

Registered number: 09115941



Shropshire
Gateway
Educational Trust

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST

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



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THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

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THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	N Gibbon D Hill M Daborn L Castledine Diocese of Hereford Educational Trust (DHET) (appointed)
Directors	J Auden (resigned 10 January 2023) M Bland L Castledine, Chair G Gosling K Jones, Chief Executive and Accounting Officer J Parker, Vice Chair C Tibbits (appointed 17 March 2023) M Yarranton (appointed 14 December 2022) N Young (resigned 7 June 2023)
Company registered number	09115941
Company name	The Shropshire Gateway Educational Trust
Principal and registered office	Lacon Childe School Love Lane Cleobury Mortimer Shropshire DY14 8PE
Company secretary	G Bradley
Chief executive officer	K Jones
Senior Leadership team	K Jones, Trust Executive Headteacher - Stottesdon C of E Primary N Turner, Headteacher - Lacon Childe School (Appointed 01/09/2022) C Little, Headteacher - Clee Hill Community Academy D Richardson, Deputy Headteacher - Clee Hill Community Academy R Croxton-Broome, Deputy Headteacher- Lacon Childe School M Dawes, Deputy Headteacher - Cleobury Mortimer School G Bradley, Trust Head of Finance, Business and Operations S Desborough, Headteacher - Cleobury Mortimer School (Appointed 01/09/2022)

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

Independent auditors	WR Partners Chartered Accountants Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG
Bankers	Lloyds Bank Business Centre Wolverhampton West Midlands WV9 5HA
Solicitors	Browne Jacobson Victoria Square House Victoria Square Birmingham B2 4BU

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Directors 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.

The Multi Academy Trust, "The Trust" operates one secondary and three primary academies in the rural county of Shropshire. Its academies have a combined pupil capacity of 999 and had a roll of 1,023 in the school census on October 2022.

The Trust operates under the name The Shropshire Gateway Educational Trust.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing documents of the Trust.

The Directors of The Shropshire Gateway Educational Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The Shropshire Gateway Educational Trust "SGET".

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Directors

The management of the Trust is the responsibility of the Directors who are elected and co-opted under the terms of the Articles of Association.

d. Policies adopted for the induction and training of Directors

The Executive Headteacher and Chair are responsible for all training. There is an induction programme for all new directors and access to training delivered by internal and external providers. Where necessary, training will be offered on charity, educational, legal and financial matters. All directors are provided with copies or access to the constitution and policy documents. In addition, they are routinely involved in meetings to scrutinise accounts, reports, budgets and plans to enable them to carry out their roles and responsibilities effectively.

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

Structure, governance and management (continued)

e. Organisational structure

All directors are involved in decision making. The main governing body and sub committees meet regularly. Directors are responsible for setting general policy, risk management strategy, plans, budgets as well as monitoring the Trust against aims and objectives.

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

Directors are responsible for setting the pay of key management personnel in line with budgets, individual responsibilities and performance.

g. Trade union facility time

The Trust did not have any employees who were relevant trade union officials during the year ended 31 August 2023.

Objectives and activities

a. Objectives and aims

The Trust's 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 and which will include:

Academies other than those designated Church of England, whether with or without designated religious character and, Church of England Academies designated as such which shall be conducted in accordance with the principals, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard and following any directives issued by the Diocesan Board of Education. But in relation to each of the academies to recognise and support their individual ethos, whether or not designated Church of England.

To promote for the benefit of inhabitants of the areas where the academies are established and its surrounding area the provision of facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances, or for the public at large in the interest of social welfare and with the objective of improving the condition of life for those said individuals.

b. Objectives, strategies and activities

Through outstanding leadership we will provide the highest quality education to enable every pupil to realise their full potential.

c. Public benefit

The Directors confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charities Commission's revised guidance on public benefit.

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

Trust Strategic Improvement Plan

Achievements and performance

The Executive Headteacher reports to the Directors termly using the Trust Strategic Development Plan. The review of activities section of this report summarises the Trust strengths and areas of development.

a. Going concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

b. Review of activities

Strengths Achievements	Priorities for further improvement
<ul style="list-style-type: none"> • Clear governance structures and working practices (reviewed Scheme of Delegation and Terms of Reference). • The Trust revisited its vision, values and aims and now works towards continually embedding these. • Active Trust Development Plan and strengthening of collaboration across the schools. • Strengthening of the key elements of the Trust quality framework (e.g. core policies; appraisal/performance development; SEF and SDP) • Tightening quality assurance across key pillars (e.g. safeguarding; SEND; Attendance processes) and establishing a program of internal scrutiny. • Continued resilience in the face of recruitment challenges. • Stakeholder questionnaires now used Trust wide (incl. staff well-being), feed into school evaluation. • Tightening of quality induction processes at all levels. • SGET Career Pathways have begun to be laid out with increased access to training beginning (Digital leaders/champions; NPQ programmes) • Attainment is, overall, in line with national averages • CIF funded window and door replacement projects were completed with good impact in two schools. • Two schools had Ofsted Inspections. Both continued to be good with the Secondary being revisited within the next one - two years. 	<ul style="list-style-type: none"> • To align our Trust Development Plan with the key indicators of a strong Trust and further tighten future objectives. • Continue to build and lever school improvement: curriculum development; quality of teaching and learning; supporting recovery and accelerated progress for disadvantaged pupils/those not working at age related expectations; SEND achieving the best possible outcomes. • Consider the future journey of our Trust to support capacity for school improvement; prepare processes for any due diligence exercises; outward looking to raise standards. • Migrate all schools to a new MIS system and use improved MIS data to strategic effect.

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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

2023 (Trust Average)	CMPS 2023 (%) (31 Pupils)	CHCA 2023 (%) (16 Pupils)	SPS 2023 (%) (15 Pupils)	National 2022 (%)	Shropshire 2022 (%)
GLD Early Years (72.6)	71	75	73.3	65.2 (67.3)	65 (67.6)

2023 (Trust Average)	CMPS 2023 (%) (45 pupils)	CHCA 2023 (%) (17 pupils)	SPS 2023 (%) (16 pupils)	National 2022 (%)	Shropshire 2022 (%)
Phonics Year 1 (87.2)	82.2% (including SEN Hub)	94	93.8	75.5 (79.1)	75.2 (77.4)
Phonics Year 2 (cumulative)	33% (2 out of 6)	100	100	N/A	N/A

2023 KS1 outcomes (Trust Average)	CMPS 2023 (%) (36 Pupils)		CHCA 2023 (%) (22 Pupils)		SPS 2023 (%) (11 Pupils)		National 2022 (%)		Shropshire % 2022	
	EXS+	GDS	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS
RWM (65.2)	61.1	2.8	63.6	9.1	81.8	18.2	53.4 (56.2)	5.9 (6.2)	49.8 (53.2)	5.4 (5.3)
Reading (75.4)	72.2	13.9	72.7	27.3	90.9	36.4	66.9 (68.4)	18 (18.8)	66.1 (68.8)	17.4 (17)
Writing (66.7)	61.1	2.8	68.2	13.6	81.8	18.2	57.6 (60.3)	8 (8.3)	54.9 (58.6)	7.1 (7.8)
Maths (73.9)	69.4	8.3	77.3	27.3	81.8	27.3	67.7 (70.6)	15.1 (16.4)	64.2 (68.7)	13.3 (13.7)

2023 KS2 outcomes (Trust Average)	CMPS 2023 (%) (43 Pupils)		CHCA 2023 (%) (15 Pupils)		SPS 2023 (%) (14 Pupils)		National 2022 (%)		Shropshire % 2022		School Average SS 2022			National Average SS 2022	Shropshire Average SS 2022
	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS	EXS	GDS	CMPS	CHCA	SPS		
RWM (66.7)	58.1	0	60	13	78.6	14.3	59.6 (58.7)	8 (7.2)	53.3 (56.8)	4.7 (6.4)	NA	NA	NA	NA	NA
Reading (73.6)	67.4	18.6	85.7	47	78.6	50	74.5 (72.6)	27.8 (28.9)	73.7 (73.9)	24.6 (29.2)	101.5	108	107.8	104.8 (105.1)	104.3 (105.2)
Writing (83.3)	81.4	7	80	26.7	92.9	42.9	69.5 (71.4)	12.9 (13.4)	64.2 (68.8)	10.4 (12)	NA	NA	NA	NA	NA
Maths (72.2)	62.8	11.6	80	13	92.9	21.4	71.4 (72.9)	22.5 (23.9)	68.3 (70.2)	17.2 (19.2)	101.6	106.6	107.4	103.8 (104.2)	102.8 (103.3)
GPS (1)	60.5	16.3	87	73	85.7	50	72.5 (72.3)	28.3 (30.1)	70.1 (70.4)	24.1 (27)	102	109	109.8 (105.7)	105.1 (104.9)	104.3 (104.2)

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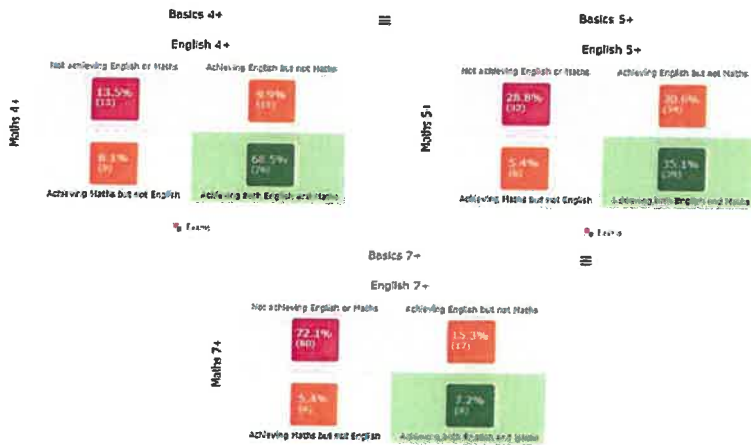
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Trust Strategic Improvement Plan (continued)

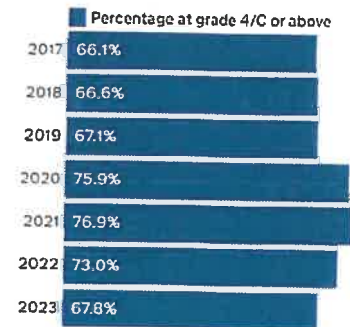
Achievements and performance (continued)

Achievements and Performance Secondary: Lacon Childe School

Headlines



National Picture



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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

Individual SEF/SDP Summaries

	Clee Hill Community Academy		Cleobury Mortimer Primary		Stottesdon CofE Primary School and Nursery		Lacon Childe Secondary	
	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement
The quality of education	<p>The school has a consistent and robust phonics scheme with is well embedded across the school, including catch up in Key stage 2..</p> <p>External data is very positive in all areas in 2022 and 2023.</p>	<p>To ensure that all curriculum subjects have Progression documents that are knowledge rich, have clear progressive substantive concepts, outline key vocabulary and build from the EYFS to Key Stage 3.</p> <p>Assessment of foundation subjects to be accurately matched to the substantive knowledge taught yet continue to be purposeful and not overburdensome</p> <p>Continue to close the gaps in boys' writing and GPS, particularly for disadvantaged pupils.</p>	<p>Leaders and staff are highly ambitious for pupils. This is a fully inclusive school where all pupils, including those with special educational needs and/or disabilities (SEND), are supported to flourish.</p> <p>Subject leaders are working hard to bring about rapid change and develop a well-designed and ambitious curriculum which is carefully sequenced.</p> <p>In phonics and maths, the small steps of learning are sequenced in a way that helps pupils to know more and remember more.</p> <p>Leaders have established a culture of reading across the school. Pupils are keen readers and talk fondly about their favourite books.</p> <p>Pupils learn to read quickly because the phonics curriculum is consistently delivered. All staff are well trained in the school's approach to phonics.</p>	<p>To continue to support subject leaders to become experts in their own subjects.</p> <p>Subject Leaders must 'identify the precise component knowledge that pupils need to know and remember.</p> <p>Over time, Subject Leaders should consider the connections that exist (within the subject, across other subjects and possible links to books and experiences) to ensure a 'depth' of knowledge.</p>	<p>Subject leadership and development over 21/22/23 – many subjects moving to a position of strength</p> <p>Standards and progress by the end of KS2 and at the end of EYFS</p> <p>Progress, for vast majority</p>	<p>Continue to review the curriculum and provision to address:</p> <ul style="list-style-type: none"> • disadvantage and gaps in pupils' knowledge and skills (particularly Y4). • Progression and intent in our year 2 curriculum maps • That assessment information clearly tells us what has been understood and further informs practise. 	<p>Leaders have high expectations for all students. Strong relationships between staff and students.</p> <p>Areas of strength, where the curriculum has been carefully designed in terms of what students need to know and in what order build learning over time. In these, subject curriculum planning clearly supports highly effective teaching. Teachers have the right information and training to support students with SEND effectively.</p>	<p>To ensure that the curriculum in all subjects is well sequenced and all students have access to a broad curriculum offer.</p> <p>To ensure that gaps in students reading knowledge is precisely identified and a systematic approach to teaching all students to read fluently is adopted.</p>

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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

	Strengths	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement
Behaviour and attitudes	<p>High levels of attendance and persistence attendance actioned promptly.</p> <p>Safe, calm, positive learning environment</p> <ul style="list-style-type: none"> Relationships between teachers and pupils that reflect a positive and respectful culture 	<p>Review the role of the School Council and how they can play a greater role in contributing to school improvement.</p>	<p>Pupils are happy, behave well and show excellent manners. They hold doors open for others and say please and thank you.</p> <p>Staff have established clear routines for behaviour that are consistently applied across the school.</p> <p>A positive, supportive and respectful culture exists in school – staff are positive about the support they receive.</p>	<p>To ensure that the vast majority of pupils have high attendance (96% and above), whilst the attendance of pupils with SEND and / or who are disadvantaged shows 'demonstrable improvement'.</p> <p>To continue to increase community and parental engagement.</p>	<p>Pupil behaviour and high levels of respect</p> <p>Support for individuals with individual needs or circumstances.</p> <p>Learning attitudes of pupils</p> <p>Pupil contributions to school life and community.</p>	<p>To continue to support individual pupil's needs, feelings, behaviour, motivation, active learning and positive attitudes (which will impact achievement and attainment) where necessary.</p>	<p>Leaders have high expectations for students. Learning is seldom disrupted. When bullying happens, leaders deal with it well. Steps have been made to improve attendance.</p>	<p>High number of exclusions. Patterns of anti social, defiant and abusive patterns of behaviour emerging. Too many students are persistently absent from school.</p>

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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

	Strengths	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement
Personal development	<p>Responsible, respectful and active pupils who contribute well to their community.</p> <p>Celebrate 'differences' so that individual characteristics are seen as something special which makes us unique.</p> <p>Ability to be reflective about their own beliefs (religious or otherwise) and perspective on life and show respect for, different people's faiths, feelings and values</p>	<ul style="list-style-type: none"> • Opportunities for a range of visitors to all schools across the Trust, including curriculum lessons and assemblies which embrace a wider understanding of vocations including those which challenge preconceptions (ie women in science, men in caring roles, disabled athletes etc) 	<p>Pupils talk confidently about fundamental British values and how these are reflected in school life.</p> <p>Pupils are tolerant and respectful. They understand discrimination and learn about racism and different families.</p> <p>Pupils are confident about what constitutes a healthy relationship.</p> <p>Pupils are confident about how to keep safe online.</p> <p>The school provides high quality pastoral support for pupils and their families – both within school and through connecting with outside agencies</p>	<p>To ensure the most disadvantaged pupils take up the range of opportunities provided by the school.</p> <p>To further develop strength of character through the introduction of Values based Education.</p> <p>To further broaden the enrichment opportunities available to children (including the range of clubs, arts experiences and sporting events)</p>	<p>Personal development of pupils through the curriculum (particularly PSHE, RE, Values, Worship)</p> <p>Pupils understanding of how to manage their health and well-being.</p> <ul style="list-style-type: none"> • Wider enrichment opportunities and take up 	<p>Continue to evaluate and action our provision through the SIAMS evaluation schedule.</p> <p>Re-establish the Residential experiences.</p>	<p>Positive relationship with staff and additional opportunities make Lacon 'more than just a school' to students. Extensive range of wider opportunities that students are encouraged to take part in. Students are encouraged to develop behaviours that make a positive contribution to the community through the 'Lacon me' values. Students are listened to by school leaders. PHSE curriculum has been adapted to make it more relevant to students.</p>	<p>Further development of the PHSE curriculum to support personal development of all students. Further engagement in the 'Lacon \Me' values to ensure all students are reflecting on their own development. Monitoring of engagement in wider opportunities to allow to monitor engagement and strategically plan and adapt offers to ensure all students engage in wider opportunities.</p>

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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

	Strengths	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement
Leadership and management	<p>High expectations for all pupils – including vulnerable groups.</p> <ul style="list-style-type: none"> • CPD used to drive the school forward and investing in staff. 	<ul style="list-style-type: none"> • Continue to review opportunities for CPD including research-based learning and leadership development 	<p>A culture of 'professional learning' has been established and is valued (staff PD, development of subject knowledge and pedagogy) through both internal collaboration and external training.</p> <p>Actions and recommendations following the Safeguarding Audit (Autumn 22) have been made and our SCR is now 'exemplary' (verbal comment from Ofsted 2023)</p> <p>Roles and responsibilities have been redistributed within the SLT, to ensure that identified school priorities can be focussed on and swiftly achieved.</p>	<p>To continue to develop the role of 'Link Governors'.</p> <p>To set up a 'wraparound childcare' facility, following parental feedback.</p> <p>To continue to develop the role of Subject Leaders and enable staff to become 'subject experts'.</p>	<p>Teachers' subject, pedagogical and pedagogical content knowledge consistently builds and develops over time. This consistently translates into improvements in the teaching of the curriculum.</p> <ul style="list-style-type: none"> • Leaders have a clear and ambitious vision for providing high-quality education to all pupils. This is realised through strong, shared values, policies and practice. 	<p>The Quality of Teaching and Learning continues to be developed across all subjects through focussing on subject and professional development.</p> <ul style="list-style-type: none"> • We continue to support staff wellbeing with effective and efficient ways of working. 	<p>Leaders have high expectations for students. Leaders have identified areas that need improving and work has started to address these areas.</p> <p>Safeguarding – staff are trained well, leaders act on concerns swiftly and have extensive links with local agencies. Leaders are knowledgeable about the specific risks students face and make sure students are taught about how to keep themselves safe.</p> <p>Leaders are vigilant about staff recruitment.</p> <p>Governors know the school well.</p>	<p>To further develop monitoring processes, so that it is systematic and ensures all leaders focus their attention on the actions that will make the biggest difference.</p> <p>Further develop the expertise in leading curriculum development.</p> <p>Clear identification of the precise gaps in knowledge for students who are not fluent readers – to be able to plan systematic support for them to read well.</p> <p>To further develop the role of Governors to be more involved in systematic monitoring process.</p>

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

Trust Strategic Improvement Plan (continued)

Achievements and performance (continued)

	Strengths	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	Strengths Achievements	Priorities for further improvement	N/A	N/A
Early years education	<p>Pupils develop good learning skills and have positive attitudes to play and learning.</p> <p>Communication, language and phonics teaching and learning is good and provides a solid building block to be built on through KS1 and KS2.</p>	<p>Continue to develop children's spoken language in all areas of learning and development.</p> <p>Staff use opportunities in child-initiated play in Year R to move learning forward including language development.</p> <p>CPD (NPQEL) to feed into EYFS practise to consistently improve on teaching and learning.</p>	<p>There are strong links with parents and the community through open activity afternoons and through the online platform SeeSaw.</p> <p>Early maths and phonics is a strength and children make good progress.</p> <p>The Early Years Leader is knowledgeable and has further developed her leadership skills through the EY NPQ</p> <p>The outdoor area has been redesigned to enable and facilitate outdoor learning throughout the year.</p>	<p>Further develop links across nursery and reception to strengthen the cohesion and progression across the phase.</p> <p>To build on the use of speech and language interventions to support the development of communication and language.</p>	<p>Leadership</p> <p>Coherently planned curriculum</p> <p>Communication, language and phonic development</p> <p>Meeting individual need</p> <p>Keep up not catch-up ethos</p>	<p>Increase purposeful use of the outdoor area</p> <p>Continue to develop high ambition which is shared by all staff</p>		

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

Trust Strategic Improvement Plan (continued)

Financial review

The net movement in funds of the Trust in the year, before pension actuarial gains for the year to 31 August 2023 was a deficit of £909,657 (2022: deficit of £191,328).

a. Reserves policy

Total reserves for the Trust have decreased by £54,657 (2022: increased by £2,451,672) during the period. The reserves position at the end of the accounting period shows that the Trust holds the following reserves:

Fixed Asset Fund reserve £18,985,315 (2022: £19,159,557)
Pension Fund reserve (£1,156,000) (2022: (£1,927,000))
Restricted Income Fund reserves (£85,189) (2022: £736,604)
Unrestricted Fund reserves £11,000 (2022: £11,000)

The Directors have approved a reserves policy and investment policy for the Trust which are reviewed annually. Decisions on the use of is made at director level for specific purposes across the Trust's schools.

In 2022/2023 use of the reserves was approved by directors to support the operating activities of individual schools. The principal source of funding for the trust academies is general annual grant directly from the Education Funding Agency, this funding is used to support the objectives of the academies with opportunities for income generation and external fund raising and grant applications supporting wherever possible. The trust also uses it annual grant funding to meet its obligations for pension deficits on the Local Government pension scheme.

The Trust recognises its main financial risk to be that of cash flow and aims to minimise this risk by contributing each year to a reserve fund set at a level prudent to be able to deal with cash flow and unexpected events.

b. Principal risks and uncertainties

The Trust reports on strategic, operational, financial and compliance risks and has plans in place to manage and reduce any known or anticipated risk. Its matrix is regularly reviewed and updated and ownership is shared amongst senior leaders and Directors of the Trust. The principal risks and uncertainties to which the Trust is exposed are, funding, reputation, staffing, safeguarding and child protection and fraud & cyber security.

Fundraising

The Trust has a keen approach to fundraising to support its activities in order to enhance its provision of activities for students and its involvement in the local community. Fundraising activities include:

Working with external community groups, professionals and fundraisers to recognised standards and monitoring these activities for impact, levels of participation and achievements whether this be fundraising for a specific reason or for future activities.

It ensures that its fundraising operates in a way that protects the public including those who may be more vulnerable from unreasonably intrusive or persistent fundraising approaches including pressure to donate.

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

Plans for future periods

The individual schools within the Trust have written and constantly monitor, evaluate and update a school improvement plan which sets out their targets for the following years. This seeks to focus activities towards shared goals and aspirations of the individual school and using funds available to it to achieve these targets. The schools reflect on past activities and the changing educational environment when reviewing this plan.

Disclosure of information to auditors

Insofar as the Directors are aware:

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

The Directors' report, incorporating a strategic report, was approved by order of the Board of Directors, as the company directors, on 11th December 2023 and signed on its behalf by:

L. A. Castledine

L. Castledine
Chair of Directors

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Directors, we acknowledge we have overall responsibility for ensuring that The Shropshire Gateway Educational 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 Directors, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Directors has delegated the day-to-day responsibility to the chief executive, 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 The Shropshire Gateway Educational Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Directors any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Directors' Report and in the Statement of Trustees' responsibilities. The Board of Directors which also incorporates the Finance and Resource Committee and also fulfills the responsibilities of an audit committee has formally met 7 times during the year.

Attendance during the year at meetings of the board of Directors was as follows:

Director	Meetings attended	Out of a possible
J Auden	4	4
M Bland	6	7
L Castledine, Chair	7	7
G Gosling	5	7
K Jones, Chief Executive and Accounting Officer	7	7
J Parker, Vice Chair	5	7
C Tibbits	3	3
M Yarranton	3	3
N Young	5	5

The Shropshire Gateway Educational Trust Board of Directors reviews their governance on an annual basis. The board covers all aspects of educational delivery and accountability, financial management, premises oversight, strategic development, audit, internal scrutiny, risk management, policies and staff wellbeing.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

The **Finance and Audit committee** is a sub-committee of the main Board of Directors. Its purpose is to: Challenge and understand information presented in a transparent manner to ensure good value and effective use of the Trust's resources to fit its policy purposes. During the year the committee has faced the challenge of understanding the improved and more in-depth information given to them and acting on the relevance of this information.

Attendance during the year at meetings was as follows:

M Bland	3	3
L Castledine	3	3
G Gosling	3	3
K Jones	3	3
J Parker	3	3
C Tibbits	3	3
M Yarranton	2	2
N Young	2	2

Review of value for money

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

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

- Undertaking a planned program of internal scrutiny.
- A planned series of capital asset additions and improvements has added to the trust asset register.
- Maintaining and regularly reviewing the Risk register.
- Maintaining a tight schedule of management accounts and long term business planning.

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 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 The Shropshire Gateway Educational 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.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The Board of Directors 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 Directors is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1st September 2021 to 31 August 2022 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Board of Directors has decided to buy-in an internal audit service from Shropshire Local Authority and Telford and Wrekin Council to aid Director assurance in line with the AFH 2021/2022. They have made this decision based on a need for external and independent expertise and to ensure that an agreed scope of works identifies focus areas and covers all aspects of internal scrutiny on a rolling 3 year plan of audit. This will give them assurance across all aspects of the Trust's operations.

The Board of Trustees benefits from the skills and knowledge of a wide field of professionals and assesses its composition through skills audits and recruitment onto the board dictated by these needs.

Performance is assessed through internal scrutiny processes. During the financial year it has met in person and has relied on information to a high standard to inform them and ensure they can challenge appropriately.

On a termly basis, the reviewer reports to the Board of Directors through the audit and risk committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities and annually prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The external auditor also performs a schedule of work to supplement this throughout the year. No areas of material control have been raised as issues.

THE SHROPSHIRE GATEWAY EDUCATIONAL 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 Trust Business Manager who has responsibility for the development and maintenance of the systems of internal control;

- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;
- correspondence from ESFA e.g. FNtl/Ntl and 'minded to' letters;
- the work of external providers for Internal Scrutiny.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit and risk 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 Directors and signed on their behalf by:

L.A. Castledine

L Castledine
Chair of Directors
Date: 14.12.2023



K Jones
Accounting Officer

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Shropshire Gateway Educational Trust I have considered my responsibility to notify the Trust Board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered pertaining to the 2023 financial year, to date. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA.



K Jones
Accounting Officer
Date:

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

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

The Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial . Under company law, the Directors 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 Directors 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 Directors 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 Directors 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 Directors 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 Directors and signed on its behalf by:

L. A. Castledine

L. Castledine
Chair of Directors

Date: 14.12.2023

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SHROPSHIRE GATEWAY EDUCATIONAL TRUST**

Opinion

We have audited the financial statements of The Shropshire Gateway Educational Trust (the '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 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 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 Directors' 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 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 Directors with respect to going concern are described in the relevant sections of this report.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SHROPSHIRE GATEWAY EDUCATIONAL TRUST (CONTINUED)**

Other information

The other information comprises the information included in the Director's Report (including the Strategic Report) other than the financial statements and our Auditors' report thereon. The Directors are responsible for the other information contained within the Director's Report (including the Strategic 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 Directors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' 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 Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SHROPSHIRE GATEWAY EDUCATIONAL TRUST (CONTINUED)**

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement, the Directors (who are the directors of the 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 Directors 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 Directors are responsible for assessing the 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 Directors either intend to liquidate the 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.

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

- We reviewed the susceptibility of the Trust's financial statements to material misstatement and identified the principal risks, implementing a series of testing procedures to provide us with sufficient comfort to issue our opinion.
- We reviewed the Trust's regulatory environment to ensure we could conclude that it had acted in accordance with the framework relevant to the Trust and its environment and identify any instances of non-compliance.
- We also assessed the Trust's internal control procedures to ensure we could appropriately scrutinise these controls and establish whether our understanding of the control environment was sufficient to supplement our additional testing procedures.
- The engagement team consisted of a team that the engagement partner believes is equipped with the relevant level of technical and Trust awareness to carry out our work to the required standard.

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.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
SHROPSHIRE GATEWAY EDUCATIONAL TRUST (CONTINUED)**

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date: *15th December 2023*

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
SHROPSHIRE GATEWAY EDUCATIONAL TRUST AND THE EDUCATION AND SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 21 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Shropshire Gateway Educational 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 The Shropshire Gateway Educational Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Shropshire Gateway Educational 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 The Shropshire Gateway Educational Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Shropshire Gateway Educational Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Shropshire Gateway Educational Trust's funding agreement with the Secretary of State for Education dated June 2014 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 Trust's income and expenditure.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE
SHROPSHIRE GATEWAY EDUCATIONAL 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.



Andrew Malpass BA FCA (Senior statutory auditor)
WR Partners
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date: 15th December 2023

THE SHROPSHIRE GATEWAY EDUCATIONAL 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	-	23,176	41,843	65,019	66,404
Other trading activities	5	-	680,149	-	680,149	843,112
Charitable activities	4	-	6,978,142	-	6,978,142	6,457,458
Total income		-	7,681,467	41,843	7,723,310	7,366,974
Expenditure on:						
Charitable activities	6	-	8,416,882	216,085	8,632,967	7,558,302
Total expenditure		-	8,416,882	216,085	8,632,967	7,558,302
Net income/ (expenditure) carried forward		-	(735,415)	(174,242)	(909,657)	(191,328)
Transfers between funds	18	-	69,285	(69,285)	-	-
Net movement in funds before other recognised gains		-	(666,130)	(243,527)	(909,657)	(191,328)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	25	-	855,000	-	855,000	2,643,000
Net movement in funds		-	188,870	(243,527)	(54,657)	2,451,672
Reconciliation of funds:						
Total funds brought forward		11,000	(1,190,396)	19,159,557	17,980,161	15,528,489
Net movement in funds		-	188,870	(243,527)	(54,657)	2,451,672
Total funds carried forward		11,000	(1,001,526)	18,916,030	17,925,504	17,980,161

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

The notes on pages 32 to 59 form part of these financial statements.

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09115941

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	13	18,923,002	19,132,117
		<u>18,923,002</u>	<u>19,132,117</u>
Current assets			
Stocks	14	2,500	5,707
Debtors	15	363,549	508,051
Cash at bank and in hand		453,551	836,818
		<u>819,600</u>	<u>1,350,576</u>
Creditors: amounts falling due within one year	16	(437,967)	(320,596)
Net current assets		<u>381,633</u>	<u>1,029,980</u>
Total assets less current liabilities		<u>19,304,635</u>	<u>20,162,097</u>
Creditors: amounts falling due after more than one year	17	(223,131)	(254,936)
Net assets excluding pension liability		<u>19,081,504</u>	<u>19,907,161</u>
Defined benefit pension scheme liability	25	(1,156,000)	(1,927,000)
Total net assets		<u><u>17,925,504</u></u>	<u><u>17,980,161</u></u>

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09115941

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	18	18,916,030	19,159,557
Restricted income funds	18	154,474	736,604
Restricted funds excluding pension asset	18	19,070,504	19,896,161
Pension reserve	18	(1,156,000)	(1,927,000)
Total restricted funds	18	17,914,504	17,969,161
Unrestricted income funds	18	11,000	11,000
Total funds		17,925,504	17,980,161

The financial statements on pages 28 to 59 were approved and authorised for issue by the Directors and are signed on their behalf, by:

L.A. Castledine

L Castledine

Chair of Directors

Date: 14.12.2023

The notes on pages 32 to 59 form part of these financial statements.

THE SHROPSHIRE GATEWAY EDUCATIONAL 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 (used in)/provided by operating activities	20	(344,490)	958,272
Cash flows from investing activities	22	(6,972)	(837,172)
Cash flows from financing activities	21	(31,805)	-
Change in cash and cash equivalents in the year		(383,267)	121,100
Cash and cash equivalents at the beginning of the year		836,818	715,718
Cash and cash equivalents at the end of the year	23, 24	<u><u>453,551</u></u>	<u><u>836,818</u></u>

The notes on pages 32 to 59 form part of these financial statements

THE SHROPSHIRE GATEWAY EDUCATIONAL 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 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.

1.2 Going concern

The Directors 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 Trust to continue as a going concern. The Directors 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Income

All incoming resources are recognised when the 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.

THE SHROPSHIRE GATEWAY EDUCATIONAL 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 Trust has provided the goods or services.

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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.5 Taxation

The 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 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.

1.6 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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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

Leasehold property	- 125 years straight Line
Furniture and Fixtures	- 5 - 20 years straight Line
Computer equipment	- 3 year 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.

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.8 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Provisions

Provisions are recognised when the 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.

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1. Accounting policies (continued)

1.12 Financial instruments

The Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the 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 15. 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 notes 16 and 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.

1.13 Operating leases

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

1.14 Pensions

Retirement benefits to employees of the 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 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 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.

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

1. Accounting policies (continued)

1.15 Fund accounting

Designated funds comprise unrestricted funds that have been set aside by the Directors 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.

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

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

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

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

3. Income from donations and capital grants

	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	23,176	-	23,176	26,683
Capital Grants	-	10,704	10,704	8,550
Grants	-	31,139	31,139	31,171
Total 2023	<u>23,176</u>	<u>41,843</u>	<u>65,019</u>	<u>66,404</u>
Total 2022	<u>26,683</u>	<u>39,721</u>	<u>66,404</u>	

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

4. Funding for the Trust's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Educational Activities			
DfE/ESFA grants			
General Annual Grant (GAG)	5,358,994	5,358,994	5,226,801
Other DfE/ESFA grants:			
Other DfE / ESFA Grant Income	319,554	319,554	179,502
Pupil Premium	239,896	239,896	246,528
Universal Infant Free School Meals (UIFSM)	20,511	20,511	72,274
COVID-19 Government Support	5,932	5,932	34,441
PE and Sports Grant	51,960	51,960	55,867
	-	5,996,847	5,815,413
Other Government grants			
Local Authority - SEN	495,920	495,920	329,564
Local Authority - Early Years	206,579	206,579	150,582
Local Authority - Other	101,099	101,099	38,677
	803,598	803,598	518,823
Other income from the Trust's educational operations	177,697	177,697	123,222
	6,978,142	6,978,142	6,457,458
Total Educational Activities	6,978,142	6,978,142	6,457,458
	6,457,458	6,457,458	
Total 2022	6,457,458	6,457,458	

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Catering Income	182,698	182,698	364,850
Lettings Income	10,705	10,705	5,085
Insurance Income	72,656	72,656	-
Sale of Goods & Services	414,090	414,090	473,177
Total 2023	<u>680,149</u>	<u>680,149</u>	<u>843,112</u>
<i>Total 2022</i>	<u>843,112</u>	<u>843,112</u>	

6. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total 2022 £</i>
Educational Activities:					
Direct costs	5,068,614	4,220	679,095	5,751,929	5,328,538
Allocated support costs	1,162,090	845,055	873,893	2,881,038	2,229,764
Total 2023	<u>6,230,704</u>	<u>849,275</u>	<u>1,552,988</u>	<u>8,632,967</u>	<u>7,558,302</u>
<i>Total 2022</i>	<u>5,400,683</u>	<u>1,122,797</u>	<u>1,034,822</u>	<u>7,558,302</u>	

THE SHROPSHIRE GATEWAY EDUCATIONAL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Educational Activities	5,751,929	2,881,038	8,632,967	7,558,302
Total 2023	5,751,929	2,881,038	8,632,967	7,558,302
<i>Total 2022</i>	<i>5,328,538</i>	<i>2,229,764</i>	<i>7,558,302</i>	

Analysis of direct costs

	Educational Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Pension finance costs	75,000	75,000	68,000
Staff costs	5,077,614	5,077,614	4,808,546
Educational Supplies	202,514	202,514	125,456
Examination Fees	46,645	46,645	35,631
Technology Costs	181,195	181,195	173,815
Educational Consultancy	28,782	28,782	40,500
Other costs	135,635	135,635	76,374
Operating Leases	324	324	216
Security	4,220	4,220	-
Total 2023	5,751,929	5,751,929	5,328,538
<i>Total 2022</i>	<i>5,328,538</i>	<i>5,328,538</i>	

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

7. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Activities 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	1,162,090	1,162,090	901,137
Depreciation	216,085	216,085	215,642
Technology Costs	6,957	6,957	9,654
Staff Expenses	139,399	139,399	136,354
Other Staff Costs	48,436	48,436	43,891
Other costs	42,914	42,914	129,407
Rates	16,219	16,219	15,206
Energy	220,374	220,374	145,806
Risk Protection Arrangement Fees	34,035	34,035	31,455
Maintenance of Premises	448,654	448,654	30,342
Cleaning and Caretaking	25,806	25,806	17,629
Operating Leases	3,202	3,202	2,685
Transport	93,185	93,185	83,909
Catering	232,901	232,901	320,922
Other Premises Costs	89,765	89,765	66,480
Legal and Professional	85,003	85,003	57,306
Auditor Costs and Governance	16,013	16,013	21,939
Total 2023	2,881,038	2,881,038	2,229,764
<i>Total 2022</i>	<i>2,229,764</i>	<i>2,229,764</i>	

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

8. Net expenditure

Net expenditure for the year includes:

	2023 £	2022 £
Operating lease rentals	35,022	28,102
Depreciation of tangible fixed assets	216,085	215,642
	<u>251,107</u>	<u>243,744</u>

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	4,720,539	4,109,304
Social security costs	424,365	357,978
Pension costs	1,086,503	1,237,030
	<u>6,231,407</u>	<u>5,704,312</u>
Apprenticeship Levy	8,297	5,371
	<u>6,239,704</u>	<u>5,709,683</u>

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9. Staff (continued)

b. Staff numbers

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

	2023	2022
	No.	No.
Teachers	67	79
Administration and support	125	102
Management	7	6
	199	187
	199	187

The average headcount expressed as full-time equivalents was:

	2023	2022
	No.	No.
Total	149	142
	149	142

c. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	2	-
	2	-

d. Key management personnel

The key management personnel of the Trust comprise the Directors 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 Trust was £639,765 (2022 £514,886).

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

10. Central services

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

- Financial management
- Estate and premises
- Procurement
- Catering
- HR and payroll
- IT services

The Trust recharges for these services on the following basis:

- Formula based on pupil numbers

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Lacon Childe School	166,889	147,994
Clee Hill Community Academy	42,965	41,611
Cleobury Mortimer Primary School	72,276	65,003
Stottesdon C of E Primary School	36,370	22,940
Total	318,500	277,548

11. Directors' remuneration and expenses

One or more Directors has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Directors 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 Directors' remuneration and other benefits was as follows:

		2023 £	2022 £
D Reynolds, (resigned 31 December 2021)	Remuneration		30,000 - 35,000
	Pension contributions paid		10,000 - 15,000
K Jones	Remuneration	75,000 - 80,000	45,000 - 50,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000

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

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

12. Directors' and Officers' insurance

The Trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Directors 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 Directors and officers indemnity element from the overall cost of the RPA scheme membership.

13. Tangible fixed assets

	Long-term leasehold property £	Assets under construction £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022	20,151,694	33,026	167,749	282,662	20,635,131
Additions	-	-	2,637	4,335	6,972
At 31 August 2023	<u>20,151,694</u>	<u>33,026</u>	<u>170,386</u>	<u>286,997</u>	<u>20,642,103</u>
Depreciation					
At 1 September 2022	1,149,167	-	91,094	262,753	1,503,014
Charge for the year	174,299	-	24,643	17,145	216,087
At 31 August 2023	<u>1,323,466</u>	<u>-</u>	<u>115,737</u>	<u>279,898</u>	<u>1,719,101</u>
Net book value					
At 31 August 2023	<u>18,828,228</u>	<u>33,026</u>	<u>54,649</u>	<u>7,099</u>	<u>18,923,002</u>
At 31 August 2022	<u>19,002,527</u>	<u>33,026</u>	<u>76,655</u>	<u>19,909</u>	<u>19,132,117</u>

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

14. Stocks

	2023	2022
	£	£
Stock	2,500	5,707

Included in the stock above is catering stock. This is only stored at Lacon Childe School.

15. Debtors

	2023	2022
	£	£
Due within one year		
Trade debtors	66,076	24,169
Other debtors	59,372	325,885
Prepayments and accrued income	238,101	157,997
	363,549	508,051

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

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Other loans	34,974	34,974
Trade creditors	116,169	128,228
Other taxation and social security	18,486	-
Other creditors	1,656	1,703
Accruals and deferred income	266,682	155,691
	437,967	320,596
	437,967	320,596
	2023 £	2022 £
Deferred Income		
Deferred income at 1 September 2022	85,896	32,003
Resources deferred during the year	147,974	85,896
Amounts released from previous periods	(85,896)	(32,003)
	147,974	85,896
	147,974	85,896

Deferred income relates to trip fees received in advance and income received to fund specific items relating to the 2023/2024 year end.

17. Creditors: Amounts falling due after more than one year

	2023 £	2022 £
Other loans	223,131	254,936
	223,131	254,936

Included within other loans are 4 interest free salix loans amounting to £127,863. These loans are repayable over 8 years. Also included within other loans are 3 CIF loans accounting to £161,309. This loans are repayable over 10 years with an interest rates of 1.95% and 2.07% applicable.

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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						
Lacon Childe School - Sinking fund	5,000	-	-	-	-	5,000
Lacon Childe School - Hall project	6,000	-	-	-	-	6,000
	<u>11,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
Restricted general funds						
General Annual Grant	-	5,358,994	(5,358,994)	-	-	-
Pupil Premium	-	239,896	(239,896)	-	-	-
Other Grants	736,604	2,082,577	(2,733,992)	69,285	-	154,474
Pension reserve	(1,927,000)	-	(84,000)	-	855,000	(1,156,000)
	<u>(1,190,396)</u>	<u>7,681,467</u>	<u>(8,416,882)</u>	<u>69,285</u>	<u>855,000</u>	<u>(1,001,526)</u>
Restricted fixed asset funds						
Restricted Funds	18,307,574	-	(216,085)	824,541	-	18,916,030
Unspent capital monies	851,983	41,843	-	(893,826)	-	-
	<u>19,159,557</u>	<u>41,843</u>	<u>(216,085)</u>	<u>(69,285)</u>	<u>-</u>	<u>18,916,030</u>
Total Restricted funds	<u>17,969,161</u>	<u>7,723,310</u>	<u>(8,632,967)</u>	<u>-</u>	<u>855,000</u>	<u>17,914,504</u>
Total funds	<u>17,980,161</u>	<u>7,723,310</u>	<u>(8,632,967)</u>	<u>-</u>	<u>855,000</u>	<u>17,925,504</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:

Restricted general funds have been utilised for the Trust's educational operation.

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

The purpose of the sinking fund is the Lacon School's contribution to replacing the Astro Turf.

The Lacon Childe School hall project funds were specifically donated by the PTA for the purpose of refurbishment works in the main school hall.

The Lacon Childe curriculum fund represents specific support programs for transition and KS4 catchup.

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

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**NOTES TO THE FINANCIAL STATEMENTS
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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>
Lacon Childe School - Sinking fund	5,000	-	-	-	-	5,000
Lacon Childe School curriculum funds	45,650	-	(45,650)	-	-	-
Lacon Childe School - Hall project	6,000	-	-	-	-	6,000
	<u>56,650</u>	<u>-</u>	<u>(45,650)</u>	<u>-</u>	<u>-</u>	<u>11,000</u>
Restricted general funds						
General Annual Grant	-	5,226,801	(5,226,801)	-	-	-
Pupil Premium	-	246,528	(246,528)	-	-	-
Other Grants	329,361	1,853,924	(1,446,681)	-	-	736,604
Pension reserve	(4,193,000)	-	(377,000)	-	2,643,000	(1,927,000)
	<u>(3,863,639)</u>	<u>7,327,253</u>	<u>(7,297,010)</u>	<u>-</u>	<u>2,643,000</u>	<u>(1,190,396)</u>

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18. Statement of funds (continued)

Restricted fixed asset funds						
Restricted Funds	18,510,587	-	(215,642)	12,629	-	18,307,574
Unspent capital monies	824,891	39,721	-	(12,629)	-	851,983
	<u>19,335,478</u>	<u>39,721</u>	<u>(215,642)</u>	<u>-</u>	<u>-</u>	<u>19,159,557</u>
Total Restricted funds	<u>15,471,839</u>	<u>7,366,974</u>	<u>(7,512,652)</u>	<u>-</u>	<u>2,643,000</u>	<u>17,969,161</u>
Total funds	<u>15,528,489</u>	<u>7,366,974</u>	<u>(7,558,302)</u>	<u>-</u>	<u>2,643,000</u>	<u>17,980,161</u>

Total funds analysis by school

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Lacon Childe School	47,957	189,736
Clee Hill Community Academy	20,283	54,949
Cleobury Mortimer Primary School	54,511	62,256
Stottesdon C of E Primary School	(52,819)	(45,130)
Multi Academy Trust	95,542	485,793
Total before fixed asset funds and pension reserve	<u>165,474</u>	<u>747,604</u>
Restricted fixed asset fund	18,916,030	19,159,557
Pension reserve	(1,156,000)	(1,927,000)
Total	<u>17,925,504</u>	<u>17,980,161</u>

Stottesdon C of E Primary School are currently showing negative revenue reserves as at 31 August 2023. There is a budgeted and planned contribution from in year future budgets which will return these funds to a surplus.

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18. Statement of funds (continued)

Total cost analysis by academy

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

	Educational supplies £	Total 2023 £	Total 2022 £
Lacon Childe School	4,113,498	4,113,498	3,699,431
Clee Hill Community Academy	897,506	897,506	864,922
Cleobury Mortimer Primary School	1,508,562	1,508,562	1,363,124
Stottesdon C of E Primary School	787,580	787,580	725,173
Multi Academy Trust	344,548	344,548	690,010
Central services	765,188	765,188	-
Trust	8,416,882	8,416,882	7,342,660

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	-	-	18,923,002	18,923,002
Current assets	11,000	746,287	62,313	819,600
Creditors due within one year	-	(437,967)	-	(437,967)
Creditors due in more than one year	-	(223,131)	-	(223,131)
Provisions for liabilities and charges	-	(1,156,000)	-	(1,156,000)
Difference	-	69,285	(69,285)	-
Total	11,000	(1,001,526)	18,916,030	17,925,504

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	69,086	-	19,063,031	19,132,117
Debtors due after more than one year	(119,890)	119,890	-	-
Current assets	134,871	1,119,179	96,526	1,350,576
Creditors due within one year	(34,974)	(285,622)	-	(320,596)
Creditors due in more than one year	(38,093)	(216,843)	-	(254,936)
Provisions for liabilities and charges	-	(1,927,000)	-	(1,927,000)
Total	11,000	(1,190,396)	19,159,557	17,980,161

20. Reconciliation of net expenditure to net cash flow from operating activities

	2023 £	2022 £
Net expenditure for the year (as per Statement of financial activities)	(909,657)	(191,328)
Adjustments for:		
Depreciation	216,087	215,642
Defined benefit pension scheme finance cost	84,000	377,000
Decrease/(increase) in stocks	3,207	(4,707)
Decrease in debtors	144,502	1,011,221
Increase/(decrease) in creditors	117,371	(449,556)
Net cash (used in)/provided by operating activities	(344,490)	958,272

21. Cash flows from financing activities

	2023 £	2022 £
Repayments of borrowing	(31,805)	-
Net cash (used in)/provided by financing activities	(31,805)	-

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22. Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(6,972)	(837,172)
Net cash used in investing activities	(6,972)	(837,172)

23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	453,551	836,818
Total cash and cash equivalents	453,551	836,818

24. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	836,818	(383,267)	453,551
Debt due within 1 year	(34,974)	-	(34,974)
Debt due after 1 year	(254,936)	31,805	(223,131)
	546,908	(351,462)	195,446

25. Pension commitments

The 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 Mercer. 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 2023.

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

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25. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £667,908 (2022 - £608,681).

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 Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Trust has set out above the information available on the scheme.

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25. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £498,000 (2022 - £409,000), of which employer's contributions totalled £398,000 (2022 - £331,000) and employees' contributions totalled £ 100,000 (2022 - £78,000). The agreed contribution rates for future years are 16.2 - 19.9 per cent for employers and 5.5 - 8.5 per cent for employees.

As described in note the LGPS obligation relates to the employees of the 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 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.

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	4.05	4.08
Rate of increase for pensions in payment/inflation	2.9	2.93
Discount rate for scheme liabilities	5.3	4.3
Inflation assumption (CPI)	2.8	2.83

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.7	22.9
Females	24.1	25.1
<i>Retiring in 20 years</i>		
Males	23	24.1
Females	25.9	26.7

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25. Pension commitments (continued)

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	650	1,843
Mortality assumption - 1 year increase	1,243	2,020
CPI rate +0.1%	1,375	2,022
Pay growth +0.1%	1,192	1,935

Share of scheme assets

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

	At 31 August 2023	At 31 August 2022
	£	£
Equities	1,702,000	1,235,000
Other bonds	570,000	505,000
Other	833,000	712,000
Property	108,000	112,000
Cash and other liquid assets	46,000	52,000
Total market value of assets	3,259,000	2,616,000

The actual return on scheme assets was £40,000 (2022 - £(11,000)).

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

	2023	2022
	£	£
Current service cost	(392,000)	(632,000)
Interest income	120,000	42,000
Interest cost	(195,000)	(110,000)
Employers contributions	398,000	331,000
Administrative expenses	(15,000)	(8,000)
Total amount recognised in the Statement of Financial Activities	(84,000)	(377,000)

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25. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	4,543,000	6,489,000
Current service cost	392,000	632,000
Interest cost	195,000	110,000
Employee contributions	100,000	78,000
Actuarial gains	(695,000)	(2,694,000)
Benefits paid	(123,000)	(72,000)
At 31 August	4,412,000	4,543,000

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

	2023 £	2022 £
At 1 September	2,616,000	2,296,000
Interest income	120,000	42,000
Actuarial gains/(losses)	160,000	(51,000)
Employer contributions	398,000	331,000
Employee contributions	100,000	78,000
Benefits paid	(123,000)	(72,000)
Administration expenses	(15,000)	(8,000)
At 31 August	3,256,000	2,616,000

26. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	66,959	14,066
Later than 1 year and not later than 5 years	55,014	9,833
	121,973	23,899

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27. Members' liability

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

28. Related party transactions

Owing to the nature of the Trust and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which the directors 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 Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year the Son of the Trust Head of Finance, Business and Operations and Company Secretary was remunerated £57,587 (2022: £54,297) for employment within the Trust. No amounts were outstanding at the year end.

All transactions were paid at standard rate. The transactions have been conducted in accordance with the requirements of the Academies Financial Handbook, financial regulations and procurement procedures.