

Company Registration Number: 07824369 (England & Wales)

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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HADRIAN ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr A Meadows Miss A Leishman Mr J Chatterley Mrs E Roberts
Trustees	Miss A Leishman, Chair of Trustees Mr A Meadows, Vice Chairman Miss L Went, Trustee (resigned 12 November 2022) Mrs M Auker, (Resigned as Principal & Accounting Officer 31 December 2022) Mrs L Deyankeson, Staff Trustee (resigned 10 May 2023) Mr J Chatterley, Trustee Mrs E Roberts, Trustee Mrs L McGill, Trustee Mr K Watson, Parent Trustee (resigned 26 September 2022) Mrs E Faunch, Trustee Miss E Crouchman, Staff Trustee (appointed 25 September 2022) Mr Q Mosseray, Trustee (resigned 29 April 2023) Ms R Brewster, Parent Trustee (appointed 4 November 2022) Mr R Paterson, Parent Trustee (appointed 4 November 2022) Mrs S Norris, Staff Trustee (appointed 15 September 2023) Mr R Griffin, Principal & Accounting Officer (appointed 1 January 2023) Mrs R Seddon, Trustee (appointed 1 November 2023)
Company registered number	07824369
Company name	Hadrian Academy Trust
Principal and registered office	Hadrian Academy Hadrian Avenue Dunstable Bedfordshire LU5 4SR
Company secretary	Mrs J Loisel
Senior management team	Mr R Griffin, Principal (appointed 1 January 2023) Mrs M Auker, Vice Principal
Independent auditor	MHA Statutory Auditor Century House 1 The Lakes Northampton NN4 7HD

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Bankers Lloyds Bank plc
 12-14 High Street North
 Dunstable
 Bedfordshire
 LU6 1JY

Solicitors Schofield Sweeney LLP
 Church Bank House
 Church Bank
 Bradford
 West Yorkshire
 BD1 4DY

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy Trust operates an academy for pupils aged 4 to 11. It had a roll 382 of in the school census on 5 October 2023.

Structure, governance and management

a. Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of Hadrian Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as Hadrian Academy.

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

In accordance with normal commercial practice the Academy has purchased insurance to protect Governors from claims arising from negligent acts, errors or omissions occurring whilst on the Academy's business. The insurance provides cover up to £10 million on any one claim. Further information is given in note 12 to the financial statements.

d. Method of recruitment and appointment or election of Trustees

The articles of association require the charitable company to appoint at least three Governors and are not subject to any maximum number of Governors to be responsible for the statutory and constitutional affairs of the charitable company and the management of the Academy. In accordance with the Articles, the Academy Trust shall have the following Governors. The Articles state that the Members can appoint up to eight governors. The Secretary of State may also appoint governors in certain circumstances.

When appointing new governors, the board will give consideration of the skills and experience mix of existing governors in order to ensure that the board has the necessary skills to contribute fully to the Academy's development. An annual skills' audit is undertaken by all governors to highlight strengths and areas for development; governor training will be targeted at those areas where additional skills are required, and recruitment of new governors will look to address any gaps in the mix of expertise.

HADRIAN ACADEMY TRUST
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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

New Trustees are allocated a mentor (a current Trustee) to guide and advise them in their new role. New Trustees are also expected to attend an academies governor induction course offered by the local authority. Hadrian Academy pays an annual subscription each year to benefit from various training sessions held by the local authority.

f. Organisational structure

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. The Governors establish an overall framework for the governance of the academy and determines membership, terms of reference and procedures of the Finance and General Purpose committee. It receives reports including policies from this sub-committee for ratification. It monitors the activities of this committee through the minutes of their meetings.

The Academy Management Team comprises a Core Leadership Team comprised of the Principal, Vice Principal and Chairman of Directors/Governors. The Senior Leadership Team comprises the Principal and the Vice Principal. The board of governors has devolved responsibility for day to day management of the academy to the Senior Leadership Team.

The Principal is the Accounting Officer.

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

The Academy has a Pay Policy that is reviewed annually which is in line with the school teachers' pay and conditions document, September 2023, and guidance on school teachers' pay and conditions. This policy relates to staff at all levels of employment. Annually, the Trustees use an external consultant to support the process of Performance Management for the Principal, which is related directly to the school priorities.

h. Trade union facility time

There were no trade union officials hired by the Academy during the year to 31 August 2023.

i. Related Parties and other Connected Charities and Organisations

The Academy Trust is not part of any wider networks and there are no related party relationships with which it cooperates in pursuit of charitable activities.

Objectives and activities

a. Objects and aims

The principal object and activity of the charitable company is to advance, for the public benefit, education in the UK, in particular by establishing and operating Hadrian Academy Trust to provide education for students aged 4 to 11.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

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

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all pupils;
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To further improve communication and develop practices which support parental involvement further;
- To enrich the curriculum with extra curricular activities;
- To develop strong links within the local and wider community;
- To comply with all appropriate statutory and curriculum requirements;
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

c. Public benefit

The governors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

The Academy Trust promotes education for the benefit of the local community of Dunstable and offers recreational facilities to a variety of local community groups outside of School hours for the benefit of the general public. Community based projects are also undertaken throughout the year by staff and students which further enhances the public benefit.

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

Strategic report

Achievements and performance

We are producing high levels of standards of music, sport and dramatic arts. Hadrian holds the prestigious Platinum Sing-Up and Gold Arts and Sports Mark Award. Year 6 SATs results in 2023 showed that our children were at or above National in reading and SPAG. Our progress scores in 2022 showed that children make good progress from their Key Stage 1 SATs and from the Early Years baseline.

Our phonics results at the end of year one have been above national since 2019. In 2023, 88% of children passed the phonics screening test.

The Key Stage One SATs results in 2023 were higher than in 2019 and 2022.

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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 Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total income. For the year ended 31 August 2023 staffing costs amounted to 74% of non capital income (2022 - 72%).

The Academy Trust also monitors its operating surplus or deficit, (excluding restricted fixed assets/depreciation and actuarial losses) as a percentage of revenue income. For the year ended 31 August 2023 the operating deficit equated to 5.6% of non capital income (2022 - surplus of 10.2%).

The Academy Trust also uses a number of non financial key performance indicators to monitor its performance. These include student attendance rates: for the year ended 31 August 2023 student attendance was 94.2% (2022: 93.3%).

b. Going concern

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

Financial review

Most of the Academy's income is obtained from the DfE in the form of recurrent grants disbursed via the Education and Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2023, revenue expenditure (excluding restricted fixed asset funds) of £1,948,707 (2022 - £2,001,395) was more than covered by recurrent grant funding from the DfE together with other incoming resources.

The excess of income over expenditure for the year (excluding restricted fixed asset funds/depreciation and transfers and other amounts on conversion) was a deficit of £116,340 (2022 - £209,298 surplus).

At 31 August 2023 the net book value of fixed assets was £2,118,307 (2022: £1,630,314) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

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

a. Reserves policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £189,336 (2022: £193,075). The Academy intends to continue building up free reserves as required.

The Academy held fund balances at 31 August 2023 of £2,751,998 comprising £449,355 of restricted funds and £189,336 of unrestricted general funds and a pension reserve deficit of £5,000.

Included within restricted funds at 31 August 2023 is the Local Government Pension Scheme deficit of £5,000. The pension deficit is viewed as a long term debt and annual contributions are adjusted as necessary to mitigate the risk and reduce the deficit.

At 31 August 2023 the total funds comprised:

Unrestricted		189,336
Restricted:	Fixed asset funds	2,118,307
	Pension reserve	(5,000)
	Other	449,355
		<hr/>
		2,751,998
		=====

b. Investment policy

There are no investments held beyond cash deposits retained with the major UK clearing banks. As no form of investment has been authorised by the governors then there is no investment policy.

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

c. Principal risks and uncertainties

The principal risks and uncertainties facing the Academy are as follows:

Financial – the Academy has considerable reliance on continued Government funding through the ESFA. There is no assurance that Government policy or practice will remain the same or that public funding will continue at the same level or on the same terms.

Building material RAAC – the Trustees' have ensured that investigations have taken place to determine whether there is the presence of RAAC. Investigations have revealed that there is no RAAC and the Trustees' believe the trust's estate is safe, well maintained and complies with relevant regulations in this area.

Reputational – the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk governors ensure that student success and achievement are closely monitored and reviewed.

Safeguarding and child protection – the Trustees' continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Fraud and mismanagement of funds – The Academy has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Trust Handbook.

The governors have assessed the major risks to which the Academy is exposed and have formulated a Risk Register. The register is regularly reviewed in light of any new information and formally reviewed annually.

Fundraising

Staff and Trustees acknowledge the importance of giving money to charities and for children to understand the importance too. Therefore every year each group undertakes enterprise activities raising monies for charities such as SigntoSing, Access Bedford, Cancer Research and the Doddie Foundation.

Plans for future periods

The Academy will continue to build on standards so that there is consistency across all core subjects year on year. We aim to embed the whole school programs that were introduced just before and during COVID. These include Little Wandle phonics, Pathways to Write, and Power Maths. In addition, the mapping of Foundation subjects and Science has been implemented and now needs to be embedded, ensuring new staff that have joined the school understand how their year group links to the children's overall learning journey. The school also aims to continue the induction of the staff that started their ECT year in 2022, this is to ensure that good practice is embedded and consistent across the school.

A new Principal started in January 2023 with the school receiving an Ofsted inspection in September 2023. Early reading and mathematics were identified as strengths of the school with behaviour and attitudes and personal development receiving positive recognition. The school has now received the published report and has maintained its' GOOD Ofsted rating.

Funds held as custodian on behalf of others

The Academy and its governors do not act as the Custodian Trustees of any other charity.

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

Disclosure of Information to auditor

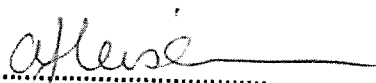
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

Auditor

Following a rebranding exercise on 15 May 2023 the trading name of the company's independent auditor changed from MHA MacIntyre Hudson to MHA. A resolution to reappoint MHA as independent auditor will be proposed at the next Annual General Meeting.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 4 December 2023 and signed on its behalf by:


.....
Miss A Leishman
Chair of Trustees

Date: 4 December 2023

HADRIAN ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees we acknowledge we have overall responsibility for ensuring that Hadrian Academy 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 Principal 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 Hadrian Academy 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 six 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
Miss A Leishman, Chair of Trustees	4	6
Mr A Meadows, Vice Chairman	6	6
Ms R Brewster, Parent Trustee	3	5
Mr R Paterson, Parent Trustee	4	5
Mrs M Auker, Staff Trustee	6	6
Mrs L Deyankeson, Staff Trustee	3	3
Miss E Crouchman, Staff Trustee	6	6
Mr J Chatterley, Trustee	6	6
Mr R Griffin, Principal & Accounting Officer	4	4
Mrs E Roberts, Trustee	6	6
Mrs E Faunch, Trustee, Trustee	4	6
Mrs S Gill, Trustee	4	6
Mr Q Mosseray, Trustee	3	4
Miss L Went, Trustee	1	1

Hadrian Academy Trust has developed its Governance Review to help Trustees improve the effectiveness of their governance and to ensure that they are compliant with current regulations in all aspects of the trust's activities. A review has been undertaken of the following areas: The Legal Framework (documents in order, relevant and up to date); The Board (skill set of Trustees, awareness of responsibilities and liabilities); Policies and Procedures (reviewed regularly and meet the requirements of current legislation); Finance (control over finances documented and systems employed are secure); Strategy (effective strategy of what is hoped to achieve, how and by when). The board is satisfied that the trust is compliant in these areas.

Conflicts of interest

Hadrian Academy maintains an up to date and complete register of interests and therefore avoids at all costs any conflicts of interest.

HADRIAN ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Governance reviews:

The trust continually reviews its operations to ensure that they follow best practice in strategic management of the trust. This continual improvement cycle led to the trust changing the structure of its meetings in 2021 to ensure better strategic oversight of the school. The move towards combined governor body meetings meant that a wider range of Trustees had a shared understanding of key areas such as staffing, data, and facilities. In 2022 the review cycle led the trust to move away from locally appointed governors and recruit from outside the immediate area. This meant that the board was able to recruit based on skills needed rather than purely geographical range.

The finance and general purposes committee is a sub-committee of the main Board of Trustees and meets five times a year. Its purpose is to be responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer and drafting the annual budget in conjunction with the Principal.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Meadows	5	5
Mrs M Auker	2	2
Mr R Griffin	3	3
Mr J Chatterley	3	5
Miss A Leishman	4	5
Mr Q Mosseray	2	3
Miss L Went	1	1
Mrs E Roberts	5	5

Review of value for money

As Accounting Officer, the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes, as well as estates safety and management achieved in return for the taxpayer resources received.

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

Improving educational results

- Our diverse curriculum ensures all pupils have the opportunity to raise their individual levels of attainment (for example offering LAMDA, whole class instrument lessons for years 4, 5 and 6).
- We regularly review the staffing structure to ensure staff are efficiently deployed. This relates to teaching and nonteaching.
- We bring in additional staff to target key curriculum SDP targets, such as providing extra staffing in certain year groups. We also provide targeted support for students as appropriate, such as homework club.
- We focus on the differing needs of every individual pupil. This is reflected in the outcomes for G&T and FSM pupils.

HADRIAN ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

- We have good tracking systems to record all aspects of student data including progress through school and to ensure that interventions and support are targeted to achieve Value for Money.
- We have produced good outcomes for our students, significantly exceeding national results in the majority of areas. Pupil Premium monies have been allocated to effect, as illustrated by the detailed breakdown on the Academy website.

Financial Performance

- Financial governance and oversight is strong.
- Management accounts are prepared and issued monthly, to enable regular monitoring to ensure Value or Money.
- Spending proposals are costed and presented to Senior leaders / Governors and then challenged appropriately.
- Regular budget updates are provided, including 3 year projections, which enables both short and long term budget decisions to be made appropriately.
- The Company Secretary has been influential in driving down costs through better procurement and negotiation throughout 2023.
- All contracts are reviewed on an annual or set period basis to ensure that they are still fit for purpose and best value for our school.
- School spend is benchmarked against other Academies and areas where we significantly over or under spend have been thoroughly investigated and assurances provided that the spend is appropriate to our school.
- Benchmarking also highlighted that income generation is low for our school and this year additional lettings have been arranged.
- The Academy ensures that tenders/quotes are obtained as appropriate to ensure Value for Money with all major projects.
- Cash flow forecasts are used to identify and invest surplus cash balances to maximise bank interest receivable.
- The Academy has been successful in obtaining a CIF bid in the prior year partly funded by the ESFA and partly funded by the Academy to ensure estate safety and management within the area of Electrics and Fire Safety.

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 Hadrian Academy Trust for the period 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Claire Collins, a qualified Chartered Accountant, as Responsible Officer (RO) to conduct internal scrutiny visits.

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

- detailed checking of payments;
- the payroll process
- review of journals
- bank reconciliation
- review of staff expenses

On a termly basis, the internal scrutiny reports are presented to the Board of Trustees through the Finance and General Purposes committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The schedule of work was delivered as planned. There were no material control issues identified.

HADRIAN ACADEMY TRUST
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GOVERNANCE STATEMENT (CONTINUED)

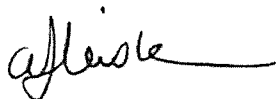
Review of effectiveness

As Accounting Officer, the Principal 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 Responsible Officer;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditor;

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 address weaknesses and 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:



.....
Miss A Leishman
Chair of Trustees



.....
Mr R Griffin
Principal & Accounting Officer

Date: 4 December 2023

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Hadrian Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

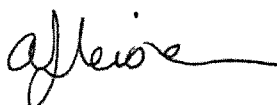
I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2022.

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.



.....
Mr R Griffin
Principal & Accounting Officer

Date: 4 December 2023



ANGELA LEISHMAN
CHAIR OF GOVERNORS

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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:

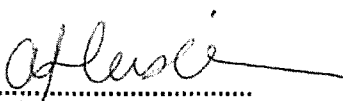
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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:


.....
Miss A Leishman
Chair of Trustees

Date: 4 December 2023

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HADRIAN ACADEMY TRUST**

Opinion

We have audited the financial statements of Hadrian Academy 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HADRIAN ACADEMY TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and.
- the Strategic Report and the Directors' 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.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HADRIAN ACADEMY TRUST (CONTINUED)**

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.

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HADRIAN ACADEMY TRUST (CONTINUED)**

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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Guy Hodgkinson BA ACA (Senior Statutory Auditor)
for and on behalf of
MHA
Statutory Auditor
Northampton

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

Date: 18 December 2023

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 17 October 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hadrian Academy 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 Hadrian Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hadrian Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Hadrian Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hadrian Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Hadrian Academy Trust's funding agreement with the Secretary of State for Education dated 24 October 2011 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.

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.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us relevant to our consideration of regularity;
- a review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

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.



MHA

Statutory Auditor
Northampton

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313).

Date: 18 December 2023

HADRIAN ACADEMY 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	3	50,059	-	25,978	76,037	546,866
Other trading activities	5	60,207	-	-	60,207	52,261
Investments	6	84	-	-	84	78
Charitable activities	4	-	1,943,400	-	1,943,400	1,928,226
Total income		110,350	1,943,400	25,978	2,079,728	2,527,431
Expenditure on:						
Raising funds		114,089	139	-	114,228	66,848
Charitable activities		-	1,834,479	126,331	1,960,810	2,072,564
Total expenditure	8	114,089	1,834,618	126,331	2,075,038	2,139,412
Net income/ (expenditure)		(3,739)	108,782	(100,353)	4,690	388,019
Transfers between funds	16	-	(252,383)	252,383	-	-
Net movement in funds before other recognised losses		(3,739)	(143,601)	152,030	4,690	388,019
Other recognised losses:						
Actuarial gains on defined benefit pension schemes	24	-	30,000	-	30,000	1,459,000
Net movement in funds		(3,739)	(113,601)	152,030	34,690	1,847,019

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Note					
Reconciliation of funds:					
Total funds brought forward	193,075	557,956	1,966,277	2,717,308	870,289
Net movement in funds	(3,739)	(113,601)	152,030	34,690	1,847,019
Total funds carried forward	189,336	444,355	2,118,307	2,751,998	2,717,308

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

The notes on pages 28 to 53 form part of these financial statements.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07824369

BALANCE SHEET
AS AT 31 AUGUST 2023

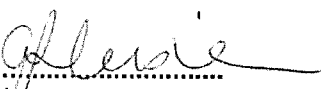
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	2,118,307	1,630,314
Current assets			
Debtors	14	141,429	477,660
Cash at bank and in hand	21	703,082	809,955
		<u>844,511</u>	<u>1,287,615</u>
Creditors: amounts falling due within one year	15	(205,820)	(196,621)
Net current assets		<u>638,691</u>	<u>1,090,994</u>
Total assets less current liabilities		<u>2,756,998</u>	<u>2,721,308</u>
Defined benefit pension scheme liability	24	(5,000)	(4,000)
Total net assets		<u><u>2,751,998</u></u>	<u><u>2,717,308</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	16	2,118,307	1,966,277
Restricted income funds	16	449,355	561,956
		<u>2,567,662</u>	<u>2,528,233</u>
Restricted funds excluding pension asset	16	2,567,662	2,528,233
Pension reserve	16	(5,000)	(4,000)
Total restricted funds	16	<u>2,562,662</u>	<u>2,524,233</u>
Unrestricted income funds	16	<u>189,336</u>	<u>193,075</u>
Total funds		<u><u>2,751,998</u></u>	<u><u>2,717,308</u></u>

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 53 were approved and authorised for issue by the Trustees and are signed on their behalf, by:


.....
Miss A Leishman
Chair of Trustees

Date: 4 December 2023

The notes on pages 28 to 53 form part of these financial statements.

HADRIAN ACADEMY 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/(used in) operating activities	18	486,183	(137,493)
Cash flows from investing activities	20	(588,262)	308,224
Cash flows from financing activities	19	(4,794)	(605)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(106,873)	170,126
Cash and cash equivalents at the beginning of the year		809,955	639,829
Cash and cash equivalents at the end of the year	21, 22	703,082	809,955
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 28 to 53 form part of these financial statements

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

1. Accounting policies

Hadrian Academy Trust is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

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.

The financial statements are prepared in £ sterling, rounded to the nearest £1.

1.1 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.

Hadrian Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

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

1. Accounting policies (continued)

1.3 Income

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

• **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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.

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

• **Donations**

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

• **Other income**

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

• **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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.

1.6 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.

1.7 Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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

1. Accounting policies (continued)

1.8 Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over its expected useful life, on the following bases:

Depreciation is provided on the following bases:

Long-term leasehold property	- 30 years straight line
Leasehold improvements	- 10 years straight line
Furniture and equipment	- 5 years straight line
Computer equipment	- 5 years straight line

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

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.12 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 14. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Operating leases

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

1.14 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 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.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.14 Pensions (continued)

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

1.15 Fund accounting

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

2. 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 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 24, 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.

HADRIAN ACADEMY TRUST
(A Company Limited by Guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations and parental contributions	50,059	-	50,059	54,524
Capital Grants	-	25,978	25,978	492,342
	<u>50,059</u>	<u>25,978</u>	<u>76,037</u>	<u>546,866</u>

4. Funding for the Academy Trust's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations			
DfE/ESFA grants			
General Annual Grant (GAG)	1,580,846	1,580,846	1,621,840
Other DfE/ESFA grants			
Other DfE/ESFA grants	102,571	102,571	60,283
Pupil Premium	77,547	77,547	72,891
UIFSM	61,817	61,817	61,895
	<u>1,822,781</u>	<u>1,822,781</u>	<u>1,816,909</u>
Other Government grants			
Special educational needs	120,619	120,619	95,677
	<u>120,619</u>	<u>120,619</u>	<u>95,677</u>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	-	-	15,640
	<u>-</u>	<u>-</u>	<u>15,640</u>
	<u><u>1,943,400</u></u>	<u><u>1,943,400</u></u>	<u><u>1,928,226</u></u>

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5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rental income	450	450	1,890
Contributions towards clubs and educational activities	59,757	59,757	50,371
	<u>60,207</u>	<u>60,207</u>	<u>52,261</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Bank interest receivable	84	84	78

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	Total 2022 £
Expenditure on raising voluntary income:					
Direct costs	-	-	47,491	47,491	65,235
Expenditure on fundraising trading activities:					
Direct costs	61,138	-	5,460	66,598	1,511
Expenditure on investment management	-	-	139	139	102
Educational operations:					
Direct costs	1,257,256	-	79,380	1,336,636	1,278,939
Allocated support costs	237,412	217,525	169,237	624,174	793,625
	<u>1,555,806</u>	<u>217,525</u>	<u>301,707</u>	<u>2,075,038</u>	<u>2,139,412</u>

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8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational operations	1,336,636	624,174	1,960,810	2,072,564

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
LGPS pension costs	-	-	20,000
Staff costs	237,412	237,412	429,323
Depreciation	126,331	126,331	129,584
Technology costs	29,063	29,063	33,489
Premises costs	91,194	91,194	65,347
Governance costs	15,279	15,279	9,293
Loss on disposal of fixed assets	-	-	274
Other support costs	124,895	124,895	106,315
	624,174	624,174	793,625

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2023 £	2022 £
Operating lease rentals	1,820	800
Depreciation of tangible fixed assets	126,331	129,584
Loss on disposal of fixed assets	-	273
Fees paid to auditor for:		
- audit	9,000	8,600
- other services	6,279	7,375

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

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,169,481	1,118,884
Social security costs	96,665	92,744
Pension costs	289,660	427,301
	<u>1,555,806</u>	<u>1,638,929</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	15	17
Administration and support	41	41
Management	2	2
	<u>58</u>	<u>60</u>

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 £70,001 - £80,000	-	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2023, pension contributions for this member of staff amounted to £nil (2022: £18,030).

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

10. Staff (continued)

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 employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £127,895 (2022: £171,077).

11. 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 £
Miss H Bennett, Principal & Accounting Officer Remuneration (resigned 31 August 2022)		N/A	75,000 - 80,000
	Pension contributions paid	N/A	15,000 - 20,000
Mrs M Auker, Staff Trustee	Remuneration	50,000 - 55,000	45,000 - 50,000
	Pension contributions paid	10,000 - 15,000	10,000 - 15,000
Miss E Auker, Staff Trustee (resigned 31 August 2022)	Remuneration	N/A	40,000 - 45,000
	Pension contributions paid	N/A	5,000 - 10,000
Mrs L Deyankeson, Staff Trustee (resigned 10 May 2023)	Remuneration	5,000 - 10,000	10,000 - 15,000
	Pension contributions paid	0 - 5,000	0 - 5,000
Mr R Griffin, Principal & Accounting Officer (appointed 1 January 2023)	Remuneration	35,000 - 40,000	N/A
	Pension contributions paid	0 - 5,000	N/A
Miss E Crouchman, Staff Trustee	Remuneration	30,000 - 35,000	N/A
	Pension contributions paid	5,000 - 10,000	N/A

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

12. Trustees' and Officers' insurance

The Academy Trust has opted into the Department of 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**

13. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	2,451,294	196,022	138,518	2,785,834
Additions	585,524	13,684	15,116	614,324
Disposals	-	-	(18,900)	(18,900)
At 31 August 2023	3,036,818	209,706	134,734	3,381,258
Depreciation				
At 1 September 2022	910,963	151,934	92,623	1,155,520
Charge for the year	96,928	15,233	14,170	126,331
On disposals	-	-	(18,900)	(18,900)
At 31 August 2023	1,007,891	167,167	87,893	1,262,951
Net book value				
At 31 August 2023	2,028,927	42,539	46,841	2,118,307
At 31 August 2022	1,540,331	44,088	45,895	1,630,314

14. Debtors

	2023 £	2022 £
Trade debtors	100	-
Prepayments and accrued income	138,717	450,812
VAT repayable	2,612	26,848
	141,429	477,660

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FOR THE YEAR ENDED 31 AUGUST 2023

15. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Other loans	-	4,794
Trade creditors	6,583	39,711
Other taxation and social security	22,074	21,067
Other creditors	29,314	26,839
Accruals and deferred income	147,849	104,210
	<u>205,820</u>	<u>196,621</u>
	<u>205,820</u>	<u>196,621</u>
	2023	2022
	£	£
Deferred income at 1 September	47,625	54,393
Resources deferred during the year	50,969	47,625
Amounts released from previous periods	(47,625)	(54,393)
	<u>50,969</u>	<u>47,625</u>
	<u>50,969</u>	<u>47,625</u>

At the balance sheet date the Academy Trust was holding funds received in advance for the following purposes:

	2023	2022
	£	£
CKC and dinners	8,397	6,031
Formula Capital	4,716	4,866
UIFSM	37,856	36,728
	<u>50,969</u>	<u>47,625</u>
	<u>50,969</u>	<u>47,625</u>

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

16. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds - all funds	193,075	110,350	(114,089)	-	-	189,336
Restricted general funds						
General Annual Grant (GAG)	514,087	1,580,846	(1,424,767)	(257,176)	-	412,990
Other DfE/ESFA grants	-	19,160	(19,160)	-	-	-
Pupil premium	3,233	77,547	(80,780)	-	-	-
Miscellaneous restricted	11,735	83,411	(83,411)	-	-	11,735
SEN funding	-	120,619	(120,619)	-	-	-
Salix Loans	(4,793)	-	-	4,793	-	-
UIFSM	37,694	61,817	(74,881)	-	-	24,630
Pension reserve	(4,000)	-	(31,000)	-	30,000	(5,000)
	557,956	1,943,400	(1,834,618)	(252,383)	30,000	444,355

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

16. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
DfE/ESFA capital grants	135,731	-	(19,105)	-	-	116,626
Capital expenditure from GAG	194,188	-	(62,513)	64,551	-	196,226
Other miscellaneous	(3,054)	-	-	3,054	-	-
Transfer from LA	1,155,465	-	(44,713)	-	-	1,110,752
Unspent capital funds	-	25,978	-	(25,978)	-	-
Spent Capital - CIF bid Electrics	147,984	-	-	546,719	-	694,703
Unspent Capital - CIF bid Electrics	335,963	-	-	(335,963)	-	-
	<u>1,966,277</u>	<u>25,978</u>	<u>(126,331)</u>	<u>252,383</u>	<u>-</u>	<u>2,118,307</u>
Total Restricted funds	<u>2,524,233</u>	<u>1,969,378</u>	<u>(1,960,949)</u>	<u>-</u>	<u>30,000</u>	<u>2,562,662</u>
Total funds	<u>2,717,308</u>	<u>2,079,728</u>	<u>(2,075,038)</u>	<u>-</u>	<u>30,000</u>	<u>2,751,998</u>

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

Restricted general funds will be used for educational purposes in line with the Academy's objects and its funding agreement in the ESFA.

Restricted fixed asset funds amounting to £2,118,307 will be reserved against future depreciation charges.

The transfer of £252,383 from restricted general funds to restricted fixed asset funds represents amounts capitalised in the period.

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
FOR THE YEAR ENDED 31 AUGUST 2023

16. Statement of funds (continued)

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

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds - all funds	188,889	106,863	(102,677)	-	-	193,075
Restricted general funds						
General Annual Grant (GAG)	310,204	1,621,840	(1,395,106)	(22,851)	-	514,087
Other DfE/ESFA grants	15,680	19,280	(20,828)	(14,132)	-	-
Pupil premium	9,735	72,891	(79,393)	-	-	3,233
Miscellaneous restricted	1,127	56,643	(46,035)	-	-	11,735
SEN funding	-	95,677	(95,677)	-	-	-
Salix Loans	(14,380)	-	-	9,587	-	(4,793)
UIFSM	34,478	61,895	(58,679)	-	-	37,694
Pension reserve	(1,260,000)	-	(203,000)	-	1,459,000	(4,000)
	(903,156)	1,928,226	(1,898,718)	(27,396)	1,459,000	557,956

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

16. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
DfE/ESFA capital grants	121,945	-	-	13,786	-	135,731
Capital expenditure from GAG	225,373	-	(58,583)	27,398	-	194,188
Other miscellaneous	28,207	-	(26,562)	(4,699)	-	(3,054)
Transfer from LA	1,200,178	-	(44,713)	-	-	1,155,465
Unspent capital funds	8,853	8,395	(8,159)	(9,089)	-	-
Spent Capital - CIF bid Electrics	-	-	-	147,984	-	147,984
Unspent Capital - CIF bid Electrics	-	483,947	-	(147,984)	-	335,963
	<u>1,584,556</u>	<u>492,342</u>	<u>(138,017)</u>	<u>27,396</u>	<u>-</u>	<u>1,966,277</u>
Total Restricted funds	<u>681,400</u>	<u>2,420,568</u>	<u>(2,036,735)</u>	<u>-</u>	<u>1,459,000</u>	<u>2,524,233</u>
Total funds	<u>870,289</u>	<u>2,527,431</u>	<u>(2,139,412)</u>	<u>-</u>	<u>1,459,000</u>	<u>2,717,308</u>

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

17. 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	-	-	2,118,307	2,118,307
Current assets	180,446	664,065	-	844,511
Creditors due within one year	8,890	(214,710)	-	(205,820)
Pension scheme liability	-	(5,000)	-	(5,000)
Total	189,336	444,355	2,118,307	2,751,998

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	1,630,314	1,630,314
Current assets	193,075	758,577	335,963	1,287,615
Creditors due within one year	-	(196,621)	-	(196,621)
Pension scheme liability	-	(4,000)	-	(4,000)
Total	193,075	557,956	1,966,277	2,717,308

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

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	4,690	388,019
Adjustments for:		
Depreciation	126,331	129,584
Capital grants from DfE and other capital income	(25,978)	(492,342)
Interest receivable	(84)	(78)
Defined benefit pension scheme cost less contributions payable	33,000	183,000
Defined benefit pension scheme finance (income)/cost	(2,000)	20,000
Decrease/(increase) in debtors	341,025	(437,097)
Increase in creditors	9,199	71,421
Net cash provided by/(used in) operating activities	486,183	(137,493)

19. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(4,794)	(605)
Net cash used in financing activities	(4,794)	(605)

20. Cash flows from investing activities

	2023 £	2022 £
Interest receivable	84	78
Purchase of tangible fixed assets	(614,324)	(184,469)
Profit on sale of assets	-	273
Capital grants from DfE Group	25,978	492,342
Net cash (used in)/provided by investing activities	(588,262)	308,224

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NOTES TO THE FINANCIAL STATEMENTS
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21. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	703,082	809,955
Total cash and cash equivalents	703,082	809,955

22. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	809,955	(106,873)	703,082
Debt due within 1 year	(4,794)	4,794	-
	805,161	(102,079)	703,082

23. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	15,857	548,800

24. 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 Bedford Borough Council. Both are multiemployer 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.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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

24. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £149,660 (2022 - £150,301).

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.

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

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 £140,000 (2022 - £122,000), of which employer's contributions totalled £111,000 (2022 - £96,000) and employees' contributions totalled £ 29,000 (2022 - £26,000). The agreed contribution rates for future years are 22.7 per cent for employers and 5.5 - 12.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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
Commutation of pensions to lump sums	50.00	50.00
Expected return on scheme assets at 31 August	5.30	4.25

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

	2023	2022
	Years	Years
Retiring today		
Males	21.1	22.0
Females	23.9	24.4
Retiring in 20 years		
Males	22.1	22.9
Females	25.5	26.1

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

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	32	39
Discount rate -0.1%	(33)	(40)
Mortality assumption - 1 year increase	43	48
Mortality assumption - 1 year decrease	(42)	(47)
CPI rate +0.1%	32	37
CPI rate -0.1%	(32)	(36)

Share of scheme assets

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

	At 31	At 31 August
	August 2023	2022
	£	£
Equities	993,000	961,000
Corporate bonds	284,000	364,000
Property	230,000	222,000
Cash and other liquid assets	61,000	58,000
Total market value of assets	1,568,000	1,605,000

The actual return on scheme assets was £(115,000) (2022 - £(7,000)).

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

	2023	2022
	£	£
Current service cost	(142,000)	(277,000)
Interest income	-	26,000
Interest cost	-	(46,000)
Administrative expenses	(2,000)	(2,000)
Total amount recognised in the Statement of Financial Activities	(144,000)	(299,000)

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24. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September		
Interest cost	1,609,000	2,749,000
Employee contributions	-	46,000
Actuarial gains	29,000	26,000
Benefits paid	(215,000)	(1,492,000)
Current service cost	(60,000)	3,000
	142,000	277,000
At 31 August	<u>1,505,000</u>	<u>1,609,000</u>

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

	2023 £	2022 £
At 1 September		
Interest income	1,605,000	1,489,000
Actuarial losses	70,000	26,000
Employer contributions	(185,000)	(33,000)
Employee contributions	111,000	96,000
Benefits paid	29,000	26,000
Administrative expenses	(60,000)	3,000
	(2,000)	(2,000)
At 31 August	<u>1,568,000</u>	<u>1,605,000</u>

The amounts recognised in the Balance Sheet are as follows:

	2023 £	2022 £
Closing defined benefit obligation	(1,573,000)	(1,609,000)
Closing fair value of scheme assets	1,568,000	1,605,000
Net defined benefit pension scheme liability	<u>(5,000)</u>	<u>(4,000)</u>

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Total remeasurements recognised in Other Comprehensive income:

	2023 £	2022 £
Changes in financial assumptions	433,000	1,497,000
Changes in demographic assumptions	83,000	-
Other remeasurements	(486,000)	(38,000)
	<u>30,000</u>	<u>1,459,000</u>

Other finance income

	2023 £	2022 £
Interest income on pension scheme assets	70,000	26,000
Interest on pension scheme liabilities	(68,000)	(46,000)
	<u>2,000</u>	<u>(20,000)</u>

25. 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	1,220	1,820
Later than 1 year and not later than 5 years	2,295	3,515
	<u>3,515</u>	<u>5,335</u>

26. Members' liability

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

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27. Related party transactions

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year Lisa McGill, a Trustee and Director of Lisa McGill Photography received £850 for services provided. There was no balance owed at the year end.

