

Lunesdale Learning Trust
(A Company Limited by Guarantee)

Annual Report and Financial Statements
Year ended 31 August 2022

Company Registration Number:
07438425 (England and Wales)



QESudio

Lunesdale Learning Trust

Contents

	Page
Reference and Administrative Details	1
Trustees' Report	3
Governance Statement	11
Statement on Regularity, Propriety and Compliance	14
Statement of Trustees' Responsibilities	15
Independent Auditor's Report on the Financial Statements	16
Independent Reporting Accountant's Report on Regularity	19
Statement of Financial Activities incorporating Income & Expenditure Account	21
Statement of Financial Position	22
Statement of Cash Flows	23
Notes to the Financial Statements, incorporating:	
Statement of Accounting Policies	24
Other Notes to the Financial Statements	28

Lunesdale Learning Trust

Reference and Administrative Details

Members

T Power
R Snow
P Gregson

Trustees

M Cunningham
S Elton-Chalcraft
R Houghton*
S Lawrenson - resigned 15 June 2022
C O'Neill
F Pearson* (Chair)
J Scott
I Skillen
T Power*
R Shepherd*

* indicates member of the Audit & Finance Committee

Local Governors

J Bargh
T Barker - resigned 4 March 2022
P Black
P Cobley
T Fell-Williams - resigned 15 February 2022
H Lancaster - resigned 9 December 2022
D Sissons - resigned 5 July 2022
D Southey
P Weston - resigned 4 March 2022
H Rucsatle - appointed 8 June 2022
B Brooks - appointed 8 June 2022

Company Secretary

A Johnson

Executive Team:

Executive Headteacher & Accounting Officer
Assistant Head
Deputy Head
Chief Operating Officer
Business Manager & Company Secretary

C O'Neill
P Houghton
R Chapman
S Holmes - Resigned 31.08.22
A Johnson

Company Name

Lunesdale Learning Trust

Principal and Registered Office

Kirkby Lonsdale
Cumbria
LA6 2HJ

Company Registration Number

07438425 (England & Wales)

Lunesdale Learning Trust Reference and Administrative Details (continued)

Independent Auditor	Saint & Co Chartered Accountants Old Police Station Ambleside Cumbria LA22 0BT
Bankers	HSBC Bank plc, 1 Forest Green Caxton Road Fullwood Preston PR2 9LJ
Solicitors	Schofield Sweeny 76 Wellington Street Springfield House Leeds West Yorkshire LS1 2AY

TRUSTEES' ANNUAL REPORT

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a director's report and a strategic report under company law.

Lunesdale Learning Trust (the Trust), a Multi Academy Trust, was formed on 16 May 2017 by converting the articles of association of Queen Elizabeth School, a single academy, formed in December 2010 to become a Multi Academy Trust to allow the opening of a new Studio School in September 2017.

Queen Elizabeth School is an academy for pupils aged 11 to 18 in Kirkby Lonsdale. It had a roll of 1179 in the 2021 autumn school census and a roll of 1169 in the 2022 autumn school census.

QESTudio School is a new school for pupils aged 14 to 18 in Kirkby Lonsdale. It had a roll of 368 in the 2021 autumn school census and a roll of 347 in the 2022 autumn school census, with students in years 10, 11, 12 and 13.

Structure, Governance and Management**Constitution**

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Lunesdale Learning Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Lunesdale Learning Trust.

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 pages 1-2.

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 amounts as may be required, not exceeding £10, for the debts and liabilities contracted before he/she ceases to be a member.

Trustees' Indemnities

The Trustees / Directors of the Academy are covered by indemnity insurance paid for by the trust.

Method of Recruitment and Appointment or Election of Governors

The trustees are directors of the charitable company for the purposes of the Companies Act 2006 and trustees for the purposes of charity legislation.

The trustees who were in office at 31 August 2022, except where shown and are listed on pages 1-2.

During the year under review the governors held 3 Full Local Governing Body meetings. The full Trust Board met 3 times through the year. In addition the Finance, Audit and Risk Committee met 8 times per year and Governors and Trustees came together for 6 Immersion Mornings throughout the year.

Arrangements to appoint new Trustees are detailed in the Articles of Association. The number of Trustees of the company shall not be less than 3.

The Members may appoint up to 9 Trustees.

The Academy Trust may also co-opt Trustees. The Trust may not co-opt an employee of the Academy Trust if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees.

Parent Local Governors shall be elected or, if the number of parents, or individuals exercising parental responsibility, standing for election is less than the number of vacancies, appointed (in accordance with the terms of reference determined by the Trustees from time to time). The elected (or, if the number of parents or individuals exercising parental responsibility standing for election is less than the number of vacancies, appointed) Parent Local Governors of the Local Governing Body must be a parent, or an individual exercising parental responsibility, of a registered pupil at one or more of the Academies overseen by the Local Governing Body at the time when they are elected or appointed.

The number of Parent Local Governors required shall be made up by Parent Local Governors appointed by the Trustees if the number of parents, or individuals exercising parental responsibility, standing for election is less than the number of vacancies.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at an Annual General Meeting.

TRUSTEES' ANNUAL REPORT (continued)

Policies and Procedures Adopted for Induction and Training of Trustees

All new Trustees joining the academy trust complete an induction programme, including receipt of company documentation and a meeting with the Chair of Trustees and Accounting Officer.

Organisational Structure

The Multi Academy Trust is owned, initially, by three Members. The Members' role is to ensure that the Trustees run the company in line with its objects. The Board of Trustees retain overall responsibility for probity, finance, resources and standards for the Multi Academy Trust. The Board of Trustees have been selected based on a skills audit ensuring the Board benefits from a comprehensive mix of skills and experience.

The Officers of the Trust are the Accounting Officer, Chief Operating Officer and Company Secretary.

In order to ensure positive communication between the Trust Board and the Trusts' Schools, an Executive Advisory Group has been convened. The Executive Advisory Group comprises the Executive Headteacher (and Accounting Officer), The Deputy Headteacher, an Assistant Headteacher and the Trust's Officers. This group will report to the Board on all regulatory and performance requirements. They will also make recommendations to the Board about policies, delivery of central services, curriculum, pastoral, standards and budget requirements, prioritised development plans and proposals for capital investment and development.

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

The Trustees have formed a Pay Committee that meets annually (through Finance, Audit and Risk) to review all staff salaries, including key management personnel.

Trade Union Facility Time

The Trust buys into the collective trade union facility arrangements, through Cumbria County Council. In the year, the cost was £7,334. Payment was made direct to Cumbria County Council. There were no trade union officials on the Trust staff in the year.

Related Parties and other Connected Charities and Organisations

The inaugural schools in the Lunesdale Learning Trust are both part of the South Lakes Federation of Schools and the South Lakes Rural Partnership.

The South Lakes Federation of Schools consists of 10 secondary schools, one further education college and one university who work collaboratively both strategically and operationally. Together they focus on

- professional development for teachers
- creating subject expertise
- broadening and improving 14 – 19 provision
- broadening and enriching experience for pupils
- improving the experience of specific pupil groups

The Federation has impacted on teachers' professional development and support through such initiatives as: the formation of an enhanced federation CPD group of senior leaders; coordinated CPD programmes; school to school improvement; project based inter-school CPD at department/team level and; a co-ordinated system of school self-evaluation and peer review.

The federation has enhanced links between the schools and the local community through the establishment of strategic partnerships involving education business partnerships, the local business education consortium, the LA, HE and FE institutions and work based providers.

The South Lakes Rural Partnership consists of 29 primary schools and 6 secondary schools across the South Lakes area. The partnership exists to work collaboratively to the benefit of all those within its member organisations, to meet this end in a sustainable way and to deliver those objects in a positive and proactive way, taking affirmative actions.

TRUSTEES' ANNUAL REPORT (continued)

Objectives and Activities

Objects and Aims

The principal object and activity of the charitable company is the operation of Lunesdale Learning Trust to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum and high quality pastoral care. In doing so it meets the requirements of the Funding Agreement signed by the Secretary of State for Education.

To this end, the aims of the trust are to:

- develop a Trust context in which schools feel safe, supported, encouraged and appreciated
- develop schools which believe in an education founded on values, the development of the whole person, the worth of all types of learning, respect for all individuals, the importance of strong communities and the power of mutual support
- aspire to an excellence which is not constrained by national accountability strictures
- develop an ethos in which schools work together to support one another – collaboration to highest standards
- offer excellent value for money for business and financial services and to direct as much resource as possible to achieving educational outcomes
- build structures and systems which promote excellent education support, quality professional development and appropriate curriculum opportunities
- employ staff who are experts, committed, motivated, caring and able to meet the school curriculum requirements
- provide resources that match the needs of the children and the school as fully as possible and communications with parents and carers which are open, effective and timely

Objectives, Strategies and Activities

QES and QESstudio are founded on '**scholarship and care**' – an expression of our educational philosophy as relevant to us today as it was in 1591. Our schools share an underlying philosophy based on this partnering, seen most clearly in our belief in a Values-led education with our **10 Core Values** at our heart.

Our aim is to develop young people who understand the importance of these Values in their everyday lives so that when they leave our schools they are independently minded critical thinkers with an ability to use their intellect, their skills and their compassion in making decisions in the wider world.

We believe in a truly comprehensive system in which we celebrate the diverse talents and skills of young people. This is evidenced by the quality pastoral support, the breadth of our curriculum and extra-curricular offer, our uncompromising ambition for pupils to be the best people they can be, and our pride in the range of their destinations beyond our school gates.

Co-located with shared staffing including a Leadership Team across the Trust, we share a celebration of diversity in all its forms, a parity of esteem for the technical, vocational, creative, practical and academic, a commitment to our locality, and, above all, a shared sense of the moral purpose of education.

2021-22 – key objectives for the Academic Year:

Structures and Systems

To establish new structures and systems across the LLT to enable us to become outstanding in all areas, moving on from 2019 -21 and re-emerging as a vibrant, energised community with **shared Values, Common Standards** and a clearly understood shared **ethos** and **vision**, including:

- a) a robust Governance Structure and Strategic Calendar linked to the LLT Self Evaluation Programme
- b) a new leadership structure
- c) a rejuvenated focus on staff well-being and self-efficacy
- d) a shared responsibility for all standards in all areas across both schools, effective, responsive and personalised professional development and performance management across the Trust

Common Standards

After such a turbulent time and another period of transition, children will look to school for consistency, predictability and security. Throughout the year we will establish an LLT Behaviour Policy and common approaches across the Trust, but we launch the year with an understanding of these Common Standards.

- a) Common Standards – Uniform, expectations and behaviour
- b) Common Standards – Lesson Routines

TRUSTEES' ANNUAL REPORT (continued)

Renaissance

To make 2021-2 a year of Renaissance, in which we celebrate our community ethos and reignite our culture of enrichment, including:

- a) Enrichment activities – sports, performing arts, music, clubs
- b) Assembly themes
- c) Personal Development provision
- d) Trips and visits
- e) Spiritual, Moral and Cultural education
- f) Community events

Curriculum

To review the curriculum including:

- a) a whole Trust curriculum review with consideration of changes for 2022-3, including time allocations, structure of the day, and the breadth and quality of all areas
- b) Personal Development curriculum
- c) Quality of provision and resequencing, revisiting and refreshing
- d) Transition curriculum
- e) Targeted intervention
- f) Breadth, challenge and support – with particular focus on the importance of Key Stage 3
- g) Cultural capital, diversity and equality
- h) Learner Literacy

Public Benefit

In setting objectives and planning activities the governors have given consideration to the Charity Commission's general guidance on public benefit. The public benefit is providing education in accordance with the Principal Activities detailed above, and additionally in providing access to school facilities to local community groups and adult education

TRUSTEES' ANNUAL REPORT (continued)

Strategic Report

Achievements and Performance and Key Performance Indicators

Queen Elizabeth School has completed its twelfth year of operation as an Academy, and continues to achieve the forecast numbers of students. Total students in the period ended 31st August 2022 numbered 1,169 in Queen Elizabeth School and 347 in QESTudio. Queen Elizabeth School has a full complement in all year groups. QESTudio School has a full complement of students in years 10 to 13 only.

Examination results for 2022 were outstanding for Lunesdale Learning Trust.

At GCSE the percentage of grades at 9 to 4 (A* to C) was 84.4% for the Lunesdale Learning Trust. This was higher than the 2021 results of 75.4%. The percentage of pupils who obtained a standard pass (4+) in English and Maths was 74.2% compared to 75.4% in 2021 and the percentage of pupils who obtained a strong pass (5+) in English and Maths was 57.8% compared to 46.5% in 2021. The number of high grades (9/8/7) was 33.3 for Lunesdale Learning Trust compared to 24.1% in 2021.

Reserves management produced investment return of £285.

Our continued participation in system leadership and collaborative activities offset the cost of skilled operational staff, generating a total contribution of £83,049.

The Trust managed to exceed its original budgets this year, generating a small GAG surplus before contributions towards the schools catering costs were transferred.

Going Concern

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

TRUSTEES' ANNUAL REPORT (continued)**Financial Review****Financial Report for the Period**

Most of the School's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the period ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the period ended 31 August 2022, total restricted general expenditure of £9,206,736 was less than the grant funding from the DfE together with other restricted incoming resources totaling £9,262,230. The excess of restricted general income over expenditures for the year was transferred as a contribution towards catering costs for the year, leaving restricted general funds, (excluding the pension deficit) of £22,751.

At 31 August 2022 the net book value of fixed assets was £18,112,357 and movements in tangible fixed assets are shown in note 17 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

Financial Position

The academy's current level of unrestricted reserves (total funds less the amount held in fixed assets and restricted funds) is £302,585. Included in these reserves there are designated School Funds of £85,126 leaving £217,459 of general unrestricted reserves.

Restricted reserves include fixed assets funds of £18,121,157 and a restricted general funds deficit of £1,985,246. This deficit is a result of the Local Government Pension Scheme liability acquired on conversion to an Academy of £1,264,000 and together with movements since conversion amounting to £744,000 the total pension provision of £2,008,000 has been offset against the restricted General Annual Grant.

Reserves Policy

The Board requires that the Trust works towards a reserve of 5% annual turnover (excluding catering income). Trustees, via the work of their Finance, Audit and Risk Committee, regularly monitor on-going and projected levels of reserve, ensuring these are adequate for the continued operation of the academy. This monitoring process takes into account shifts in local and national funding policies and developments as well as material expenditure requirements.

The free reserves held are £302,585 being the unrestricted funds. These are made up of the COIF investments of £51,200, various school funds totaling £33,926 and general funds of £217,459. The fund in deficit is the LGPS pension scheme, details of which are given in note 29. The total funds at 31st August 2022 are £16,438,493. Tangible fixed assets of £18,112,357 are held for use by the academy and can only be realised by the disposal of these assets.

Investment Policy

Governors maintain a policy of judicious investment, assessing all available opportunities to maximise return on public assets, whilst minimising exposure to risk. Funds are placed in ethical investments wherever possible.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy, and its finances. The governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (eg in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (eg vetting of new staff and visitors, supervision of school grounds) and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement with ESFA guidance. Details of restricted funds are shown in note 22 and 23 of the accounts.

TRUSTEES' ANNUAL REPORT (continued)

Fundraising

Any substantive fundraising activities are reported to the Trustees Finance, Audit and Risk Committee. The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Plans for Future Periods

The Academy will continue to strive to improve the provision of 'quality experiences' to all members of the school community and at all levels.

Development Priorities

1) Behaviour and Attitudes

We want to embed the new Behaviour of Learning Policy building on findings from the summer term 2022 and establish an holistic Trust wide Behaviour Policy.

This will include:

- a) further clarification and articulation of our Common Standards and expectations
- b) clarity of the role of all stakeholders in supporting the Behaviour Policy – pupils, parents and staff
- c) identifying any training needs
- d) further evolution of the systems and practices
- e) review of the efficacy of sanctions
- f) developing the use of pupil specific Behaviour Plans

2) Teaching and learning

We will focus on embedding and developing our knowledge rich Schemes of Learning to ensure we are delivering a well sequenced, knowledge-based curriculum supported by the 8 skills of learner literacy and adapted to the needs of all.

This will include a self-evaluation with a particular focus on a different lens every term including:

- a) SEND and disadvantaged
- b) literacy and Reading
- c) feedback (Including checking for understanding and progress)

3) Quality of Education - Outcomes

We will review the efficacy of our Assessment Calendar (*) and our use of DATA and assessment with particular focus on:

- a) clarity of definitions (eg Effort grades, working at grades, predicted grades etc)
- b) communications with parents, pupils and teaching colleagues
- c) quality of interventions and support in identifying under-performance and ensuring all pupils are achieving
- d) SEND provision
- e) destinations
- f) internal DATA as a self-evaluative tool

final outcomes across both schools are exceptional

4) Staff Workload and Well-being

We want to consult, launch and embed a comprehensive Well-Being Policy across the Trust including:

- a) consultation through working group discussions and Staff Surveys
- b) establishing the Well-Being Charter
- c) embedding within it clear effective policies on related issues – eg - communication, menopause, mental health, flexible working
- d) reviewing the calendar in light of work-load
- e) establishing clear lines of communication for any concerns and suggestions
- f) ensuring effective professional development and training
- g) clarifying job descriptions and roles across the Trust with effective Appraisal/Performance Management
- h) support the development of a staff group creating opportunities for social events

5) Personal Development

We want to build on the Renaissance of 2021-2 to establish a celebratory and inclusive culture across the Trust including:

- a) Form time, PD, PD plus and assemblies
- b) extra-curricular activities
- c) calendared events (eg anti bullying, Pride week)
Student Voice
- d) SOCs development
- e) the return of overseas and local/national trips and visits

ways of communicating activities to a broad audience, achievement, developments and events – eg – e-newsletters, websites, Twitter developments

TRUSTEES' ANNUAL REPORT (continued)

6) Governance Development and Strategic Planning

We want to build on the strengths of the extended Governance Structure preparing for the next phase in the development of the Trust including:

- a) Succession planning at all levels
- b) Recruitment and re-consideration of the associate governor process
- c) Immersion morning
- d) Linked governors
- e) Training and self-evaluation and review
- f) Peer support between schools in the SLF
- g) Development of communication approaches between different committees and clarification of roles
- h) Risk Register approach
- i) Reviewing schemes of delegation

Auditor

Insofar as the trustees are aware:

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

Saint and Co have been appointed as auditors and they are willing to continue in office and a resolution to appoint them will be proposed at the next meeting.

The trustees report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on and signed on the boards its behalf by:



Mr Fenner Pearson (Chair)

GOVERNANCE STATEMENT

Scope of Responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lunesdale Learning 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 3 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
F Pearson (Chair)	3	3
M Cunningham	1	3
S Elton-Chalcraft	1	3
W S Lawrenson (Resigned 16.06.22)	2	3
T Power	3	3
R Shepherd	3	3
R Houghton	3	3
C O’Neill	3	3
J Scott	3	3
I Skillen	1	3

Conflicts of interest

Lunesdale Learning Trust are keenly aware of the need to manage conflicts of interest. We maintain an up to-date and complete register of business interests. This register is formally updated annually but every Governors and Trustee meeting begins with asking those present to disclose any new interests. Should any conflicts arise these would be appropriately managed. New Governors and Trustees are asked to complete their register of business interests upon appointment.

Meetings

The Trust Board ensures effective oversight of funds by adopting and following a strict Financial Scheme of Delegation, the implementation of which is monitored by internal audit, internal scrutiny and the external audit processes. The Trust Board have a Finance Audit and Risk committee who closely monitor the budget and monthly expenditure. In addition, the MAT Exec review financial statements monthly, along with the Chair of Finance Audit and Risk and Vice Chair of Trustees.

The Finance, Audit & Risk Committee was a sub-committee of the Board of Trustees. Its purpose was to review the Schools’ financial statements, closely monitor budget performance and ensure the effectiveness of internal finance and control systems. This met 8 times during the year.

Trustee	Meetings attended	Out of a possible
C O’Neill	8	8
S Houghton	8	8
F Pearson	6	8
T Power	8	8
R Shepherd	8	8

GOVERNANCE STATEMENT (continued)**Review of Value for Money**

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

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

- Seeking continuous improvement in standards, progress and outcomes within the confines of existing budgets. This has been achieved through punctilious monitoring and management of pupils, staff and data by the Executive team.
- Active pursuit of Best Value. Ensuring that all procurement and service provision is aligned at every level to our stated aims and strategies.

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 Lunesdale learning Trust for the period 1 September 2021 to 31 August 2022 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 2021 to 31 August 2021 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal scrutiny and has appointed the Chief Financial Officer of Kirkby Stephen Grammar School to provide a comprehensive peer review, bi annually on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. These reviews were supported by a full review of internal financial controls performed by the Trustees appointed reviewers, Stables Thompson & Brisco. These In particular the checks carried out in the period included:

- testing of payroll systems
- testing of purchase systems
- testing of control account / bank reconciliations

In addition to the above the Chair of Finance, Audit and Risk Committee reviews the detailed working of accounts, forecast and budget preparation on a monthly basis.

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework (continued)

The committee's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period include:

- A thorough review of the collation of budget information for the Multi Academy Trust and the composition of forecast information. This detailed analysis has led to an improved schedule for adoption of annual budgets by the governing body.
- A review of systems and procedures for provision of financial management information to internal budget holders. This has resulted in a more stringent monitoring schedule and improved definition of internal recharges.
- A detailed analysis of the segregation of funds for governor's management accounting purposes. This has resulted in revised and improved reporting papers.

The Finance, Audit and Risk Committee reports to the Board of Trustees via the Chair of Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

No significant issues arose from the internal scrutiny process. An action plan has been prepared to implement recommendations and further enhance internal control. This action plan will be monitored on a monthly basis by the Finance, Audit and Risk Committee, supported by a termly progress assessment by the peer reviewer.

To ensure professional practice, knowledge and approaches continue to be optimised in relation to peer review, a workgroup has been conveyed across schools of the South Lakes Federation. This workgroup will inform, support, enhance and quality control the approach to peer review engaged with by the Trust, ensuring it retains independence.

Review of Effectiveness

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

- the work of the Finance Committee
- the work of the external auditor
- the financial management and governance self-assessment process
- the work of the Chief Operating Officer of the Lunesdale Learning Trust

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

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

Mr Fenner Pearson
Chair of Trustees

Miss Catherine O'Neill
Accounting Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Lunesdale Learning Trust, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding 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 Academies Financial Handbook 2021.

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 Academies Financial Handbook 2021.

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.



Miss Catherine O'Neill
Accounting Officer

Date: 13th December 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

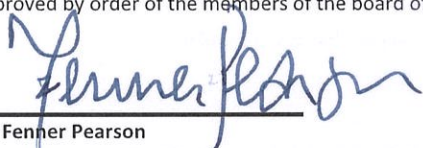
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2021/22;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



Mr Fenner Pearson
Chair of Trustees

Lunesdale Learning Trust
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LUNESDALE LEARNING TRUST

Page 16

OPINION

We have audited the financial statements of Lunesdale Learning Trust for the year ended 31 August 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been properly prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2021/22.

BASIS FOR OPINION

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

CONCLUSION 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 charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

OTHER INFORMATION

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. It includes the Reference and Administrative Details, the Report of the Directors and Strategic Report and the Governance Statement. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Lunesdale Learning Trust

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LUNESDALE LEARNING TRUST (CONTINUED)

Page 17

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters 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 the returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees Responsibilities (set out on page 15), the trustees (who are also the directors of the charitable company 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 charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

OUR 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:

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with trustees and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Lunesdale Learning Trust
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
LUNESDALE LEARNING TRUST (CONTINUED)

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

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
 - performed analytical procedures to identify any unusual or unexpected relationships;
 - tested journal entries to identify unusual transactions;
 - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
 - investigated the rationale behind significant or unusual transactions

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators including the Charities Commission, ESFA and the company's legal advisors.

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

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

USE OF OUR REPORT

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

Mr Ian Thompson (Senior Statutory Auditor)

For and on behalf of
Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station, Church Street, Ambleside, Cumbria, LA22 0BT

Date: _____

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LUNESDALE LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 15 August 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021/22, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lunesdale Learning Trust during the period 01 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

RESPECTIVE RESPONSIBILITIES OF LUNESDALE LEARNING TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Lunesdale Learning Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 01 September 2021, 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 2021/22. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 01 September 2021 to 31 August 2022 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.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO LUNESDALE LEARNING TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY
(continued)**

The work undertaken to draw our conclusion includes:

- having a general awareness of regularity and propriety whilst conducting the statutory audit function;
- reviewing if extra-contractual payments for staff have been made in accordance with the Handbook;
- reviewing if borrowing agreements, including leases to ensure they have been made in accordance with the Handbook;
- reviewing the minutes of the meeting of the main committees during the year;
- reviewing expenditure to check that it was not ultra vires to the charitable objectives;
- obtaining trustee / governor's declaration of interests.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 01 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

USE OF OUR REPORT

This report is made solely to the Lunesdale Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lunesdale Learning 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 Lunesdale Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Mr Ian Thompson (Reporting Accountant)

For and on behalf of
Saint & Co
Chartered Accountants & Statutory Auditors
The Old Police Station, Church Street, Ambleside, Cumbria, LA22 0BT

Date: _____

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

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2022 £	Total 2021 £
Income and endowments from:						
Donations and capital grants	3	22,630	15,883	34,986	73,499	40,177
Charitable activities:						
Funding for the academy trust's educational operations	4	298,926	9,246,347	-	9,545,273	9,099,346
Teaching Schools	32	-	-	-	-	40,000
Other trading activities	5	130,497	-	-	130,497	171,746
Investments	6	326	-	-	326	299
Total income		452,379	9,262,230	34,986	9,749,595	9,351,568
Expenditure on:						
Raising funds	7,8	(103,425)	-	-	(103,425)	(171,746)
Charitable activities:						
Academy trust educational operations	7,9	(428,006)	(9,660,734)	(646,491)	(10,735,231)	(9,982,497)
Teaching Schools	32	-	-	-	-	(40,000)
Other	10	-	-	-	-	-
Total expenditure		(531,431)	(9,660,734)	(646,491)	(10,838,656)	(10,194,243)
Unrealised gains on investments	11	(1,800)			(1,800)	5,426
Net income / (expenditure)		(80,852)	(398,504)	(611,505)	(1,090,861)	(837,249)
Transfers between funds	13	64,513	(77,979)	13,466	-	-
Other recognised gains / (losses):						
Actuarial (losses) / gains on defined benefit pension schemes	29	-	5,976,000	-	5,976,000	(898,000)
Net movement in funds		(16,339)	5,499,517	(598,039)	4,885,139	(1,735,249)
Reconciliation of funds						
Total funds brought forward		318,924	(7,484,763)	18,719,196	11,553,357	13,288,606
Total funds carried forward		302,585	(1,985,246)	18,121,157	16,438,496	11,553,357

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

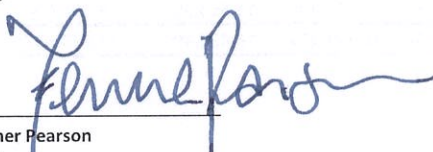
All income and expenditure derive from continuing activities.

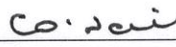
**Statement of Financial Position
as at 31 August 2022**

Company Number 07438425

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	17		18,112,357		18,719,196
Investments	18		51,200		52,959
			<u>18,163,557</u>		<u>18,772,155</u>
Current assets					
Stock	19		7,000		5,768
Debtors	20		274,484		305,779
Cash at bank and in hand			758,495		580,609
			<u>1,039,979</u>		<u>892,156</u>
Liabilities					
Creditors: Amounts falling due within one year	21		(757,040)		(580,954)
Net current assets			<u>282,939</u>		<u>311,202</u>
Total assets less current liabilities			<u>18,446,496</u>		<u>19,083,357</u>
Net assets excluding pension liability			<u>18,446,496</u>		<u>19,083,357</u>
Defined benefit pension scheme liability	29		(2,008,000)		(7,530,000)
Total net assets			<u>16,438,496</u>		<u>11,553,357</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	22		18,121,157		18,719,196
Restricted income fund	22		22,754		45,237
Pension reserve	22		(2,008,000)		(7,530,000)
Total restricted funds			<u>16,135,911</u>		<u>11,234,433</u>
Unrestricted income funds	22		<u>302,585</u>		<u>318,924</u>
Total funds			<u>16,438,496</u>		<u>11,553,357</u>

The financial statements were approved by the board of trustees and authorised for issue on and are signed on behalf of the board by:


 Mr Fenner Pearson
 Chair of Trustees


 Ms Cathy O'Neill
 Accounting Officer

Statement of Cash Flows for the year ended 31 August 2022

	2022	2021
	£	£
Cash flows from operating activities		
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(1,090,861)	(837,249)
Adjusted for:		
Income from investments	(225)	(207)
Interest receivable	(101)	(92)
Unrealised gain on investment	1,800	(5,426)
Depreciation charges	620,305	613,153
Loss on disposal of tangible fixed assets	-	-
Capital grants from DfE and other capital income	(34,986)	(33,973)
Defined benefit pension scheme cost less contributions payable	317,000	191,000
Defined benefit pension scheme finance cost	123,000	109,000
Defined benefit pension scheme administration expenses	14,000	13,000
(Increase)/decrease in stocks	(1,232)	150
(Increase)/decrease in debtors	31,295	246,263
Increase/(decrease) in creditors	176,086	(43,817)
Net cash provided by / (used in) Operating Activities	156,081	251,802
Cash Flows from Investing Activities		
Dividends, interest and rents from investments	285	297
Purchase of tangible fixed assets	(13,466)	(56,247)
Capital grants from DfE/ESFA	34,986	33,973
Capital funding received from sponsors and others	-	-
Net cash provided by / (used in) investing activities	21,805	(21,977)
Change in cash and cash equivalents in the reporting period	177,886	229,825
Cash and cash equivalents at 1 September 2020	580,609	350,784
Cash and cash equivalents at the 31 August 2021	758,495	580,609
Analysis cash and cash equivalents	At 31 August	At 31 August
	2022	2021
	£	£
Cash in hand and at bank	758,495	580,609
Total cash and cash equivalents	758,495	580,609

Notes to the Financial Statements for the period ended 31 August 2022

1 Statement of Accounting Policies

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

General Information

The academy trust is a public benefit entity and a private company limited by guarantee, registered in England and Wales and is an exempt charity. The address of the registered office is Lunesdale Learning Trust, Kirkby Lonsdale, Cumbria, LA6 2HJ, United Kingdom.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Basis of Preparation / Statement of Compliance

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), 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 (FRS102)), the Academies Accounts Direction 2020/21 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going Concern

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

Income

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

● Grants

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

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

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

The academy trust has benefited from the ESFA's Free School Programme. The funding for the programme is not recognised as a capital grant until there is unconditional entitlement.

● Donations

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

● Other Income

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

● Donated goods, facilities and services

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

● Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

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

Tangible Fixed Assets

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. If items are individually less than £250 they are expensed in the year of purchase.

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 Statement of Financial Position 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 Statement of Financial Position. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

- Freehold Buildings – straight line over economic life (ranging from 6 to 56 years)
- Furniture and Equipment – 10% straight line
- Plant and Machinery – straight line over economic life (ranging from 4 to 27 years)
- Information communications and technology equipment – 25% straight line

The total depreciation charge is allocated to teaching costs and administration and support costs pro-rata to the number of employees

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

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable

Notes to the Financial Statements for the year ended 31 August 2022 (continued)**Investment assets and Income**

Investment income is accounted for in the period in which the charity is entitled to receipt.

Investments are stated at market value. Income from investment is recognised on an accruals basis. Unrealised gains and losses are recognised in the statement of financial activities as they arise.

Stock

Catering stock and stationery stock are measured at the lower of cost and estimated selling price less costs to complete and sell.

Liabilities

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

Provisions

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

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

Leased Assets

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

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 20. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 21. 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.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust uses up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities.

The funds received and paid and any balances held are disclosed in the agency arrangements note. The unused funds at the period end are included as a liability in the Statement of Financial Position in other creditors.

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 2022 (continued)

Pensions Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 Statement of Financial Position date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

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

The Local Government Pension Scheme deficit is recognised against restricted general funds in order to match it against the GAG, in accordance with ESFA guidance.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates, assumptions and judgements

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 29, will impact the carrying amount of the pensions 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 2019. 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.

The annual depreciation charge is sensitive to the estimated useful economic lives of property. The useful economic lives of property, plant and equipment is initially based on the professional valuer's report using their judgement and experience. The useful economic lives are assessed annually and changed when necessary to reflect current thinking on their remaining lives.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

2 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the academy trust was subject to limits at 31 August 2022 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2022.

3 Donations and capital grants

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Capital grants	-	34,986	34,986	33,973
Miscellaneous donations	22,630	15,883	38,513	6,204
	22,630	50,869	73,499	40,177

The income from donations and capital grants was £73,499 (2021: £40,177) of which £22,630 was unrestricted (2021: £5,878), £15,883 was restricted (2021: £326) and £34,986 was restricted fixed assets (2021: £33,973).

4 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
DfE / ESFA grants				
General Annual Grant (GAG)	-	8,637,047	8,637,047	7,947,092
Pupil Premium	-	129,260	129,260	112,652
Teachers Pension Grant	-	53,454	53,454	289,284
Teachers Pay Grant	-	18,917	18,917	102,374
Schools supplementary grant	-	87,822	87,822	-
Other DfE/ESFA grants	-	39,534	39,534	59,135
	-	8,966,034	8,966,034	8,510,537
Other Government grants				
Pupil Premium	-	25,880	25,880	11,395
Local authority grants	-	103,847	103,847	75,909
Special Educational Projects	-	9,825	9,825	19,505
Covid-19 additional funding (DfE/ESFA)				
Catch-up premium	-	-	-	99,800
National tutoring programme	-	22,351	22,351	-
Recovery premium grant	-	19,050	19,050	-
Other DfE/ESFA Covid-19 funding	-	4,388	4,388	41,969
Covid-19 additional funding (non DfE/ESFA)				
Coronavirus Job Retention Scheme grant	-	-	-	91,502
Mass testing and vaccination fund	-	18,812	18,812	48,410
	-	204,153	204,153	388,490
Trip income	-	22,896	22,896	508
Catering income	290,857	-	290,857	110,909
Other income	-	50,804	50,804	21,696
School fund	8,069	2,460	10,529	67,206
	298,926	9,246,347	9,545,273	9,099,346

The income from funding for the Academy Trust's educational operations was £9,545,273 (2021: £9,099,346) of which £298,926 was unrestricted (2021: £122,736) and £9,246,347 was restricted (2021: £8,976,610).

The academy trust has been eligible to claim additional funding in the year from government support scheme in response to the coronavirus outbreak. The funding received is shown above.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

5 Other Trading activities

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Hire of facilities	8,169	-	8,169	6,956
Sports lettings	39,279	-	39,279	21,476
Consultancy	83,049	-	83,049	143,314
	<u>130,497</u>	<u>-</u>	<u>130,497</u>	<u>171,746</u>

The income from other trading activities was £130,497 (2021: £171,746) of which all £130,497 was unrestricted (2021: £171,746).

6 Investment income

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Bank interest	101	-	101	92
COIF Revaluation	41	-	41	2
COIF Interest	184	-	184	205
	<u>326</u>	<u>-</u>	<u>326</u>	<u>299</u>

The income from investments was £326 (2021: £299) of which all £326 was unrestricted (2021: £299).

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

7 Expenditure

	Staff Costs	Non Pay Expenditure		Total	Total
		Premises	Other	2022	2021
	£	£	£	£	£
Expenditure on raising funds					
Direct costs	100,225	-	3,200	103,425	171,746
Academy's educational operations:					
Direct costs	7,058,647	-	916,531	7,975,178	7,616,728
Trips and productions	12,488	-	18,382	30,870	8,415
Catering	194,141	-	199,447	393,588	291,186
Allocated support costs	1,209,526	458,578	667,491	2,335,595	2,066,168
Teaching School	-	-	-	-	40,000
	8,575,027	458,578	1,805,051	10,838,656	10,194,243

Net income/(expenditure) for the period includes:

	2022	2021
	£	£
Depreciation	620,305	613,153
Loss on disposal of fixed assets	-	-
Operating lease rentals	14,072	12,860
Fees payable to auditor for:		
- audit of the financial statements	9,150	9,000
- assurance services	2,740	3,910
- accountancy & other services	7,560	4,600

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

8 Costs of other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Hire & Lettings				
Support staff costs	20,376	-	20,376	28,432
	20,376	-	20,376	28,432
Consultancy				
Support staff costs	79,849	-	79,849	140,114
Professional services	3,200	-	3,200	3,200
	83,049	-	83,049	143,314
	103,425	-	103,425	171,746

Costs of other trading activities was £103,425 (2021: £171,746) of which all £103,425 was unrestricted (2021: £171,746).

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

9 Charitable Activities

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Direct costs – educational operations				
Teaching and educational support staff costs	-	7,058,647	7,058,647	6,828,306
Depreciation	-	492,682	492,682	459,865
Educational supplies	-	146,044	146,044	104,087
Examination fees	-	151,238	151,238	122,340
Staff development	-	11,412	11,412	8,404
Educational consultancy	-	20,453	20,453	18,275
External course costs	-	67,345	67,345	44,959
Other direct costs	-	27,357	27,357	30,492
	-	7,975,178	7,975,178	7,616,728
Trips and productions – educational operations				
Support staff costs	-	12,488	12,488	8,355
Transport and accommodation costs	-	13,895	13,895	229
Admission costs	-	1,598	1,598	(299)
Other costs	-	2,889	2,889	130
	-	30,870	30,870	8,415
Catering – educational operations				
Support staff costs	194,141	-	194,141	182,335
Produce	189,819	-	189,819	98,618
Maintenance of equipment	9,628	-	9,628	10,233
Other catering costs	-	-	-	-
	393,588	-	393,588	291,186
Support costs – educational operations				
Support staff costs	-	1,209,526	1,209,526	1,039,006
Rates and water	-	77,044	77,044	110,910
Heat and light	-	177,345	177,345	115,257
Maintenance of premises and equipment	-	163,117	163,117	147,088
Insurance	-	41,072	41,072	40,335
Telephone	-	12,916	12,916	11,949
Computer costs	-	144,986	144,986	119,166
Depreciation	-	127,623	127,623	153,288
South Lakes Federation charges	-	28,125	28,125	29,600
Transport	-	26,026	26,026	15,628
Advertising	-	4,739	4,739	6,847
Admin photocopying and stationery	-	57,523	57,523	50,566
School fund expenditure	30,857	14,373	45,230	38,111
School fund gifts & donations	3,561	-	3,561	7,426
Catering	-	10,497	10,497	5,729
Bad debts written off	-	-	-	-
Other support costs	-	17,501	17,501	17,330
Governance costs - accountancy & assurance fees	-	10,300	10,300	8,510
Governance costs - audit fees	-	9,150	9,150	9,000
Legal and professional fees	-	32,314	32,314	18,422
Net finance costs in respect of defined benefit pension scheme	-	137,000	137,000	122,000
	34,418	2,301,177	2,335,595	2,066,168
Total direct and support costs	428,006	10,307,225	10,735,231	9,982,497

Costs of charitable activities was £10,735,231 (2021: £9,982,497) of which £428,006 was unrestricted (2021: £312,058), £9,660,734 was restricted (2021: £9,057,286) and £646,491 was restricted fixed assets (2021: £613,153).

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

10 Other Expenditure

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Loss on disposal of tangible fixed assets	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Costs of other expenditure was £nil (2021: £nil).

11 Net gains on investments

	Unrestricted Funds	Restricted Funds	Total 2022	Total 2021
	£	£	£	£
Gains/(losses) on other investment assets	(1,800)	-	(1,800)	5,426
	<u>(1,800)</u>	<u>-</u>	<u>(1,800)</u>	<u>5,426</u>

Net losses on investments was £1,800 (2021: gain of £5,426) of which all £1,800 (2021: £5,426) was unrestricted.

12 Central Services

No central services were provided by the trust to its academies during the period and no central charges arose.

Lunesdale Learning Trust
Notes to the Financial Statements for the year ended 31 August 2022
(continued)

13 Fund transfers

	Total 2022 £	Total 2021 £
Unrestricted funds		
Catering (to)/from GAG to cover overheads	102,731	180,278
Contribution to Trips	-	(51)
Contribution to GAG from general unrestricted funds	(38,124)	-
Contribution (to)/from School funds	(94)	(2,100)
Transfer from 6th form bus passes	-	3,395
	64,513	181,522
Restricted general funds		
Catering to GAG to cover overheads	(102,731)	(180,278)
Contribution to GAG from general unrestricted funds	38,124	-
Contributions to/(from) GAG	6,181	15,000
Contribution to Trips	7,974	7,906
Contribution to/(from) School funds	(14,061)	(20,755)
Transfer from 6th form bus passes and bursary	-	(3,395)
Fixed Asset Purchases from GAG	(13,466)	(22,274)
	(77,979)	(203,796)
Restricted fixed asset funds		
Purchases from ESFA formula grant	-	33,973
Purchases from GAG	13,466	22,274
Transfers to fixed asset fund from formula grant	-	(33,973)
	13,466	22,274

Lunesdale Learning Trust
Notes to the Financial Statements for the year ended 31 August 2022
(continued)

14 Staff

a. Staff costs

Staff costs during the period were:

	Total	Total
	2022	2021
	£	£
Wages and salaries	6,110,333	5,982,513
Social security costs	597,072	579,512
Other pension costs	1,819,461	1,688,261
Apprenticeship levy	15,277	14,940
	8,542,143	8,265,226
Supply staff costs	32,884	1,322
Staff restructuring costs	-	-
	8,575,027	8,266,548

Staff restructuring costs comprise:

Severance payment	-	-
	-	-

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2021: £nil). Individually, the payments were: £nil, (2021: £nil).

c. Staff numbers

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

	2022	2021
	No.	No.
Teachers	103	107
Administration and support	96	103
Management	10	10
	209	220

d Higher paid staff

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

	2022	2021
	No.	No.
£60,001 - £70,000	6	6
£70,001 - £80,000	2	-
£80,001 - £90,000	-	1
£90,001 - £100,000	-	2
£120,001 - £130,000	1	-

e Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £604,453 (2021: £751,426).

Notes to the Financial Statements for the year ended 31 August 2022 (continued)**15 Related Party Transactions - 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:

T Barker (Local Governor) (Resigned 4th March 2022)

Remuneration £20,000 - £24,999 (2021: £50,000 - £54,999)

Employer's pension contributions paid £0 - £4,999 (2021: £10,000 - £14,999)

T Fell-Williams (Local Governor) (Resigned 15th February 2022)

Remuneration £15,000 - £19,999 (2021: £30,000 - £34,999)

Employer's pension contributions paid £0 - £4,999 (2021: £5,000 - £9,999)

P Weston (Local Governor) (Resigned 4th March 2022)

Remuneration £25,000 - £29,999 (2021: £55,000 - £59,999)

Employer's pension contributions paid £5,000 - £9,999 (2021: £10,000 - £14,999)

H Rucastle (Local Governor) (Appointed 8th June 2022)

Remuneration £5,000 - £9,999 (2021: £nil)

Employer's pension contributions paid £0 - £4,999 (2021: £nil)

B Brooks (Local Governor) (Appointed 8th June 2022)

Remuneration £0 - £4,999 (2021: £nil)

Employer's pension contributions paid £0 - £4,999 (2021: £nil)

During the year ended 31 August 2022, travel and subsistence expenses totalling £320 were reimbursed or paid directly to 2 governors (2021: £nil to 0 governors).

16 Trustees' and Officers' Insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 (2021: £5,000,000) on any one claim. The cost of this insurance is included in the total insurance cost and cannot be separately identifiable.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

17 Tangible Fixed Assets

	Freehold Land and Buildings	Plant & Machinery	Furniture & Equipment	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2021	20,284,066	2,705,300	166,338	605,833	23,761,537
Additions	-	-	-	13,466	13,466
Disposals	-	-	-	-	-
At 31 August 2022	<u>20,284,066</u>	<u>2,705,300</u>	<u>166,338</u>	<u>619,299</u>	<u>23,775,003</u>
Depreciation					
At 1 September 2021	2,933,894	1,506,354	113,443	488,650	5,042,341
Charged in year	389,781	136,787	13,572	80,165	620,305
Disposals	-	-	-	-	-
At 31 August 2022	<u>3,323,675</u>	<u>1,643,141</u>	<u>127,015</u>	<u>568,815</u>	<u>5,662,646</u>
Net book values					
At 31 August 2021	17,350,172	1,198,946	52,895	117,183	18,719,196
At 31 August 2022	<u>16,960,391</u>	<u>1,062,159</u>	<u>39,323</u>	<u>50,484</u>	<u>18,112,357</u>

The Freehold Land & Buildings and the Plant & Machinery integral to the buildings include valuations of £11,431,130 and £2,609,929 respectively made in 2010 by AT Snape, RICS Registered Valuer, who was independent of the charitable company. The basis of valuation for the assets was Existing Use Value using a Depreciated Replacement Cost approach in accordance with FRS 102 section 17 Property, Plant & Equipment.

There is a fixed charge, dated 6th December 2019, over the Freehold Land and Buildings in which QE Studio Scool operates in favour of The Secretary of State for Education.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

	2022
	£
18 Investments	
Cost or Valuation	
At 1 September 2021	52,959
Additions	41
Fair value movements	(1,800)
	<u>51,200</u>
Impairment	
At 1 September 2021 and 31 August 2022	<u>-</u>
Carrying amount	
At 31 August 2022	<u>51,200</u>
At 31 August 2021	<u>52,959</u>

All investments shown above are held at valuation

Financial assets held at fair value

Valuations are prepared by CCLA Investment Management Ltd. Valuations are generally prepared on the basis of the mid-market price at the close of business on the valuation date.

	2022	2021
	£	£
Catering	2,500	2,500
Stationery	1,226	1,648
School Hoodies	1,654	-
Chas Jacob Painting	1,620	1,620
	<u>7,000</u>	<u>5,768</u>

	2022	2021
	£	£
Trade debtors	75,801	136,337
VAT recoverable	24,743	6,430
Other debtors	69,731	42,269
Prepayments and accrued income	104,209	120,743
	<u>274,484</u>	<u>305,779</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

21 Creditors: Amounts Falling due within one year

	2022	2021
	£	£
Trade creditors	248,339	151,039
Other taxation and social security	137,504	140,079
ESFA creditor	23,448	15,050
CCC Creditor	23,347	9,875
Other creditors	147,747	159,173
Deferred income	84,108	65,282
Accruals	92,547	40,456
	757,040	580,954

Deferred income	2022	2021
	£	£
Deferred income at 1 September 2021	65,282	66,808
Released from previous years	(65,282)	(66,808)
Resources deferred in the year	84,108	65,282
Deferred Income at 31 August 2022	84,108	65,282

Deferred income comprises:	2022	2021
	£	£
Local Authority funded grant statements for the period September to March	33,039	15,067
Rates relief	23,062	23,062
Payroll services	28,007	27,153
	84,108	65,282

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

22 Analysis of charitable funds

	Balance at 1 September 2021	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2022
	£	£	£	£	£
Restricted general funds					
ESFA Grants					
General Annual Grant (GAG)	18,218	8,637,048	(8,584,415)	(70,851)	-
Pupil Premium	-	129,260	(129,260)	-	-
Teachers Pension Grant	-	53,454	(53,454)	-	-
Teachers Pay Grant	-	18,917	(18,917)	-	-
Schools supplementary grant	-	87,822	(87,822)	-	-
Rates	-	39,534	(39,534)	-	-
Other ESFA Grants	-	-	-	-	-
Catch-up premium	-	-	-	-	-
National tutoring programme	-	22,351	(22,351)	-	-
Recovery premium grant	-	19,050	(19,050)	-	-
Other DfE/ESFA Covid-19 funding	-	4,388	(4,388)	-	-
Other government grants					
Pupil Premium	-	25,880	(25,880)	-	-
Coronavirus Job Retention Scheme grant	-	-	-	-	-
Other Covid-19 funding	-	-	-	-	-
LA funded statements	-	94,033	(94,033)	-	-
Mass testing and vaccination fund	-	18,812	(18,812)	-	-
Other government grants	-	9,815	(2,122)	-	7,693
Special Educational Projects	6,011	-	-	-	6,011
Teaching School	-	-	-	-	-
Pension reserve	(7,530,000)	-	(454,000)	5,976,000	(2,008,000)
Trips	-	22,896	(30,870)	7,974	-
Restricted School Funds	20,547	15,708	(14,373)	(14,153)	7,729
Charity Team	461	2,634	(1,776)	-	1,319
Other educational income	-	50,803	(50,803)	-	-
6th form bus passes	-	8,875	(8,875)	-	-
16-19 Bursaries	-	950	-	(950)	-
	(7,484,763)	9,262,230	(9,660,735)	5,898,020	(1,985,248)
Restricted fixed asset funds					
DfE/ESFA formula capital	-	34,986	(26,186)	-	8,800
Fixed Assets used for charitable purposes	18,719,196	-	(620,305)	13,466	18,112,357
	18,719,196	34,986	(646,491)	13,466	18,121,157
Total restricted funds	11,234,433	9,297,216	(10,307,226)	5,911,486	16,135,909
Unrestricted funds					
Designated catering	-	290,857	(393,588)	102,731	-
Designated School Funds	40,848	27,590	(34,417)	(94)	33,927
Designated COIF investments	52,959	41	-	(1,800)	51,200
Lettings	-	47,448	(20,376)	(27,072)	-
Consultancy	-	83,049	(83,049)	-	-
General Funds	225,117	3,394	-	(11,051)	217,460
Total unrestricted funds	318,924	452,379	(531,430)	62,714	302,587
Total funds	11,553,357	9,749,595	(10,838,656)	5,974,200	16,438,496

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

Analysis of charitable funds - Previous year

	Balance at 1 September 2020	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2021
	£	£	£	£	£
Restricted general funds					
ESFA Grants					
General Annual Grant (GAG)	-	7,947,092	(7,741,323)	(187,551)	18,218
Pupil Premium	-	112,652	(112,652)	-	-
Teachers Pension Grant	-	289,284	(289,284)	-	-
Teachers Pay Grant	-	102,374	(102,374)	-	-
Rates	-	40,130	(40,130)	-	-
Other ESFA Grants	-	-	-	-	-
Catch-up premium	-	99,800	(99,800)	-	-
Other DfE/ESFA Covid-19 funding	-	41,969	(41,969)	-	-
Other government grants					
Pupil Premium	-	11,395	(11,395)	-	-
Coronavirus Job Retention Scheme grant	-	91,502	(91,502)	-	-
Other Covid-19 funding	-	48,410	(48,410)	-	-
LA funded statements	-	75,909	(75,909)	-	-
Other government grants	-	19,005	(19,005)	-	-
Special Educational Projects	4,600	352	(941)	2,000	6,011
Teaching School	-	40,000	(40,000)	-	-
Pension reserve	(6,319,000)	-	(313,000)	(898,000)	(7,530,000)
Trips	-	508	(8,414)	7,906	-
Restricted School Funds	11,368	55,658	(23,724)	(22,755)	20,547
Charity Team	415	46	-	-	461
Other educational income	-	21,696	(21,696)	-	-
6th form bus passes	-	16,540	(15,758)	(782)	-
16-19 Bursaries	-	2,613	-	(2,613)	-
	(6,302,617)	9,016,935	(9,097,286)	(1,101,795)	(7,484,763)
Restricted fixed asset funds					
DfE/ESFA formula capital	-	33,973	-	(33,973)	-
Fixed Assets used for charitable purposes	19,276,102	-	(613,153)	56,247	18,719,196
	19,276,102	33,973	(613,153)	22,274	18,719,196
Total restricted funds	12,973,485	9,050,908	(9,710,439)	(1,079,521)	11,234,433
Unrestricted funds					
Designated catering	-	110,909	(291,186)	180,277	-
Designated School Funds	47,124	16,696	(20,872)	(2,100)	40,848
Designated COIF investments	47,531	2	-	5,426	52,959
Lettings	-	28,431	(28,431)	-	-
Consultancy	-	143,314	(143,314)	-	-
General Funds	220,466	1,308	-	3,343	225,117
Total unrestricted funds	315,121	300,660	(483,803)	186,946	318,924
Total funds	13,288,606	9,351,568	(10,194,242)	(892,575)	11,553,357

Under the funding agreement with the Secretary of State, the academy trust was subject to a limit on the amount of GAG that it could carry forward at 31 August 2022. Note 2 discloses whether the limit was exceeded.

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

General Annual Grant (GAG) fund: this represents the core funding for the educational activities of the school that has been provided to the academy via the Education and Skills Funding Agency (ESFA).

Pupil premium fund: this represents funding paid by the DfE to support disadvantaged students in their teaching and learning, with the aim of improving their attainment and closing the gap with more advantaged students.

Teachers Pension Grant: this represents funding paid by the ESFA to support schools with the cost of the increase in employer contributions to the teachers' pension scheme.

Teachers Pay Grant: this represents funding paid by the ESFA to support teachers' pay awards that came into effect in September 2018 and September 2019.

Defined benefit pension scheme deficit fund: this represents the deficit on the Local Government Pension Scheme (LGPS) at the year end.

Local authority funded statements: this represents funding from the Local Authority to pay for Learning Support Assistants who support the "statemented" special needs students.

Designated catering: this fund is in respect of the provision of meals that are charged to diners in Queen Elizabeth School and Queen Elizabeth Studio School, Kirkby Lonsdale.

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

23 Analysis of academies by fund balance

Fund balances at 31 August 2022 were allocated as follows:

	Total 2022	Total 2021
Queen Elizabeth Academy	323,642	299,511
Queen Elizabeth Studio School Academy	1,697	64,650
Total before fixed assets and pension reserve	<u>325,339</u>	<u>364,161</u>
Restricted fixed asset fund	18,121,157	18,719,196
Pension reserve	<u>(2,008,000)</u>	<u>(7,530,000)</u>
Total	<u>16,438,496</u>	<u>11,553,357</u>

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs	Other Support Staff Costs	Educational Supplies	Other Costs (excluding Depreciation)	Total 2022	Total 2021
Queen Elizabeth Academy	5,099,812	1,103,009	168,949	1,078,033	7,449,803	7,050,556
Queen Elizabeth Studio School Academy	1,958,835	413,371	64,893	331,449	2,768,548	2,490,534
Academy Trust	<u>7,058,647</u>	<u>1,516,380</u>	<u>233,842</u>	<u>1,409,482</u>	<u>10,218,351</u>	<u>9,541,090</u>

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

24 Analysis of Net Assets between Funds

Fund balances at 31 August 2022 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	18,112,357	18,112,357
Investments	51,200	-	-	51,200
Current assets	251,385	779,794	8,800	1,039,979
Current liabilities	-	(757,040)	-	(757,040)
Pension scheme liability	-	(2,008,000)	-	(2,008,000)
Total net assets	302,585	(1,985,246)	18,121,157	16,438,496

Analysis of Net Assets between Funds - Previous year

Fund balances at 31 August 2021 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£	£	£	£
Tangible fixed assets	-	-	18,719,196	18,719,196
Investments	52,959	-	-	52,959
Current assets	846,919	45,237	-	892,156
Current liabilities	(580,954)	-	-	(580,954)
Pension scheme liability	-	(7,530,000)	-	(7,530,000)
Total net assets	318,924	(7,484,763)	18,719,196	11,553,357

25 Capital Commitments

	2022	2021
	£	£
Contracted for, but not provided for in the financial statements	-	-

26 Commitments under operating leases

Operating Leases

At 31 August 2022 the total of the Academy's future minimum lease payments under non-cancellable operating leases was:

	2022	2021
	£	£
Amounts due within one year	13,608	14,072
Amounts due between one and five years	19,924	33,533
	33,532	47,605

27 Analysis of changes in net debt

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	580,609	177,886	758,495

28 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.

Notes to the Financial Statements for the year ended 31 August 2022

(continued)

29 Pension and Similar Obligations

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

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

Contributions payable to the schemes at 31 August and included in creditors were as follows:

	2022	2021
	£	£
Teachers' Pension Scheme	113,763	119,552
Local Government Pension Scheme	32,595	33,150
Additional Voluntary Contributions	1,133	1,621
	147,491	154,323

The total pension costs to the academy during the year ended 31 August and included in staff costs were as follows:

	2022	2021
	£	£
Teachers' Pension Scheme	1,000,841	1,011,284
Local Government Pension Scheme	321,670	310,627
Local Government Pension Scheme deficit recovery	179,950	175,350
LGPS current service cost/contributions adjustment	317,000	191,000
	1,819,461	1,688,261

In addition the academy incurred net interest costs and administration costs included in support costs as follows:

	2022	2021
	£	£
LGPS net interest costs	123,000	109,000
Administration costs	14,000	13,000
	137,000	122,000

Teachers' Pension Scheme

Introduction

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

Lunesdale Learning Trust

Notes to the Financial Statements for the year ended 31 August 2022

(continued)

Valuation of the Teachers' Pension Scheme

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

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

Scheme changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

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

The employer's pension costs paid to TPS in the period amounted to £1,000,841 (2021: £1,011,284)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Notes to the Financial Statements for the year ended 31 August 2022 (continued)

29 Pension and Similar Obligations (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 were as follows:

	2022	2021
	£	£
Employer's contributions	321,670	310,627
Employees' contributions	104,945	102,292
Total contributions	426,615	412,919

Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method.

The agreed contribution rates for future years are 18.7% for employers and a contribution rate ranging between 5.5% and 12.5% per cent for employees.

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

At the Statement of Financial Position date the scheme is in deficit. The Academy has previously entered into an agreement effective from 1 April 2014 to make additional contributions in addition to normal funding levels. It is anticipated that the payments will be made over 19 years from 1 April 2014, including £173,600 in the year ended 31 March 2021, £177,800 in 2021-22 and £182,100 in 2022-23.

Principal Actuarial Assumptions	At 31 August 2022	At 31 August 2021
Rate of increase in salaries	4.30%	4.30%
Rate of increase for pensions in payment/inflation	2.90%	2.90%
Discount rate for scheme liabilities	4.30%	1.70%
Inflation assumption (CPI)	2.80%	2.80%

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

	At 31 August 2022	At 31 August 2021
<i>Retiring today</i>		
Males	22.6	22.7
Females	25.3	25.3
<i>Retiring in 20 years</i>		
Males	24.1	24.3
Females	27.1	27.2

Notes to the Financial Statements for the year ended 31 August 2022

(continued)

Sensitivity analysis - increase/(decrease) in deficit

	At 31 August 2022	At 31 August 2021
	£	£
Discount rate +0.1%	(196,000)	(325,000)
Discount rate -0.1%	201,000	333,000
Mortality assumption - 1 year increase	165,000	430,000
Mortality assumption - 1 year decrease	(162,000)	(417,000)
CPI rate +0.1%	200,000	334,000
CPI rate -0.1%	(195,000)	(326,000)

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

	Fair value at 31 August 2022	Fair value at 31 August 2021
	£	£
Equities	2,086,000	2,414,000
Government bonds	882,000	1,060,000
Other bonds	-	-
Property	603,000	468,000
Cash/liquidity	193,000	234,000
Other	2,448,000	1,984,000
Total market value of assets	6,212,000	6,160,000

The actual return on scheme assets was £-439,000 (2021: £848,000).

None of the fair values of the assets shown above include any of the academy's own financial instruments or any property occupied by, or other assets used by, the academy.

The expected rate of return is the assumed return the assets of the fund will achieve over the entire life of the related obligation based on market expectations at the beginning of the period. This assumption is used to determine the expected return on assets for the pension expense.

Amounts recognised in the statement of financial activities

	2022	2021
	£	£
Current service cost (net of employee contributions)	(818,000)	(678,000)
Net interest cost	(123,000)	(109,000)
Administration expenses	(14,000)	(13,000)
Total operating charge	(955,000)	(800,000)

Notes to the Financial Statements for the year ended 31 August 2022

(continued)

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

	2022 £	2021 £
At 1 September	13,690,000	11,107,000
Current service cost	818,000	678,000
Interest cost	232,000	200,000
Employee contributions	105,000	103,000
Actuarial (gain)/loss	(6,524,000)	1,655,000
Benefits paid	(101,000)	(53,000)
At 31 August	8,220,000	13,690,000

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

	2022 £	2021 £
At 1 September	6,160,000	4,788,000
Interest income	109,000	91,000
Actuarial gain/(loss)	(548,000)	757,000
Administration expenses	(14,000)	(13,000)
Employer contributions	501,000	487,000
Employee contributions	105,000	103,000
Benefits paid	(101,000)	(53,000)
At 31 August	6,212,000	6,160,000

**Notes to the Financial Statements for the year ended 31 August 2022
(continued)****30 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 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. The following related party transactions took place in the financial period.

Expenditure Related Party Transactions

Mr J Williams, spouse of Mrs T Fell-Williams, a local governor, is employed by the academy trust as Head of IT support. Mr J Williams' appointment was made in open competition and Mrs T Fell-Williams was not involved in the decision making process regarding appointment. Mr J Williams is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to a local governor.

Mr P Rushton, spouse of Miss C O'Neill, the Head Teacher of Queen Elizabeth School and Queen Elizabeth Studio School, is employed by the academy trust as a teacher. Mr P Rushton's appointment was made in open competition and Miss C O'Neill was not involved in the decision making process regarding appointment. Mr P Rushton is paid within the normal pay scale for his role and receives no special treatment as a result of his relationship to the Head Teacher.

31 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £30,302 and disbursed £21,904 from the fund. An amount of £23,448 is included in other creditors relating to undistributed funds that is repayable to ESFA. Comparatives for the accounting period ending 31 August 2021 are £21,344 received, £22,686 disbursed and £15,050 included in other creditors.

32 Contingent liabilities

It has come to the Trusts attention that there has been an unregistered gas metre and that the Trust has not been charged for usage on this metre since its installation. At the year end 31st August 2022 it has not yet been determined if it is probable that a settlement will be required and if required, the Trust is not able to reliably estimate the amount of obligation in relation to this therefore no provision has been included within the financial statements.

33 Post Balance Sheet Events - Pension Scheme Valuation

The academy has obtained a valuation of its LGPS liability at the year end. However, since the year end with further economic turmoil the trustees believe that the rate of inflation used would be higher if the valuation was to be performed using this information. No allowance has been made by the actuary in the figures provided in line with the accounting requirements and the impact of such movements will emerge as part of the 31 August 2023 figures. The trustees believe obtaining further information of the financial effect on the LGPS liability to the date of approval of the accounts would not assist the users understanding and the assumptions are volatile at present so would not be cost effective for the academy trust.