

Company Registration Number: 07975551 (England & Wales)

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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WIGSTON ACADEMIES TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	E Abbott M Elton (resigned 30 May 2023) J Cooke P Munro
Trustees	P Munro, Chair ¹ E Coates ¹ C Gore ¹ S Lamb ¹ G Swingler N Green ¹ M Mitchley, Executive Headteacher ¹ Finance, Audit and Risk Committee
Company registered number	07975551
Company name	Wigston Academies Trust
Principal and registered office	Station Road Wigston Magna Leicester LE18 2DU
Company secretary	S Allen
Senior management team	M Mitchley, Executive Headteacher and Accounting Officer M Wilson, Headteacher S Allen, Director of Finance and Operations
Independent auditors	Magma Audit LLP Chartered Accountants Unit 2, Charnwood Edge Business Park Syston Road Cossington Leicestershire LE7 4UZ
Bankers	Lloyds Bank Plc 7 High Street Leicester Leicestershire LE1 9FS

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

Wigston Academies Trust is a Multi Academy Trust comprising 2 schools, Wigston Academy (providing 11 to 16 education) and Wigston College (providing 16 to 19 education). Until 31st March 2023, the Trust operated a pre-school called Tiger-tots.

The Academy Trust has undergone considerable change in leadership since 2016 when a new Executive Headteacher was appointed. In September 2017 a full time substantive Headteacher was appointed to replace the interim Headteacher at the Academy. Both the Executive Headteacher and Headteacher are serving OFSTED Inspectors and both have a track record of school improvement. Under their leadership:

- Wigston College went from special measures to an OFSTED rating of good and outcomes for students improved dramatically. The college was re inspected in May 2022 and retained its good OFSTED rating. This is the first time the establishment in any of its forms has secured two consecutive good ratings.
- Wigston Academy was inspected in September 2018 and was judged as requiring improvement but with good leadership and management as well as good personal development, behaviour and welfare. The Academy was re inspected in June 2022 when it secured a good rating in all areas. Additionally, outcomes for students have dramatically improved and several are now comparable to, and in some cases above, national averages.

Consequently, in the tenure of the CEO, there have been five OFSTED inspections and in each one leadership and management (as well as behaviour) was judged as good. The Executive Headteacher has considerable experience as a Headteacher in other settings. There have been three Directors of Finance and Operations since 2019 with the current post holder joining the Trust in August 2020. The Trust had a deficit budget in 2018 and worked on a three year recovery plan with the ESFA. After two years the Trust was solvent and had a healthy carry forward. This pattern has continued.

The two Academies that comprise the Academy Trust are for pupils aged 11 to 19 serving the catchment area of Wigston. Wigston Academy has a pupil capacity of 1,386 and had a roll of 1,332 in the school census on 5 October 2023. Wigston College has a legacy pupil capacity of 920 and had a number on roll of 285 at the same date. Students at both academies have significantly higher levels of deprivation as well as significantly lower levels of prior attainment than national rates. The COVID pandemic also disproportionately affected the community which was subject to longer and more stringent lockdowns than anywhere else in the country.

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

Structure, governance and management

Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity. The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The charitable company was incorporated as Abington Academy Trust on 5 March 2012. The school converted to academy status on 1 April 2012, when its operations, assets and liabilities were transferred to the academy from the governing body of the Foundation School, Abington High School. The charitable company changed its name to Wigston Academies Trust on 14 March 2015.

On 1 April 2015 the Academy became a Multi Academy Trust when Bushloe High School and Guthlaxton Academy Trust joined the Trust. On 1 September 2015, Abington Academy and Bushloe High School merged to become one school Wigston Academy, and Guthlaxton Academy changed its name to Wigston College. This reorganisation has had a very positive impact on the success of the Trust.

The governors act as the Trustees for the charitable activities of Wigston Academies Trust and are also the directors of the charitable company for the purposes of company law. The charitable company is known as Wigston Academies 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 page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal practice the Academy Trust has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors and omissions whilst on school business. The cover under the policy is up to £10,000,000. It is not possible to quantify the Trustee's and Officer's indemnity element from the overall cost of the RPA scheme.

Method of recruitment and appointment or election of Trustees

Trustees are appointed by Members via recommendation from the Board of Trustees. The Board of Trustees seek to recommend Trustees who have the relevant background and experience to complement the skill set of existing Trustees. Parents are eligible to become Trustees but members of staff are not, except for the Executive Headteacher who is the Chief Executive Officer.

Policies adopted for the induction and training of Trustees

We expect all Trustees and Governors to undertake training as appropriate to their work at the Academy Trust. New Trustees and Governors will be provided with an induction programme as required. A record is kept of all Trustee and Governor training and is reviewed on a regular basis.

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

Structure, governance and management (continued)

Organisational structure

The Trustees, who are responsible for the overall management and control of the Academy Trust meet at least half termly each year.

The Executive Headteacher is responsible for co-ordinating the work of the Trustees and their Committees, preparation of agendas, papers and review of matters arising. The Academy Trust Director of Finance and Operations is responsible for the preparation of accounts.

All Trustees give of their time freely and no remuneration and no expenses were paid in the period in respect of their role as Trustees.

The Trustees determine the general policy of the school. The day to day running is delegated to the Executive Headteacher and the Headteacher, supported by senior staff. The Executive Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative function in consultation with senior staff. The day to day administration is undertaken within the policies and procedures approved by the Trustees which provide for only significant expenditure decisions and major capital projects to be referred to Trustees for prior approval.

The Executive Headteacher oversees the recruitment of all staff. The Executive Headteacher is, Principal and Accounting Officer and attends all meetings. The Director of Finance and Operations attends the Trustee Finance, Audit and Risk Committee meetings and any other meetings as appropriate.

Arrangements for setting pay and remuneration of key management personnel

At Wigston Academies Trust we follow the National Teachers Pay and Conditions for teachers pay and set pay increases as agreed through national pay deals and incremental increases following successful performance review meetings. For support staff we follow Leicestershire local government pay scales and implemented locally agreed pay increases.

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

Structure, governance and management (continued)

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	-
Full-time equivalent employee number	1

Percentage of time spent on facility time

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

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

Total cost of facility time	1,659
Total pay bill	8,215,693
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	2 %
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

Engagement with employees (including disabled persons)

During the 2022/23 financial year, Wigston Academies Trust, through its delegated academies, has engaged with employees through a range of strategies, including but not exclusively:

- Twice weekly updates and briefings for all employees face to face and by email through a weekly staff bulletin.
- Middle leader and other team briefings at least three times per half term.
- Training Day information sharing sessions three times annually which share key pertinent information and allow chances to feedback.
- Professional development sessions at which feedback from is always collected.
- The Trust has two union representatives who meet regularly with the Headteacher to discuss employee concerns and ensure that communication is effective, and meet with employees to discuss issues, concerns and to share important information.
- Improvement plans and quality assurance/self-evaluation processes fully involve employees who have delegated responsibilities to feed into sections of the plans and evaluation as well as to comment on draft documents.
- Updates are regularly shared on factors both internal and external affecting the Trust's performance and that of its academies.
- The Trust has Wellbeing Strategy and a dedicated Wellbeing Trustee.

Our core value:

The Trust is resolute that its key asset is its staff.

In respect of applications for employment from disabled persons, the treatment of employees who become disabled and the training, career development and promotion of disabled persons, the Trust has a clear policy and processes to ensure that disabled persons are not disadvantaged during recruitment, receive appropriate reasonable adjustments during employment with regular risk assessment carried out by the headteachers and HR manager according to Trust guidelines, and are treated equally in regard to career development and promotion opportunities. The latter are designed around career stage criteria rather than subjective criteria, so that all employees can benefit from appropriate developmental opportunities, e.g. NPQML, NPQSL, NPQH programmes for teaching and leadership staff, which are an entitlement for all.

Engagement with Suppliers, customer and other in a business relationship with the Academy Trust

In accordance with the large and medium sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended by the Companies (Miscellaneous Reporting) Regulations 2018, this section also constitutes the Company's statement on engagement with, and having due regard to the interest of our key stakeholders

The Trust engages with its suppliers through its procurement procedures and ongoing contract monitoring through the lifecycle of those contracts to ensure compliance to expected standards. The majority of the Trust's purchases are paid from public funds and as such the Trust will look to achieve best value for money on all purchases as well as maintaining the integrity of this funding by following the general principles of probity, accountability and fairness through its procurement arrangements which includes clear levels of financial delegation for spending decisions.

The Trust and its Academies actively engage with the parents and carers of its pupils via a variety of methods in order to gain parent voice feedback including meetings, telephone calls, parents' evenings, online communication platforms, personal emails, websites and parental questionnaires. Communication methods are personalised where needed to support accessibility arrangements.

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

Structure, governance and management (continued)

Engagement with employees (including disabled persons) (continued)

Where any concerns are raised through our engagement with parents and carers, we aim to resolve these as quickly and as efficiently as possible and usually these can be resolved through our Academies' day to day communications routes. However, for those situations where this isn't the case, the Trust has a clear complaints policy and procedure in place to support any required escalation to resolve.

The views of our pupils are also gathered through a variety of routes such as questionnaires, school councils and daily communications through a variety of class tutors, teachers and pastoral and other staff. Our academies run annual surveys for pupils including curriculum voice, safeguarding feedback and targeted pupil voice.

Other key stakeholders with which the Trust has business relationships, include Leicestershire County Council, with whom the Trust has regular meetings with their appropriate representatives and where the Trust has purchased some services from them these are monitored through clear service level agreements. We are also a strategic partner of the Thomas Estley Learning Alliance.

The Trust also works closely with the Regional Schools Directors and the ESFA.

Connected organisations, including related party relationships

The Executive Headteacher is a member of a number of professional associations which enables the school to engage on a local and national level in current educational matters. Additionally, the Executive Headteacher and other members of the school staff share their expertise, knowledge and experience with many schools. The Trust is a strategic lead partner in Thomas Estley Learning Alliance (TELA).

The school has one connected charity, Guthlaxton College Foundation Fund (charity registration number 527854). It was established to enable disadvantaged children to have the same opportunities as their peers, e.g. to take part in visits and to provide suitable help towards uniforms and clothing as necessary. These funds are under the control of the Academy Trust. The funds held by the connected charity have been included in the results in the Financial Statements.

Objectives and activities

Objects and aims

Wigston Academies Trust object is specifically restricted to the following: 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 a school offering a broad and balanced curriculum.

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

Objectives and activities (continued)

Objectives, strategies and activities

The purpose of the Academy Trust is to be a learning community where young people and adults share the search for knowledge, truth and pursuit of excellence. Our vision is to deliver outstanding learning to all students. Our belief, as communicated to the pupils, is that we can all “Strive to Succeed” and we belong to one community.

Our aims are the same for all children. Within a happy, caring and disciplined framework, and with the co-operation of parents, we strive to ensure that all children:

- achieve the highest academic standards of which they are capable;
- develop good social and working relationships in school and also in the wider community;
- develop a reasoned and acceptable set of social, moral and spiritual values, and behave in a way which does not conflict with these values;
- acquire personal qualities which will help bring them success and happiness; and
- develop positive attitudes towards their physical wellbeing.

To achieve these aims, we strive to ensure that:

- our curriculum is carefully planned and organised, so that all teaching staff meet the requirements of school wide policies as well as the requirements of their particular subjects;
- our policies and procedures, both inside and outside the classroom, are consistent with the successful promotion of our aspirations for our children;
- we maintain a wide range of extracurricular activities, through which children can develop their personal interests and aptitudes; and
- the needs of each individual child are known, and that appropriate provision for those needs are available.

Wigston Academies Trust is committed to serving the local community; within this partnership, we aim to provide high quality education in a safe, caring and happy environment, where everyone is valued.

We endeavour to provide enrichment experiences and opportunities which encourage children to achieve their full potential; to become confident, responsible, independent and well educated individuals able to fulfil positive roles in society.

Our objectives for the period included:

1. Achievement and Standards

- at Key Stage 3, 4 and 5
- Curriculum Organisation – the new National Curriculum
- KS3 – 4 Pathways for students
- Teaching and Learning (AfL, tracking, target setting, profiling)
- Learning Reviews – Teaching and Learning groups/Performance Management
- Intervention and Support (target groups to overcome barriers to learning, support provision ‘Closing the gaps’)
- Pastoral Support systems/programmes

Mentoring and Coaching (One to One Tuition and target groups – support programmes, parental intervention).

“How do children learn?”

Ensure that the following initiatives from Phase 3 of the Improvement Plan, are fully embedded into school practice.

- Learning Reviews
- Sharing best practice

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

Objectives and activities (continued)

- Teacher assessment and the use of data – targeted intervention
 - Teacher and support staff roles remodelling
2. Personal Development and wellbeing – extending participation, health education, PSHCE review, review of trips and visits/home study, community engagement, attendance, School Council.
3. Quality of Provision – extend partnership working (LSL and Nct I – wider community), Campus Reorganisation (transition, KS4 performance, teacher exchanges, curriculum/timetable revision). Primary Schools. LA – Enhanced Resource Provision – Teaching Schools.
4. Leadership and Management – Capital Works/resources, Sharing Best Practice, monitoring and evaluation procedures (CASEF), Performance Management, Campus Reorganisation, Sponsored Academies, Locality Partnerships.
5. Views of Stakeholders. Transition KS3 to 4, School Council, Home School initiatives, Admissions, Reorganisation Consultation.

Public benefit

Wigston Academies Trust is a charitable trust which seeks to benefit the public through the pursuit of its stated aims. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Strategic report

Achievements and performance

Key performance indicators

Wigston Academy – Results 2023 (Unvalidated)

Key Stage 4 outcome headlines in historical context

The government was clear in its plans to artificially depress outcomes in order to return to pass rates similar but lower than 2019 rates. At Key Stage 4, outcomes are demonstrably better than 2019 in almost every single area. 2022 outcomes are given for information only and may be used as a comparison.

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

Strategic report (continued)

Achievements and performance (continued)

	2019		2022		2023		Comparison 2023 v 2019	Comparison 2023 v 2022	WAT 3 yr Trend	Gap WA - Nat 3 yr trend
	WAT	Nat.	WAT	Nat.	WAT	Nat.				
Average Point Score (APS)	3.65	4.68	4.44	4.88	3.98	4.62	0.33	-0.46		
Progress 8	-0.46	-0.03	-0.11	-0.03	-0.49	-0.03	-0.03	-0.38		
Attainment 8	36.54	46.82	44.39	48.77	39.82	46.19	3.28	-4.57		
% EBacc Grade 5	7.0	17.2	14.0	20.3	6.7	16.9	-0.3	7.0		

**% of students gaining
an English (Lang or Lit)
and Maths**

	2019		2022		2023		Comparison 2023 v 2019	Comparison 2023 v 2022	WAT 3 yr Trend	Gap WA - Nat 3 yr trend
	WAT	Nat.	WAT	Nat.	WAT	Nat.				
9 - 7	6.1	6.5	6.5	n/a	5.0		-1.1	-1.5		
9 - 5 (High Pass)	21.1	43.4	42.4	49.8	29.0	45.0	7.9	-13.4		
9 - 4 (Standard Pass)	44.2	59.0	61.6	68.8	53.3	64.8	9.1	-8.3		

**% of students gaining
an English Language
qualification**

	2019		2022		2023		Comparison 2023 v 2019	Comparison 2023 v 2022	WAT 3 yr Trend	Gap WA - Nat 3 yr trend
	WAT	Nat.	WAT	Nat.	WAT	Nat.				
9 - 7	11.30	16.50	15.69	22.61	9.83		-1.47	-5.86		
9 - 5 (High Pass)	34.40	52.70	56.57	60.28	45.73		11.33	-10.84		
9 - 4 (Standard Pass)	53.80	70.10	74.45	76.64	64.10		10.30	-10.35		

**% of students gaining
an English Literature
qualification**

	2019		2022		2023		Comparison 2023 v 2019	Comparison 2023 v 2022	WAT 3 yr Trend	Gap WA - Nat 3 yr trend
	WAT	Nat.	WAT	Nat.	WAT	Nat.				
9 - 7	10.00	18.20	13.60	22.72	7.79		-2.21	-5.81		
9 - 5 (High Pass)	36.20	55.20	52.94	60.53	41.13		4.93	-11.81		
9 - 4 (Standard Pass)	56.60	72.90	70.22	76.42	58.87		2.27	-11.35		

**% of students gaining a
Maths qualification**

	2019		2022		2023		Comparison 2021 v 2019	Comparison 2023 v 2022	WAT 3 yr Trend	Gap WA - Nat 3 yr trend
	WAT	Nat.	WAT	Nat.	WAT	Nat.				
9 - 7	11.10	21.10	9.20	23.50	8.97		-2.13	-0.23		
9 - 5 (High Pass)	27.80	51.70	47.30	55.70	35.47		7.67	-11.83		

Key Stage 5 outcome headlines in historical context

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

Strategic report (continued)

Achievements and performance (continued)

The government was clear in its plans to artificially depress outcomes in order to return to pass rates similar but lower than 2019 rates. At Key Stage 5, outcomes are better than 2019 in almost every single area. 2022 outcomes are given for information only and may be used as a comparison.

Ave Points per Entry and Average Grade	2019			2022			2023			Comparison 2023 v 2019	Comparison 2023 v 2022	WC 3 yr Trend	WAT - Nat (Diff) last 3 yrs	
	WC (cohort)	WC	National	WAT (cohort)	WC	National	WAT (cohort)	WC	National					
Academic	(97)	27.8 (C-)	33.0 (C+)	(122)	32.8 (C+)	37.9 (B-)	(118)	28.1 (C-)		0.3	-4.68			*DfE
A'level	(97)	28.0 (C-)	32.9 (C+)	(122)	32.9 (C+)	37.9 (B-)	(118)	28.0 (C-)		0.1	-4.83			*DfE
Applied General	(22)	24.8 (M)	28.9 (M+)	(60)	26.2 (M+)	31.9 (D-)	(68)	25.8 (M)		1.1	-0.40			*DfE

Going concern

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

Financial review

The Academy Trust had a net increase in funds for the year ended 31 August 2023 of £446,328 including fixed asset movements but excluding pension reserve movements. As at 31 August 2023 the Academy Trust held £461,885 of unrestricted reserves and £2,435,017 of unspent (non fixed asset) restricted funds. The Academy Trust therefore has a surplus of unrestricted and non fixed asset restricted funds, being its available reserves of £2,896,902.

The Academy Trust had a fixed asset reserve of £25,192,301 (being the book value of past purchases £25,123,278 plus £69,023 of unspent capital grants).

There are no significant factors going forward that is expected to impact on the normal continuing operation of the Academy Trust, as core funding from both the Government and Local Authorities is currently expected to continue. The principle financial management policies adopted in the period are included in the Academy Trust's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the Academy Trust are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

The Academy Trust's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

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

Reserves policy

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy Trust needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately one month's expenditure of the annual budget, being approximately £850,000.

Actual free reserves plus unspent GAG as at 31 August 2023 were £2,813,096, being above the target level set by Trustees. Excluded from this figure are designated reserves of £10,645 towards the eventual replacement of the All Weather Pitch and other available restricted funds amounting to £73,161. The current level of free reserves is considered appropriate for the Trust at this stage. Cash at bank at 31 August 2023 was £932,059 higher than total available reserves due principally to unspent capital funds, and other accruals timing adjustments.

At 31 August 2023 the Academy Trust's fixed asset reserve of £25,192,301 represented £25,123,278 of funds which could only be realised if the assets were sold, plus £69,023 of unspent capital grants.

Investment policy

The Academy Trust regularly monitors the current/fund account balances to ensure immediate financial commitments can be met (payroll and payment runs) and that the accounts have adequate balances to meet forthcoming commitments. Any surplus funds will be invested in a deposit account bearing a higher rate of interest. A periodic review of interest rates will be carried out and compared with other investment opportunities. The school's current policy is to only invest funds in risk free deposit accounts. Any change of policy requires approval of Trustees via the Finance, Audit and Risk Committee.

Principal risks and uncertainties

The Academy Trust has a Risk Management Policy and Risk Register which aim to identify, assess and evaluate the risks which the Academy Trust faces and to put procedures in place which aim to reduce that risk. The register is reviewed and updated as necessary.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those related to the operations and finances of the Academy Trust and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The Trustees are responsible for the overseeing of the risks faced by the Academy Trust. Detailed consideration of risk is delegated to the Senior Leadership Team of the Academy Trust. Risks are identified, assessed and controls established throughout the period. A review of the Academies risk management process is undertaken on an ongoing basis throughout the year. Risk Management covers areas such as Financial Sustainability, Health and Safety and Student Welfare.

Through the risk management processes established for the Academy Trust, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

At 31 August 2023 the pension surplus on the Local Government Pension Scheme stood at £NIL for the 2 schools after the accounting adjustment to derecognise the surplus of £86,000 (31 August 2022 - deficit of £924,000). The Academy Trust has mitigated its risk in relation to this pension scheme by taking out insurance against early retirement on the grounds of ill health. Changes in contribution rates as decided upon by the actuaries of the scheme are budgeted for as soon as they are known, when they are updated every three years.

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

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.

Fundraising

Fundraising has been limited to small events held to raise funds for external charities, such as non uniform days. These funds are paid across in full to the nominated charities.

Plans for future periods

The Trustees intend to continue their current strategies of maintaining the Trust's position in a competitive market by aiming to provide outstanding education for all students. Achieving high standards of academic results is a constant aim whilst maintaining breadth and depth of wider education to develop the whole person. Trustees are resolute that there should be a culture of safeguarding in the Trust's schools.

The Executive Headteacher and senior staff continue to review the curriculum to ensure that the educational qualifications remain appropriate for our students' development. Our future plans are financed from income direct from the DfE, related to student numbers and other lump sum factors. Trustees will ensure funding is invested appropriately for the next generation of students as they have done in the past for current students. Future plans also include partnership working both locally and nationally. We have a planned programme of maintenance and investment for the Trust site. Each year we invest heavily in computer equipment and infrastructure to ensure our students and staff have the best school environment we can provide.

Plans for safeguarding the Sixth Form in terms of its future for the community are ongoing and there has been a healthy increase in the number of external applications. The Trust has also established a behaviour unit to meet the needs of its most vulnerable and hard to reach pupils using premises acquired on site during its academisation. There is an ultimate desire to turn this into a revenue generating and OFSTED recognised centre for behaviour modification commercially in the county.

The Trust is urgently looking at provision for lettings and the sports division to see how it can mitigate the negative effect COVID 19 has had on income.

In terms of student performance, Trust leaders have been enhancing mental health education provision and planning for exploiting the Catch Up premium for students in 2023–2024 to mitigate the long-lasting negative impact that COVID 19 has had on their education.

Funds held as custodian on behalf of others

At 31 August 2023 the Academy Trust was holding £14,492 on behalf of the Combined Cadet Force Association in connection with establishing a Marine Society and Sea Cadets (MSSC) unit. The Academy Trust does not hold any other such funds on behalf of any other organisations. Transactions and balances relating to the controlled charities referred to on page 65 and note 29 to the financial statements are incorporated in the financial statements.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

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

Auditors

The auditors, Magma Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

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

P Munro
Chair of Trustees

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Wigston Academies 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 Wigston Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
P Munro, Chair	5	6
E Coates	6	6
C Gore	6	6
S Lamb	5	6
G Swingler	6	6
N Green	5	6
M Mitchley, Executive Headteacher	6	6

The Trust Board is responsible for all aspects of its schools' performance. However, it delegates the evaluation of outcomes of the school's work to one single local governing body across the Trust (i.e. for both schools). This is true for all aspects of the school's performance except finance and staffing which remain the concern of the Board of Trustees. The Board of Trustees regularly carries out skills audits of its members and has a good and broad skills base including financial and legal expertise and expertise in local government. New arrangements put in place by the Executive Headteacher have strengthened the Local Governing Body (LGB) accountability and in turn the accountability of staff to the LGB. The Board sends Trustee observers to each LGB and LGB committee meeting and the Executive Headteacher, attends every LGB meeting. Trustees scrutinise through LGB meetings reports from an external advisor who is a recently retired OFSTED Inspector and former Headteacher.

The Trust has clear and rigorous processes for managing conflicts of interest. The Board of Trustees maintains an up to date and legislation compliant register of interests and this is regularly scrutinised. Each meeting begins with conflict of interest declarations, if there are any, and nil responses are recorded. Where there are local conflicts of interest, e.g. overtime forms, someone without a conflict checks and signs them off.

The Finance, Audit and Risk Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the Governing Body's responsibility to ensure sound management of the Academy Trust's finances and resources.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
P Munro, Chair	3	6
E Coates	6	6
C Gore	5	6
N Green	4	6
M Mitchley, Executive Headteacher	6	6
S Allen, Director of Finance and Operations	6	6
S Lamb	4	4

Conflicts of interest

The Trust has clear and rigorous processes for managing conflicts of interest. The Board of Trustees maintains an up to date and legislation compliant register of interests and this is regularly scrutinised. Each meeting begins with conflict of interest declarations, if there are any, and nil responses are recorded. Where there are local conflicts of interest, e.g. overtime forms, someone without a conflict checks and signs them off.

Review of value for money

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

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

- planning efficiently, effectively and economically the resources available to meet the needs of all the pupils achieving high quality outcomes;
- the Trust's accommodation and site are maintained to a high standard;
- the views of the parents and pupils are sought and responded to in relation to the suitability availability or resources. Resources and equipment are well cared for;
- staff development is well organised and CPD is planned to support the needs of staff and children; and
- specific funding is identified and deployed appropriately e.g. SEND funding/pupil premium.

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 Wigston Academies Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance 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 audit function and has decided to appoint a qualified and serving finance specialist from another Trust as internal auditor.

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

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

On an annual basis, the internal auditor reports to the Board of Trustees through the Finance, Audit and Risk Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities.

The latest internal audit visit was in June 2023. Reports to Trustees on the operation of the systems of control and on the discharge of the governing body's financial responsibilities are done via the Finance, Audit and Risk Committee on a ten weekly basis. The responsible officer's role is undertaken by the Internal Auditors with the responsible officer function being fully delivered in line with the ESFA's requirements. There were no material control issues as a result of the Internal Auditor's work during the year.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 internal auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the external auditors.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 4 December 2023 and signed on their behalf by:

P Munro
Chair of Trustees

M Mitchley
Accounting Officer

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

M Mitchley
Accounting Officer

Date: 4 December 2023

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees on 4 December 2023 and signed on its behalf by:

P Munro
Chair of Trustees

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
WIGSTON ACADEMIES TRUST**

Opinion

We have audited the financial statements of Wigston Academies Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

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.

Based on our understanding of the Academy Trust and its activities, we identified that the principal risks of non-compliance with laws and regulations related to the funding agreement with the Department of Education, UK tax legislation, pensions legislation, employment regulation and health and safety regulation, anti-bribery, corruption and fraud, money laundering, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, such as the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect of non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate those charged with governance, as to whether the Academy Trust is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Academy Trust which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as the funding agreement with the Department of Education, tax legislation, pension legislation, the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

In addition, we evaluated the trustees' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to income recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquires of the Trustees and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above. The more removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by forgery or intentional misrepresentation, for example, or through 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 Auditors' Report.

Use of our report

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

Luke Turner FCA FCCA (Senior Statutory Auditor)

for and on behalf of

Magma Audit LLP

Chartered Accountants

Statutory Auditors

Unit 2, Charnwood Edge Business Park

Syston Road

Cossington

Leicestershire

LE7 4UZ

Date: 19 December 2023

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 20 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Wigston Academies Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Wigston Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Wigston Academies Trust's funding agreement with the Secretary of State for Education dated 1 April 2012 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- On a sample basis testing transactions and balances;
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion;
- On a sample basis reviewing records for evidence of those systems and controls in operation.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Reporting Accountant
Magma Audit LLP
Chartered Accountants
Statutory Auditors
Unit 2, Charnwood Edge Business Park
Syston Road
Cossington
Leicestershire
LE7 4UZ

Date: 19 December 2023

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	-	467,141	467,141	660,164
Other trading activities	5	133,219	-	-	133,219	223,061
Investments	6	9,603	1,155	-	10,758	1,843
Charitable activities		-	10,938,220	-	10,938,220	10,044,658
Total income		142,822	10,939,375	467,141	11,549,338	10,929,726
Expenditure on:						
Raising funds		227,040	-	-	227,040	218,367
Charitable activities		-	9,974,237	946,558	10,920,795	10,734,436
Total expenditure		227,040	9,974,237	946,558	11,147,835	10,952,803
Net income/ (expenditure) before net gains on investments		(84,218)	965,138	(479,417)	401,503	(23,077)
Net losses on investments		-	(1,175)	-	(1,175)	(2,615)
Net income/ (expenditure)		(84,218)	963,963	(479,417)	400,328	(25,692)
Transfers between funds	18	(60,749)	(118,702)	179,451	-	-
Net movement in funds before other recognised gains/(losses)		(144,967)	845,261	(299,966)	400,328	(25,692)
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	25	-	1,056,000	-	1,056,000	8,315,000
Pension surplus not recognised	25	-	(86,000)	-	(86,000)	-
Net movement in funds		(144,967)	1,815,261	(299,966)	1,370,328	8,289,308

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Reconciliation of funds:					
Total funds brought forward	606,852	619,756	25,492,267	26,718,875	18,429,567
Net movement in funds	(144,967)	1,815,261	(299,966)	1,370,328	8,289,308
Total funds carried forward	<u>461,885</u>	<u>2,435,017</u>	<u>25,192,301</u>	<u>28,089,203</u>	<u>26,718,875</u>

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

The notes on pages 32 to 67 form part of these financial statements.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07975551

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	25,123,278	25,438,091
Investments	15	-	54,289
		<u>25,123,278</u>	<u>25,492,380</u>
Current assets			
Debtors	16	311,282	244,879
Cash at bank and in hand		3,745,155	2,630,757
		<u>4,056,437</u>	<u>2,875,636</u>
Creditors: amounts falling due within one year	17	(1,090,512)	(725,141)
		<u>2,965,925</u>	<u>2,150,495</u>
Net current assets		<u>2,965,925</u>	<u>2,150,495</u>
Total assets less current liabilities		<u>28,089,203</u>	<u>27,642,875</u>
Net assets excluding pension asset / liability		<u>28,089,203</u>	<u>27,642,875</u>
Defined benefit pension scheme asset / liability	25	-	(924,000)
Total net assets		<u><u>28,089,203</u></u>	<u><u>26,718,875</u></u>

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07975551

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note		2023 £	2022 £
Funds of the Academy Trust				
Restricted funds:				
Fixed asset funds	18	25,192,301	25,492,267	
Restricted income funds	18	2,435,017	1,543,756	
		27,627,318	27,036,023	
Restricted funds excluding pension asset	18	27,627,318	27,036,023	
Pension reserve	18	-	(924,000)	
		27,627,318	27,036,023	
Total restricted funds	18		27,627,318	26,112,023
Unrestricted income funds	18		461,885	606,852
			28,089,203	26,718,875
Total funds			28,089,203	26,718,875

The financial statements on pages 27 to 67 were approved by the Trustees, and authorised for issue on 04 December 2023 and are signed on their behalf, by:

P Munro
Chair of Trustees

The notes on pages 32 to 67 form part of these financial statements.

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	20	1,215,134	1,140,311
Cash flows from investing activities	21	(100,732)	(16,327)
Change in cash and cash equivalents in the year		1,114,402	1,123,984
Cash and cash equivalents at the beginning of the year		2,630,757	1,506,773
Cash and cash equivalents at the end of the year	22, 23	3,745,159	2,630,757

The notes on pages 32 to 67 form part of these financial statements

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Wigston Academies Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

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

• **Donations**

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

WIGSTON ACADEMIES TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **Other income**

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

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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 Capital Grants' and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Academy Trust's accounting policies.

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 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.

1.7 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates to write off the cost of these fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	- 3% and 2% Straight line
Freehold land	- Not depreciated
Leasehold land (125 year lease)	- Over 125 years
Leasehold buildings	- 4% Straight line
Fixtures, fittings and equipment	- 15% Straight line
Computer equipment	- 25% Straight line

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

1.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of Financial Activities.

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

1.12 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.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Operating leases

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

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

The Academy will recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.16 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

Transfers between funds and between categories of funds i.e. restricted, designated and unrestricted funds are not only processed with due regard to grant terms, agreement of funders (where applicable) and due process where formal Trustees' resolutions are required, Full disclosures are given in the notes to the accounts for any transfers processed.

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

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The Academy Trust 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.

Defined benefit pension scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and physical condition of the assets. See note 14 for the carrying amount of the property plant and equipment, and note 1.7 for the useful economic lives for each class of assets.

3. Income from donations and capital grants

	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Capital grants	467,141	467,141	660,164
<i>Total 2022</i>	660,164	660,164	

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy Trust's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Charitable Activities			
DfE/ESFA grants			
General Annual Grant (GAG)	9,325,762	9,325,762	8,730,617
Other DfE/ESFA grants			
Supplementary grant	247,016	247,016	102,041
Pupil premium	317,913	317,913	311,735
Others	371,255	371,255	303,438
	10,261,946	10,261,946	9,447,831
Other Government grants			
Local authority grants	397,546	397,546	346,208
	397,546	397,546	346,208
Other income from the Academy Trust's educational operations			
	278,728	278,728	250,619
	10,938,220	10,938,220	10,044,658
Total 2023	10,938,220	10,938,220	10,044,658
<i>Total 2022</i>	10,044,658	10,044,658	

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Hire of facilities	60,267	60,267	79,641
Bar income	4,477	4,477	4,206
Headteacher consultancy fees	10,473	10,473	12,162
Tiger Tots income	24,685	24,685	102,659
Other income	33,317	33,317	24,393
Total 2023	<u>133,219</u>	<u>133,219</u>	<u>223,061</u>
<i>Total 2022</i>	<u>223,061</u>	<u>223,061</u>	

6. Investment income

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Dividends received	-	1,155	1,155	1,574
Bank interest received	9,603	-	9,603	269
Total 2023	<u>9,603</u>	<u>1,155</u>	<u>10,758</u>	<u>1,843</u>
<i>Total 2022</i>	<u>269</u>	<u>1,574</u>	<u>1,843</u>	

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total</i> <i>2022</i> £
Expenditure on raising funds:					
Direct costs	10,473	-	-	10,473	12,162
Allocated support costs	180,939	-	35,628	216,567	206,205
Educational Operations:					
Direct costs	6,586,539	709,918	435,349	7,731,806	8,050,184
Allocated support costs	1,574,795	642,694	971,500	3,188,989	2,684,252
Total 2023	8,352,746	1,352,612	1,442,477	11,147,835	10,952,803
<i>Total 2022</i>	8,354,569	1,276,557	1,321,677	10,952,803	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total</i> <i>funds</i> <i>2022</i> £
Educational Operations	7,731,806	3,188,989	10,920,795	10,734,436
<i>Total 2022</i>	8,050,184	2,684,252	10,734,436	

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
LGPS pension interest cost (£490,000) less return on assets (£451,000)	39,000	144,000
Staff costs	6,449,486	6,644,234
Educational supplies	98,769	81,930
Examination fees	140,433	144,298
Staff development	8,351	6,361
Educational consultancy	141,393	148,705
Other direct costs	137,053	170,695
Depreciation	709,919	706,645
Technology costs	7,402	3,316
	<hr/> 7,731,806 <hr/>	<hr/> 8,050,184 <hr/>

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	1,574,795	1,371,783
Recruitment	5,139	2,228
Maintenance of premises and equipment	217,797	127,683
Cleaning	47,668	33,149
Rent and rates	42,522	120,553
Insurance	57,237	52,979
Depreciation	236,639	235,548
Catering	211,995	175,215
Bank interest and charges	8,083	6,763
Other support costs	268,660	138,180
Security and transport	18,472	57,204
Technology costs	31,313	50,137
Energy costs	446,269	295,047
Governance	22,400	17,783
	3,188,989	2,684,252

9. Net (expenditure)/income

Net (expenditure)/income for the year includes:

	2023 £	<i>2022 £</i>
Operating lease rentals	6,856	6,856
Depreciation of tangible fixed assets	946,558	942,193
Fees paid to auditors for:		
- audit	19,000	16,600
- other services	3,400	1,600

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	6,144,596	5,698,232
Social security costs	597,991	553,308
Pension costs	1,473,106	1,932,334
	<u>8,215,693</u>	<u>8,183,874</u>
Agency staff costs	137,053	170,695
	<u>8,352,746</u>	<u>8,354,569</u>

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	94	85
Administration and support	185	181
Management	4	4
	<u>283</u>	<u>270</u>

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

10. Staff (continued)

c. Higher paid staff

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

	2023	<i>2022</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	2	1
In the band £70,001 - £80,000	2	3
In the band £100,001 - £110,000	1	1
In the band £120,001 - £130,000	-	1
In the band £130,001 - £140,000	1	-
	2	6

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £417,740 (2022 - £392,693).

11. Central services

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

- human resources
- financial services
- educational support services
- others as arising

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

5% of GAG funding

The actual amounts charged during the year were as follows:

	2023	<i>2022</i>
	£	<i>£</i>
Wigston Academy	392,886	394,949
Wigston College	70,002	56,582
Total	462,888	<i>451,531</i>

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

12. Trustees' and Executive Headteacher remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Executive Headteacher 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:

The value of the Executive Headteacher and Trustees' remuneration and other benefits were as follows:

M Mitchley (Executive Headteacher and Trustee)

Remuneration £130,000 - £135,000 (2022: £120,000 - £125,000)

Employer's pension contributions £30,000 - £35,000 (2022: £25,000 - £30,000)

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

13. Trustees' and Officers' insurance

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

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

14. Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Furniture, fittings and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022	20,977,653	10,485,750	637,972	469,647	32,571,022
Additions	334,391	221,937	3,534	71,883	631,745
Transfers between classes	12,280	-	(12,280)	-	-
At 31 August 2023	<u>21,324,324</u>	<u>10,707,687</u>	<u>629,226</u>	<u>541,530</u>	<u>33,202,767</u>
Depreciation					
At 1 September 2022	3,858,021	2,322,791	584,708	367,411	7,132,931
Charge for the year	488,228	376,409	18,089	63,832	946,558
Transfers between classes	1,842	-	(1,842)	-	-
At 31 August 2023	<u>4,348,091</u>	<u>2,699,200</u>	<u>600,955</u>	<u>431,243</u>	<u>8,079,489</u>
Net book value					
At 31 August 2023	<u>16,976,233</u>	<u>8,008,487</u>	<u>28,271</u>	<u>110,287</u>	<u>25,123,278</u>
At 31 August 2022	<u>17,119,632</u>	<u>8,162,959</u>	<u>53,264</u>	<u>102,236</u>	<u>25,438,091</u>

See note 1.3 regarding assets transferred on conversion.

15. Fixed asset investments

	Listed investments £
At 1 September 2022	54,289
Disposals	(53,114)
Revaluations	(1,175)
	<u> </u>

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

16. Debtors

	2023 £	2022 £
Trade debtors	7,667	17,278
VAT recoverable	84,842	48,381
Prepayments and accrued income	218,773	179,220
	311,282	244,879
	311,282	244,879

17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	145,625	165,704
Other taxation and social security	118,679	126,577
Other creditors	203,072	162,523
Accruals and deferred income	623,136	270,337
	1,090,512	725,141
	1,090,512	725,141

	2023 £	2022 £
Deferred income at 1 September 2022	57,889	121,417
Resources deferred during the year	251,233	57,889
Amounts released from previous periods	(57,889)	(121,417)
	251,233	57,889
	251,233	57,889

Included within deferred income are amounts received in advance for trips that are due to take place in 2024 of £14,925 and income received in advance for CIF projects of £236,308.

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

18. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
All weather pitch	175,000	-	-	(164,355)	-	10,645
General funds						
General funds	431,852	142,822	(227,040)	103,606	-	451,240
Total Unrestricted funds	606,852	142,822	(227,040)	(60,749)	-	461,885

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted general funds						
General Annual Grant (GAG)	1,449,468	9,325,762	(8,213,469)	(199,905)	-	2,361,856
Pupil premium	14,708	317,913	(332,621)	-	-	-
Supplementary grant	-	247,016	(247,016)	-	-	-
Other DfE grants	-	371,255	(371,255)	-	-	-
Other Government grants	-	397,546	(397,546)	-	-	-
Other funding	500	1,441	(1,941)	-	-	-
Abington High School Trust Fund	6,562	-	-	(5,387)	(1,175)	-
Guthlaxton College Foundation Fund	72,518	1,155	(512)	-	-	73,161
Catering	-	277,287	(363,877)	86,590	-	-
Pension reserve	(924,000)	-	(46,000)	-	970,000	-
	619,756	10,939,375	(9,974,237)	(118,702)	968,825	2,435,017

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

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
DfE Group capital grants	2,665,132	467,141	(107,067)	(9,904)	-	3,015,302
Transfer from Local Authority	19,397,192	-	(617,090)	-	-	18,780,102
Capital expenditure from GAG	519,237	-	26,808	-	-	546,045
Local Authority income	2,907,596	-	(241,635)	-	-	2,665,961
Other income	3,110	-	-	-	-	3,110
All Weather Pitch	-	-	(7,574)	189,355	-	181,781
	<u>25,492,267</u>	<u>467,141</u>	<u>(946,558)</u>	<u>179,451</u>	<u>-</u>	<u>25,192,301</u>
Total Restricted funds	<u>26,112,023</u>	<u>11,406,516</u>	<u>(10,920,795)</u>	<u>60,749</u>	<u>968,825</u>	<u>27,627,318</u>
Total funds	<u><u>26,718,875</u></u>	<u><u>11,549,338</u></u>	<u><u>(11,147,835)</u></u>	<u><u>-</u></u>	<u><u>968,825</u></u>	<u><u>28,089,203</u></u>

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

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

Designated Funds

The All Weather Pitch designated funds were used in the year to renovate the pitch and were transferred to restricted fixed asset funds to facilitate the purchase of the asset. The remaining amount is retained for future renovation.

Restricted Funds

The General Annual Grant (GAG) relates to the schools' development and operational activities. The transfer from GAG relates to an amount transferred from unrestricted funds to equalise the GAG net of funding towards fixed asset additions purchased in the year.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. The closing balance relates to unspent funds at the year end.

The supplementary grant is additional funding to provide support for the costs of the Health and Social Care Levy and wider costs. All funds were fully spent during the year.

The other DfE grants consists of teachers pay grant, tutoring grant, recovery premium, mainstream school additional grant and early careers' framework. All funds were fully spent in the year.

Other Government grants relate to Special Educational Needs funding and Looked After Pupil funding, which were both fully spent in the year.

The Abington High School Trust and Guthlaxton College Foundation Fund (charity registration number 527854) are charities established to raise funds to enable disadvantaged children to have the same opportunities as their peers, e.g. to take part in visits and to provide suitable help towards uniforms and clothing as necessary. The closing balance of £73,161 relates to unspent funds.

The pension reserve relates to the academy's share of Leicestershire County Council's Local Government Pension Scheme.

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18. Statement of funds (continued)

Restricted Fixed Asset Funds

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of assets concerned plus unspent Devolved Formula Capital income of £69,023.

The transfer from Local Authority relates to the value of freehold and leasehold buildings and moveable assets transferred on conversion less depreciation charged to date. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms. The transfer to restricted funds is the schools contribution to the windows and roof projects which was not required at the end of the project.

The Local Authority income relates to funding from Leicestershire County Council for capital building works on joining two buildings at Wigston Academy and a Local Authority donation for refurbishment works carried out in classrooms at Wigston College and the transfer of the lease of 121 years for Abington House, a building owned by the Local Authority which is on the school campus. The closing balance relates to the net book value of these assets.

Other income is from the Universal Music UK Sound Foundation to fund the cost of new Yamaha keyboards. The closing balance relates to the net book value of these assets.

The All Weather Pitch relates to funds transferred from designated funds for the purchase of the capital asset. The closing balance relates to the net book value of the asset concerned.

Other funding consists of senior mental health lead income and a small PE grant. All income was fully spent at the year end.

The catering income is restricted by virtue of the statutory obligation to provide pupil meals linked to the school funding agreement. All funds were spent at the year end.

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

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18. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Designated funds						
All weather pitch	175,000	-	-	-	-	175,000
General funds						
General funds	415,334	223,330	(218,367)	11,555	-	431,852
Total Unrestricted funds	590,334	223,330	(218,367)	11,555	-	606,852

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18. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Restricted general funds						
General Annual Grant (GAG)	419,759	8,730,617	(7,605,644)	(95,265)	-	1,449,467
Teachers pay and pension	-	106,546	(106,546)	-	-	-
Pupil premium	2,708	311,735	(299,735)	-	-	14,708
Other DfE grants	25,933	298,933	(324,866)	-	-	-
Local Authority grants	-	346,208	(346,208)	-	-	-
Other funding	3,415	250,619	(337,244)	83,710	-	500
Abington High School Trust Fund	6,514	48	-	-	-	6,562
Guthlaxton College Foundation Fund	73,608	1,526	-	-	(2,615)	72,519
Pension reserve	(8,467,000)	-	(772,000)	-	8,315,000	(924,000)
	(7,935,063)	10,046,232	(9,792,243)	(11,555)	8,312,385	619,756

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

18. Statement of funds (continued)

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Restricted fixed asset funds						
DfE Group capital grants	289,808	35,543	(32,411)	-	-	292,940
Transfer from Local Authority	20,015,339	-	(617,090)	-	-	19,398,249
Capital expenditure from GAG	582,831	-	(65,120)	-	-	517,711
Local Authority income	2,317,299	-	(76,174)	-	-	2,241,125
Local Authority donation	701,336	-	(48,357)	-	-	652,979
Condition Improvement Fund (CIF)	1,864,573	624,621	(103,041)	-	-	2,386,153
Other income	3,110	-	-	-	-	3,110
	<u>25,774,296</u>	<u>660,164</u>	<u>(942,193)</u>	<u>-</u>	<u>-</u>	<u>25,492,267</u>
Total Restricted funds	<u>17,839,233</u>	<u>10,706,396</u>	<u>(10,734,436)</u>	<u>(11,555)</u>	<u>8,312,385</u>	<u>26,112,023</u>
Total funds	<u><u>18,429,567</u></u>	<u><u>10,929,726</u></u>	<u><u>(10,952,803)</u></u>	<u><u>-</u></u>	<u><u>8,312,385</u></u>	<u><u>26,718,875</u></u>

WIGSTON ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Wigston Academy	5,011,795	4,051,850
Wigston College	(2,137,728)	(1,927,477)
Central Services	22,835	26,235
	2,896,902	2,150,608
Total before fixed asset funds and pension reserve		
Restricted fixed asset fund	25,192,301	25,492,267
Pension reserve	-	(924,000)
	28,089,203	26,718,875
Total	28,089,203	26,718,875

The following academy is carrying a net deficit on its portion of the funds as follows:

	Deficit £
Wigston College	(2,137,728)
	(2,137,728)

An age range change (ARC) took place in the Trust September 2016. The Academy Trust moved to education for 11-16 year olds from 10-14 year olds seeing its first results in September 2018. The college previously supplied education to 14-19 year olds and lost its KS4 pupils to become a sixth form only resulting in the loss of its lump sum funding in the process. The college was inadequate and is now rated by OFSTED as good which added to the financial pressures of retraining and staffing costs. ARC has also taken place locally with increased competition for pupils in the area. The lagged funding has impacted the college (as numbers on roll grow) along with the pressures of maintaining an older building, energy and servicing, repairs costs.

The Academy Trust is taking the following action to return the academy to surplus:

The Trust restructured following the ARC and undertook a significant programme of restructuring, redundancy and retraining. The Trust continues to review and reduce staffing and other costs where necessary when opportunities arise and so vacancies are not always replaced like for like. The Trust has continued to develop and grow an excellent reputation which is resulting in increased pupil numbers on roll (NOR) for the College - from 235 in October 2020 to 285 for the start of the Autumn term in August 2023. With this comes additional funding. Due to lagged funding, costs including staffing are incurred before the benefits of the additional NOR are realised, but as we move through the next few years the benefits of the additional NOR and Good OFSTED rating will help return the College to surplus. The Trust also actively applies and has received CIF grants to improve the buildings and fabric of the site which allows some reduction on maintenance going forward too.

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

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2023	<i>Total 2022</i>
	£	£	£	£	£	£
Wigston Academy	5,159,229	1,038,014	94,501	1,843,252	8,134,996	7,551,593
Wigston College	1,105,022	276,927	4,268	213,776	1,599,993	2,039,084
Central Services	178,234	259,854	-	28,200	466,288	419,933
Academy Trust	6,442,485	1,574,795	98,769	2,085,228	10,201,277	10,010,610

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	25,123,278	25,123,278
Current assets	461,885	3,525,529	69,023	4,056,437
Creditors due within one year	-	(1,090,512)	-	(1,090,512)
Total	461,885	2,435,017	25,192,301	28,089,203

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	25,438,091	25,438,091
Fixed asset investments	-	54,289	-	54,289
Current assets	606,852	2,214,608	54,176	2,875,636
Creditors due within one year	-	(725,141)	-	(725,141)
Pension scheme liability	-	(924,000)	-	(924,000)
Total	606,852	619,756	25,492,267	26,718,875

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

20. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	400,328	(25,692)
Adjustments for:		
Depreciation	946,558	942,193
Capital grants from DfE and other capital income	(467,141)	(660,164)
Interest receivable	(10,758)	(1,843)
Defined benefit pension scheme cost less contributions payable	(37,000)	628,000
Defined benefit pension scheme finance cost	39,000	144,000
(Increase)/Decrease in debtors	(66,403)	(81,646)
Increase in creditors	365,375	192,848
(Gains)/Losses on investments	1,175	2,615
Defined benefit pension scheme past service cost	44,000	-
Net cash provided by operating activities	1,215,134	1,140,311

21. Cash flows from investing activities

	2023 £	2022 £
Dividends, interest and rents from investments	10,758	1,843
Purchase of tangible assets	(631,745)	(678,334)
Proceeds from the sale of investments	53,114	-
Capital grants from DfE Group	467,141	660,164
Net cash used in investing activities	(100,732)	(16,327)

22. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	3,745,159	2,630,757
Total cash and cash equivalents	3,745,159	2,630,757

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

23. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	2,630,757	1,114,398	3,745,155
	<u>2,630,757</u>	<u>1,114,398</u>	<u>3,745,155</u>

24. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	624,924	736,523
	<u>624,924</u>	<u>736,523</u>

25. Pension commitments

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

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

Contributions amounting to £152,612 were payable to the schemes at 31 August 2023 (2022 - £147,065) and are included within creditors.

Teachers' Pension Scheme

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

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £886,889 (2022 - £826,852).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £679,000 (2022 - £584,000), of which employer's contributions totalled £559,000 (2022 - £473,000) and employees' contributions totalled £ 120,000 (2022 - £111,000). The agreed contribution rates for future years are 25.3 - 26.3 per cent for employers and 5 - 12.5 per cent for employees.

As described in note 1.15 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

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

Principal actuarial assumptions

	2023	<i>2022</i>
	%	%
Rate of increase in salaries	3.5	3.6
Rate of increase for pensions in payment/inflation	3.0	3.1
Discount rate for scheme liabilities	5.2	4.3
Inflation assumption (CPI)	3.0	3.1
Commutation of pensions to lump sums	55	50

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

	2023	<i>2022</i>
	Years	Years
<i>Retiring today</i>		
Males	19.7	21.5
Females	24.4	24.0
<i>Retiring in 20 years</i>		
Males	21.4	22.4
Females	25.5	25.7

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

25. Pension commitments (continued)

Sensitivity analysis

	2023	<i>2022</i>
	£000	<i>£000</i>
Discount rate -0.1%	219	252
Salary increase rate +0.1%	19	21
Mortality assumption - 1 year increase	204	233
	<u><u> </u></u>	<u><u> </u></u>

Share of scheme assets

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

	At 31	<i>At 31 August</i>
	August 2023	<i>2022</i>
	£	<i>£</i>
Equities	6,142,000	6,345,000
Gilts	3,663,000	2,912,000
Bonds	754,000	936,000
Property	216,000	208,000
	<u><u> </u></u>	<u><u> </u></u>
Total market value of assets	10,775,000	10,401,000

The actual return on scheme assets was £(62,000) (2022 - £(14,000)).

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

25. Pension commitments (continued)

Expected returns on assets are calculated as follows:-

The figures shown in the standard FRS 102 report for fund employers are based on the actuary's recommended return assumptions which are derived from the Hymans Robertson Asset Model (HRAM), the proprietary stochastic asset model developed and maintained by Hymans Robertson LLP.

Asset model

The HRAM type of model is known as an economic scenario generator and uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variables. Some of the parameters of the model are dependent on the current state of financial markets and are updated each month (for example, the current level of equity market volatility) while other more subjective parameters do not change with different calibrations of the model.

Key subjective assumptions are:

- the average excess equity return over the risk free asset (tending to approximately 3% p.a. as the investment horizon is increased),
- the volatility of equity returns (approximately 18% p.a. over the long term) and the level and volatility of yields, credit spreads, inflation and expected (breakeven) inflation, which affect the projected value placed on the liabilities and bond returns.
- the output of the model is also affected by other more subtle effects, such as the correlations between economic and financial variables.

The only exception to the use of HRAM is in deriving the expected return on bond assets: instead of the HRAM output, the actuary has used the yields applicable at the accounting date on suitable bond indices. The expected return on assets is based on the long-term future expected investment return for each asset class as at the beginning of the period (i.e. as at 1 September 2022 for the year to 31 August 2023, or date of joining the fund if later).

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

	2023 £	2022 £
Current service cost	(522,000)	(1,101,000)
Past service cost	(44,000)	-
Interest income	451,000	169,000
Interest cost	(490,000)	(313,000)
Total amount recognised in the Statement of Financial Activities	(605,000)	(1,245,000)

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

25. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	11,325,000	18,502,000
Current service cost	522,000	1,101,000
Interest cost	490,000	313,000
Employee contributions	120,000	111,000
Actuarial gains	(1,569,000)	(8,498,000)
Benefits paid	(243,000)	(204,000)
Past service costs	44,000	-
At 31 August	10,689,000	11,325,000

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

	2023 £	2022 £
At 1 September	10,401,000	10,035,000
Derecognition of surplus	(86,000)	-
Interest income	451,000	169,000
Actuarial losses	(513,000)	(183,000)
Employer contributions	559,000	473,000
Employee contributions	120,000	111,000
Benefits paid	(243,000)	(204,000)
At 31 August	10,689,000	10,401,000

The closing position of the FRS102 valuation as at 31 August 2023 was a net asset of £86,000. The Academy does not expect to benefit from the pension fund asset therefore an adjustment has been made for derecognition of surplus.

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

26. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	6,856	6,856
Later than 1 year and not later than 5 years	1,714	8,570
	<u>8,570</u>	<u>15,426</u>

27. Members' liability

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

28. Connected charities

The activities of Abington High School and Guthlaxton College Foundation Fund are incorporated into the accounts (see note 18) by virtue of their control by the Trust.

29. Related party transactions

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

Expenditure Related Party Transactions

K Elton, spouse of M Elton, a member of the Academy Trust until 30 May 2023, is employed by the Academy Trust as a technician. K Elton's appointment was made in open competition and M Elton was not involved in the decision making process regarding appointment. K Elton is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a member.

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.