbursed £6,458 (2022 - £10,353). £NIL (2022 - £NIL) was retained to cover administration expenses and therefore a balance of £NIL (2022 - £NIL) relating to undistributed funds is repayable to the ESFA as at the Balance Sheet date.

30. Controlling party

The Trustees consider there to be no ultimate controlling party.