



MOWBRAY EDUCATION TRUST
TRUSTEES REPORT AND ANNUAL
ACCOUNTS 2022-2023

MOWBRAY EDUCATION TRUST LIMITED
(A company limited by guarantee)

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Members

C Godber
D O'Higgins
D Reed
E Welsh
S Connolly (appointed 15.12.2022)

Trustees

A Frost (re-appointed Chair 1 September 2022)
D Richardson-Walsh (re-appointed deputy chair 1 September 2022)
M Chadwick
W Hickling
I Connerton
D Mogg
T N Mutambirwa
K Valentine
J Unwin (appointed 14.04.2023)
A Riggall (appointed 06.05.2023)
N Garraway Charles (appointed 06.05.2023, resigned 29.9.2023)
F Baker (appointed 06.05.2023)
L Arnold (appointed 03.08.2023)

A Harris (resigned 04.05.2023)
D Longley-Brown (resigned 19.01.2023)
A C Brewster (retired 13.11.2022)
S Connolly (resigned 28.09.2022)
S Hill (resigned 07.09.2022)

Company Secretary

S Beasley

Senior management team

C Stansfield, Chief Executive Officer
C Stansfield, Executive Head John Ferneley College
S Cooke, Chief Financial Officer (maternity Leave from February 2023)
P Maddox, Interim Chief Financial Officer (maternity cover)
P Maddox, Chief Operating Officer
A Butler, Executive Lead for People and Development
S Beasley Executive Lead for Governance and Compliance (appointed September 2022)
M Parrott, Executive Lead for Stakeholders and Partnerships (appointed April 2023)
I Toon, Executive Lead for Primary
I Toon, Head Teacher of Brownlow Primary School (resigned September 2023)
A Brown, Head Teacher of Somerby Primary School
A Brown, Head Teacher of Ab Kettleby Primary School
N Teece, Head of School John Ferneley College (resigned February 2023)
H Cheeseman, Head Teacher of The Grove Primary School
H Blumfield, Head Teacher of Sherard Primary School
J Johnson, Head of School Iveshead (appointed February 2023)
V Sellars, Headteacher Brownlow Primary School (appointed September 2023)
C Chisholm, School Improvement Lead: Data, timetables and exams (appointed March 2023)

Mowbray Education Trust Limited
(A company limited by guarantee)
REFERENCE AND ADMINISTRATIVE DETAILS

Company name

Mowbray Education Trust Limited

Principal and Registered Office

John Ferneley College
Scalford Road
Melton Mowbray
Leicestershire
LE13 1LH

Company Registered Number

07796947

Independent Auditor

Cooper Parry Group Limited, Cubo Birmingham, Office 401, 3rd Floor, Two Chamberlain Square, Birmingham, B3 3AX

Bankers

HSBC Bank Plc 17 High Street Melton Mowbray Leicestershire LE13 0TY

Solicitors

Flint Bishop LLP, St Michael's Court, St Michael's Lane, Derby, Derbyshire DE1 3HQ



Mowbray Education Trust Limited
(A company limited by guarantee)
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Trust operates 5 primary and 2 secondary academies in Leicestershire. Its academies have a combined pupil capacity of 3,492 and had a roll of 3,303 in the school census on October 2023. Expansion work at both Trust secondary schools is either underway or planned to meet the increased demand for school places.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Articles of Association were reviewed, updated and formally adopted in January 2023.

The Trustees are also the Directors of the charitable company for the purposes of company law. The charitable company operates as the Mowbray Education Trust.

Details of the Trustees who served throughout the year and to the date the approval of this report and the financial statements are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees' Indemnities

The Trustees benefit from indemnity insurance purchased by the Trust to cover the liability of the Trustees arising from negligent acts, errors or commissions occurring whilst on Trust business. The limit of this indemnity is £5,000,000.

Method of Recruitment and Appointment or Election of Trustees

The executive has continued to improve recruitment to the governance structure. Annual skills audits inform the recruitment needs of the Trust Board and the executive lead for Governance and Compliance continues to identify and recruit suitable candidates to strengthen the Board and its committees. In keeping with the Articles of Association the constitution of the Trust Board has been strengthened. The constitution of the Trust Board is made up considering the following clauses of the Articles of Association.

- 45. The number of Trustees shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- 50. The Members may appoint by ordinary resolution up to 8 Trustees.
- 54. Parent Trustees and Parent Local Governors shall be elected or, if the number of Parents standing for election is less than the number of vacancies, appointed.
- 58. The Trustees may appoint Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed.

Trustees are appointed for a 4-year term of office. Trustees can be re-appointed or re-elected after their term of office ends.

Policies and Procedures Adopted for the Induction and Training of Trustees

The executive has worked with the Governance and Remuneration committee of the Trust Board to strengthen the induction offer for new trustees and local governing committee members. An introductory meeting with the Executive Lead for Governance and Compliance, the CEO and the Chair of Trustees is offered to give an overview of the vision and values of the Trust, the governance arrangements and the responsibilities and expectations of the role. This has been further refined this year using feedback from trustees and the following sector best practice.

The appointment process is consistent, transparent and fair. Expressions of interest and CVs are requested and considered by the Executive Lead for Governance and Compliance and the Governance and Remuneration committee. Recommendations are passed to either Members for appointment under article 50 or the Trust Board under article 58.

Once appointed, trustees will receive information about their role and support from the executive. They are given the opportunity to link with existing trustees in similar roles and have access to training opportunities from governance, trust sector and education-based training platforms to improve their knowledge. Regular Trust-led presentations on key themes of Trust life are organised for Trust Board and Committee meetings. Statutory requirements for training are adhered to and evidenced.

Organisational Structure

The Trustees are charged with overall responsibility for the actions of the Trust and its constituent schools. The Board of Trustees retains the legal responsibility for all operations of the schools however an agreed Scheme of Delegation is in place with all member schools. This Scheme of Delegation identifies which powers are delegated to either the CEO, Executive, or school leaders, or Trust Board, committee or local governing committee within the governance structure.

The trustees are listed on page 1. There are 5 Members of the limited liability company, they are not trustees and are separately identified on page 1.

The Scheme of Delegation operates to ensure transparency and accountability. The Scheme of Delegation creates a script by which the trustees are able to fulfil their statutory duties, it allows timely and effective action by senior leaders and the trust board to work in partnership for the benefit of the objects of the organisation. The Scheme of Delegation is continually monitored and evaluated, it is approved annually by the Trust board and published on the Trust website.

The Trustees have devolved the day-to-day management of the Trust to the Executive Team, which is led by the Chief Executive. The CEO of the Trust holds the position of Accounting Officer and has overall responsibility for the day-to-day financial management of the Trust. The Executive team implements the policies laid down by the Trustees and reports back to them on these and the Trust's overall performance.

The Trust own a subsidiary company, Mowbray Education Trust Services LTD. Company Registration number 09757861 (England and Wales). Mowbray Education Trust owns the company outright. The primary function of this company is the delivery of preschool education from Oasis Preschool. The preschool is on adjacent ground to one of the Trust's primary schools and is able to support transition for often vulnerable families into statutory education. The Trust vision is that all children have the right to a first class education regardless of their starting points. Oasis Preschool gives children a chance at a better start to their school careers often from much lower starting points than their peers.

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, approving the annual statutory accounts, monitoring the Trust by the use of budgets and other data, and making the major decisions about the direction of the Trust, capital expenditure and staff appointments.

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The Board of Trustees normally meet 6 times each year. The Board of Trustees establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are 3 Committees of the Board of Trustees as follows:

- Governance and Remuneration
- Audit, Finance and Risk
- Quality of Education

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

There are 3 Local Governing Committees as follows:

- Local Governing Committee for Curriculum
- Local Governing Committee for Performance
- Local Governing Committee for Community

Each Committee has its own terms of reference detailing the responsibilities discharged to it. The Terms of Reference and all other governing documents can be viewed on the Trust website (www.mowbrayeducation.org).

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Trust and its committee structure;
- to appoint or remove the Chair and/or Vice Chair; and
- to appoint and/or consider the performance management of the Chief Executive officer.



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Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior management team to comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day-to-day basis. All Trustees give of their time freely and no Trustee received any remuneration in the current or prior year. Trustees are subject to the stipulations outlined in the Trustees Allowances and Expenses Policy, approved in July 2023. Details of Trustees' remuneration and expenses are disclosed in note 12 of the financial statements respectively.

Pay and remuneration for key management staff is set out in the Trust's pay policy which is reviewed regularly and ratified by Trustees. The pay policy sets out the framework for making decisions on all pay, including key management staff. The policy has been developed to comply with current legislation and the requirements of the School Teachers' Pay and Conditions Document (STPCD) and has been consulted on with staff and/or the recognised trade unions.

The pay policy underpins the Trust's Performance Management Policy which provides the opportunity for all staff to discuss their performance and development needs in relation to their job role and pay progression. Where eligible for pay progression, the recommendation made by the appraiser based on the assessment of their performance against the agreed objectives.

The remuneration of the CEO and Executive Team is considered by the Governance and Remuneration Committee for recommendation and then ratified by the Trust Board. At each pay review the benchmarking of similar roles in similar organisations is considered by the CEO – for the Executive team, and by the chair of trustees - for the CEO, and shared with members of the Governance and Remuneration committee to support recommendations.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	0.8

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	0
1%-50%	1
51%-99%	0
100%	0
Percentage of pay bill spent on facility time	
Total cost of facility time	£533.50
Total pay bill	£10,448,252
Percentage of total pay bill spent on facility time	0.005%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	100%
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Related Parties and Other Connected Charities and Organisations

The Trust is proud to work in partnership with its subsidiary company MET Services Limited (Company No. 09757861). MET Services LTD provides provision at Oasis Preschool for families in Melton Mowbray. The nursery has gained a strong reputation for delivering provision to disadvantaged children and those with Special Educational needs.

The nursery shares a site with one of the Trust's primary schools and together the settings work closely on curriculum development, this aids transition for pupils from nursery into mainstream education with an ambition to close some of the gaps in starting points for pupils.

Financial and educational performance oversight of Oasis is monitored by the MET Services LTD Board comprising of directors of the company, co-opted and parent contributors.



The ongoing collaboration of this organisation has ensured that it has grown from strength to strength providing a much-needed service for the community and future Trust pupils to give them the best start to their education careers regardless of their starting points. Any surplus arising on the activities of the subsidiary are ordinarily donated by way of gift aid to the Trust.

We recognise the importance of contributing to our local community and therefore welcome community use of all of our settings. The Grove Primary School hosts regular holiday clubs and sporting clubs for pupil participation. Iveshead School have community use of their swimming pool, grass and MUGA pitches and outdoor and indoor facilities including the theatre. John Ferneley College are able to let the MUGA and Sports Hall to multiple sports clubs, along with the Auditorium and Dance studio for clubs, instructors and community groups. Our schools are hubs of their communities, and we welcome that.

Engagement with Employees (including Disabled Persons)

All educational providers are navigating a post pandemic world, with a lack of any real data about how society has changed. In this context the Mowbray Education Trust recognises the crucial part that its settings play in building a sense of community back into society. Therefore, we are prioritizing the theme of belonging in all of our work. We see our key mission as ensuring that all staff students, pupils and wider stakeholders including trustees, members, local governance volunteers and communities feel strongly that they are part of a community with purpose.



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The trust recognises that its employees are its most important asset.

School and Executive leaders continuously seek feedback from employees in both formal structured and less formal ways, for example

Structured ways include;

- the use of staff surveys
- staff meetings
- anonymous feedback forms
- staff forums / focus groups
- line management meetings

Informal ways include

- conversations
- social events
- open door policy
- fostering transparent and psychologically safe working environments

Additionally, consultations on significant Trust and school matters are organised to give staff the opportunity to contribute and be involved in organisational developments and also raise concerns if needed. At the start of every academic year there is a trust wide series of vision sharing and professional development sessions across all Trust settings. The Trust CPD offer has been developed to provide opportunities for all employees and is informed by feedback from staff for their individual development needs as well as linking with school and Trust development plans. Finally, school staff are given the opportunity to speak with governance volunteers through their monitoring visit activities.

The Trust board also appoint link trustees to each school to oversee head teacher wellbeing.

The Trust has a variety of sources of external support from Local Authority and privately run support services to Occupational Health providers.

The Trust has a series of auditing opportunities and a schedule of review and quality assurance throughout the year on matters such as curriculum, safeguarding, health and safety and GDPR. The findings and action plans are shared with staff to drive improvement and development. A shared culture of ownership is encouraged across the schools and central team and celebrations are shared and applauded across the Trust. The monitoring of such activities is fed through the governance model for scrutiny.

The Trust's policy is to consult and discuss with employees, through unions, staff networks and at meetings, matters likely to affect employees' interests. Information about matters of concern to employees is given through information bulletins, reports and meetings which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the Trust's performance. During employment, the Trust seeks to work with employees, taking into account their personal circumstances, to ensure appropriate training, development and advanced employment opportunities are available to them to reach their full potential.

Mowbray Education Trust prides itself on being an inclusive environment for pupils and staff. Our recruitment, retention and development policy, ambition and culture do not discriminate against any protected characteristic. Applications for employment by disabled persons are always fully considered, bearing in mind

the aptitudes of the applicant concerned. New recruitment software and processes ensure that the impact of potential bias when shortlisting is minimised. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Trust continues and that the appropriate training is arranged. It is the Trust's policy that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust

In an increasingly challenging environment for all customers, suppliers and other stakeholders we recognise the need for understanding warmth and compassion in our relationships.

While we prioritise value for money, we aim to foster good working relationships with educational sector leaders in resourcing for the most effective tools for our pupils and students but also to support the local community and where appropriate establish working relationships with local suppliers and contractors too.

In order to fulfil our promise to best value, support our stakeholders and work effectively and ensure compliance, our Operations team are now reviewing contracts and services across the Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal objects of the Trust, as set out in its Articles of Association, are to:

1. to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum ("the mainstream Academies") or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum appropriate to the needs of its students ("the 16 to 19 Academies") or schools specially organised to make special educational provision for pupils with Special Educational Needs ("the Special Academies");
2. to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such 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 interests of social welfare and with the object of improving the condition of life of the said inhabitants.



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The key aims of the Trust during the year ended 31 August 2023 are summarised below:

The Trust have considered their community and by looking at the 'out of school' barriers, as well as 'in school' barriers we able to acknowledge that the aims for the Trust must encompass a desire to overcome barriers and build belonging. Research identifies that the single way to have the largest impact on a student's outcomes, is quality first teaching.

However, it is widely known that there is recruitment crisis both in terms of number and quality – particularly when we consider the additional excellence, we need to narrow gaps for disadvantaged children. It was also agreed that additional skills were needed by teachers to enable disengaged and disaffected young people with lower starting points, particularly in literacy, to make rapid progress.

So: it was determined that there would be a focus on the staff of the Trust to determine if it is already full of 'first class' teachers and would do we know? How many gaps are there and where are they? We also considered whether there is consistency about what we mean by 'first class' and the data we use to inform this?

1. Developing a shared understanding of what 'first class' is, with a consistency of definition within the team.
2. Recognising and celebrating 'first class' in our existing teams, against powerful and consistent metrics, and providing opportunities to develop them.
3. Attracting more 'first class' teachers to want to join schools in our trust.
4. Attracting more potential 'first class' teachers to join the profession.

Objectives, Strategies and Activities

Vision and Mission



Our mission:



The Trust is focused on providing a high quality and effective education for its pupils and students, following a broad and balanced curriculum and encouraging development of life skills over and above pure academic competence, in order to facilitate the transition to young adulthood.

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It also recognises its unique role in building a sense of belonging and of community in all young people and the wider community.

The key priorities and activities of the Trust for the year, were as follows:

1. Growth

- Build reputation as a 'Strong' trust
- Build relationships with Single Academy Trust and Local Authority Headteachers
- Transform MET into a sector leader nationally.
- Create and promote a strong and confident MET brand and build outward face and profile
- Prepare for growth opportunities
- Secure new free schools into trust

2. Identification of first-class teaching/ Ensuring value for money in classrooms

- Understand Results data
- Understand Reading ages data:
- Refine Predictions data:
- Quality of Teaching meetings
- Cost per lesson:
- ICFP metrics

3. Recruitment and retention of first-class teaching

- Identify where first class is in our trust and keep and develop them.
- Identify where first class is outside our trust and recruit them.
- Identify who could be first class in the future and develop them.
- Broker impactful support to Heads

Public Benefit

The Trust aims to advance for the public benefit education in Leicestershire and the surrounding area, offering a broad curriculum and an excellent education environment for its pupils. The Trust also allows use of its facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of that community. The details of the particular activities of the Trust during the year and how these have provided public benefit are detailed in the Achievements and Performance section below.

The Trustees confirm that they have complied with the duty in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.



STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The Trust is at a pivotal point in its journey, having successfully onboarded Iveshead school and, in June, being approved to sponsor a failing primary school it is clear that the Trust is recognised as having an important role in improving life chances for vulnerable young people. This year has marked a significant step change as it focuses on building its capacity in order to play its part in shaping the educational provision for the future.

Further growth appears likely as there is interest in the Trust's determination that school leaders need agency within a Multi academy trust context, therefore there is a priority to professionalise all aspects of our executive and central functions in preparation for further growth. This work has begun with a review of the executive team structure and is likely to lead to an investment in order to build capacity ahead of growth, as recommended by the Department for Education.

This runs simultaneously with supporting the immediate needs of our schools in managing an increasingly challenging environment. Our commitment to improving schools continues but with acknowledged increased barriers to this within the sector. Attendance rates are a national concern. The volume of parental complaints is identified as a national issue and deteriorating student, and pupil behaviour is adversely affecting many schools across the country. Mowbray Education Trust has supported its own settings to buck this trend by prioritising the message about belonging and supporting its headteachers to act courageously and confidently in these challenging circumstances. The Trust continues to prioritise students, and this has meant that executive team members have needed to work closely with schools in need. They do this unapologetically.

The Trust also recognises its part in sector improvement and is working to develop a model to retain the most talented school leaders within the sector at a time when many are choosing to leave.

During the course of this last year Ofsted has provided extremely positive validation about the Trusts impact in 3 of its primary schools.

Leaders are ambitious for the pupils. They seek opportunities for pupils to enrich their learning both in and beyond the classroom. SMB Nov 2022

Leaders and staff across the trust work together to ensure that all pupils achieve well. ABK Dec 2022



Leaders have positive working relationships with their staff. Leaders, including the trust, consider staffs workload and well being. Staff value being able to work with colleagues across the trust. ABK Dec 2022

Parents and staff speak very warmly about the many improvements that have taken place at the school. GRV Jan 23

Leaders have introduced a new approach to early reading and phonics. They have purchased new reading books and have ensured that all staff have received up to date training. GRV Jan 23

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Importantly, the Grove Primary school, which serves the most disadvantaged community in the Melton cluster achieved its first ever good Ofsted inspection. As a school that serves over 65% white, British, disadvantaged children this is a remarkable achievement and embodies the power of true collaboration that is harnessed within the Trust. This is a life changing achievement for the community it serves.

Simultaneously, Iveshead School joined the Trust in December 2022, as a school that was identified by Ofsted as Requires Improvement. It has received intensive support from the Trust team, internal metrics suggest that it is now Good, and this was validated by strong Summer results.



The Trust continues to evolve and to adapt to the ever-changing educational environment. The Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self evaluation, data analysis and action planning.

Key Performance Indicators

Like all Trusts, Key performance indicators are set out by our external stakeholders, and we take very seriously the performance of our schools in Ofsted inspections and Department for Education performance tables. However, we recognise that in a post pandemic world, key performance indicators are much broader than this. Additional to Ofsted and performance tables we hold ourselves to account for our impact on our communities and our leadership talent retention which we see as our contribution to the wider sector.

In the last 2 years all of our primary schools have been inspected and 100% have secured Good judgements. 40% have improved their rating since the last inspection.

Our performance data demonstrates the impact of the pandemic on our communities but also shows clearly the impact of the schools in reconnecting with young people. Our performance data shows consistently strong progress in primary schools. Secondary data demonstrates clearly the positive impact that the Trust has.

Trustees are mindful of the impact on outcomes for school with specialist units to support SEND pupils across the Trust. This is considered and discussed when evaluating the broader benefit the Trust is able to bring to pupils and students, and the wider community.

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Key Stage 2

		READING	WRITING	MATHS	COMBINED
National 2022(Not in primary performance tables)	EXS+ (Pupils reaching expected standard and above)	74%	69%	71%	59%
National 2023 (Published as first results since covid)		73%	71%	73%	59%

School	Cohort	GPS	Reading	Maths	Writing	RWM
Ab Kettleby	7	28	57	43	0	0
Brownlow	88	83	68	76	75	56
Grove	30	67	53	73	53	33
Sherard (all)	67	70	73	75	60	54
Sherard (no SP)	59	80	83	83	68	61
Somerby	7	86	86	71	86	71
MET	199	74	68	74	64	51
2023 National		72	73	73	71	59

Trustees are mindful of small school data and 1 pupil at Ab Kettleby being ill during the SATs. There was awareness of no significant downturn at Brownlow for combined as data with large cohort seen as on track.

Following due process trustee acknowledge that re-marks in all schools were not awarded in Reading: Reading audits have taken place and Trust Leading Lead is working through Network leaders.



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Key Stage 4

	Attainment 8	Progress 8	EBACC entry	EBAC APS	%4+ in English and Maths	%5+ in English and Maths
National 2019	46.7	0.0	40%	4.07	65%	43%
National 2022	48.8	0.0	39%	4.27	69%	50%
National 2023	46.2	0.0	40%	4.05	65%	45%
JFC 2019	49.7	0.01	74%	4.58	75%	49%
JFC 2022	50.2	-0.07	36%	4.37	78%	49%
JFC 2023	43.8	-0.47	23%	3.76	61%	42%
IVES 2019	42.9	-0.09	32%	3.82	61%	33%
IVES 2022	44.0	-0.16	86%	4.23	65%	35%
IVES 2023	43.6	-0.11	89%	4.20	65%	41%

Key Stage 5

Iveshead	APS per entry	Ave grade per entry	%AAB+ (with 2 facilitating)	% grade A+	% grade C+	L3 VA
2019	29.5	C	5.8%	11.9%	65.5%	0.05
2022	30.6	C	7.4%	12.9%	69.3%	N/A
2023	29.7	C	8.3%	14.7%	64.0%	N/A

The trustees and executive recognise that leadership retention in the sector is a significant concern for the future. The Trust is keen to support the sector for the future by actively retaining great leaders within it. Therefore, it is developing an innovative immersion programme to enable great leaders to transition into a Trust context.

Following the onboarding of Iveshead school a significant investment has been made in our school improvement model and as a result significant additional capacity has been created for a wide ranging training and development programme for all staff.



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The Trust uses a number of benchmarks or performance indicators to evaluate its financial performance and drive budgetary control and monitoring.

A key financial performance indicator for the Trust is the level of reserves held at the balance sheet date and, in particular, the amount of unrestricted reserves plus restricted income reserves at year end. At 31 August 2023, the balance of the unrestricted and restricted income reserves was £3,121,000 (2022: £2,599,000), which is after transfers of £161,000 to the restricted fixed asset fund to fund capital expenditure during the year. Further details on the level of reserves held by the Trust are set out in the Reserves Policy section below.

As the majority of the Trust's funding is based on pupil numbers, pupil numbers are also a key performance indicator. The pupil numbers at the most recent census were 3,303 which is an decrease of 27 from the previous census. Pupil numbers in the Trust have increased since the last trustees report due to the addition of Iveshead Secondary School in December 2022.

Staffing costs are another key performance indicator for the Trust and the percentage of total staff costs to total educational grant funding (being GAG funding plus other operating educational grants from the ESFA and/or Local Authority) for the year was 81.8% (2022: 77.7%), while the percentage of staff costs to total costs (excluding depreciation and LGPS FRS102 pension cost charges) was 79.7% (2022: 80.1%).



Going Concern

The recent increases in both energy costs and pay awards are predicted to continue to have significant impact on future financial performance and position of the Trust. Whilst the Trust's budget forecasts looking forward indicate the Trust has sufficient resources to pay its debts as and when they fall due, the Trust's senior management team continue to review all areas of funding and expenditure and to identify and implement, in consultation and agreement with the Trustees, actions to offset the impact of these unfunded cost increases and reduced funding going forward.

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FOR THE YEAR ENDED 31 AUGUST 2023(continued)

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

Promoting the Success of the Academy Trust

The Trustees have acted in the way which they consider, in good faith, promotes the success of the Trust for the benefit of its pupils and their parents, the Department for Education and the Education and Skills Funding Agency as principal funders and regulators, its suppliers and local wider school community as a whole, and in doing so have given regard to (amongst other matters):

Our educational business relationships and community

The Trust takes a service leadership approach in regard to its community it recognises its potential for transformative change both for individuals and its community. Alongside first-class teaching and its ambition to tackle social mobility it also works to support vulnerable families through network hubs, close working with local foodbanks and meeting direct need through breakfast clubs, hamper provision and other support.

This year support for our families and the wider community was recognised as a priority. Trust staff and leaders agreed that by supporting families' pupils would potentially encounter less turbulence in their lives out of school. This year has seen an increase in vulnerabilities in our stakeholder groups which inevitably impacts on the education of pupils, providing assistance to help pupils arrive at school ready to learn remains a high focus.

The Trust takes a similar approach to its estate recognising that it can serve its community through this. There has been continued uptake of community involvement in the 3G pitch development. This has benefited pupils from across the Trust and community members alike and would indicate long term benefits for our pupils, staff and community. Through the onboarding of Iveshead school we also understand the impact of the excellent facilities at the school that are extensively used by the community.

A return to enrichment activities by schools has also seen the increase of visits and trips which give our pupils a broader curriculum and all-important memorable experiences. School leaders recognise that these are more important in the rurally deprived areas we serve.

As an educational focused charitable organisation, public benefit is also at the heart of all we do. The details in the "Objectives and Activities" and "Achievements and Performance" section of the Trustees' report above provide full details of the impact of our activities and our achievements for the year.

The Trust is also committed to contributing towards combating the threat of global warming by using energy efficient measures to reduce CO2 emissions throughout its buildings, facilities and operations. The particular initiatives undertaken during the period to improve energy efficiency have been to investigate energy efficiencies and install electric car charging points to all new building work, to increase video and conferencing technology for staff and governance meetings, to reduce the need for travel between sites and offer flexible working where appropriate.

In addition, following the appointment of the Trust Estates Lead a cohesive approach to the estates requirements of the Trust is developing. A cross-Trust Health and Safety network will investigate the management of sustainability options for capital and estates projects.

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

Our stakeholders

In addition to our pupils, parents, suppliers and wider local community, the Trustees also recognise the importance of their relationship with the Department for Education (DfE) and the Education and Skills Funding Agency (ESFA), as principal funders, regulators and stakeholders. The Trustees are committed to the effective engagement with the DfE and the ESFA (and their representatives) and recognise that its success depends on the Trustees and senior management's ability to engage with them effectively and to work with them constructively, taking into account their guidance and best practice initiatives, whilst also working in line with the specific requirements of the Trust's funding agreement and the Academy Trust Handbook.

Our people

The Trust's key asset is its people. It employs over 500 staff, including agency workers, and it is only through the combined effort of this workforce, together with our supporters and volunteers, that we can change the lives of the children under our care. The Trust encourages the involvement of all employees in decision making processes that impact on them directly and further details on our engagement with our people is detailed in the "Engagement with Employees (including Disabled Persons)" section of the Trustees' report above.

The trust has focused on improving the capacity of the Central team in order to deliver high quality services to schools and support the growth of the Trust. Central team staff are given the opportunities to further develop in their area of expertise.

With a highly committed and dedicated workforce, the Trust takes great pride in listening to what our pupils, parents and local community want and continues to provide the level of education outcomes and results that they have come to expect. The Trust continues to evolve and to adapt to the ever-changing educational environment, leading to the continued increase in the awareness of the Trust's overall activities and educational performance.

Our Members

The Trustees are committed to and openly engaged with our Members through regular and effective dialogue with them at termly meetings, including an Annual General Meeting. The Members are actively engaged in understanding our strategy and vision for the future, our culture and ethos, our people and our educational performance and standards.

Maintaining a reputation for high standards

The Trust has been in existence for 9 years as Mowbray Education Trust, and is committed to continual improvement, which it achieves in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning. The Trust also continually develops strategies to maintain and grow its pupil base, including looking for new schools and academies to join the Trust, and further improve relationships with our suppliers. The information in the "Achievements and Performance" section of the Trustees' report above provide full details of our achievements during the year and the standards of educational performance we have achieved for all our stakeholders.

With respect to suppliers, the Trust's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal commercial practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.



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FOR THE YEAR ENDED 31 AUGUST 2023(continued)

FINANCIAL REVIEW

This set of accounts lays out the financial performance for the Trust for the year ended 31 August 2023. Funding is primarily received through the Funding Agreements agreed with the Secretary of State for each school within the Trust. This funding is based upon the number of students on each school's roll and is restricted for expenditure solely on the purposes of meeting the terms of the Funding Agreement. Funding is lagged for 12 months.

The Trust Board has oversight of all financial reports and it is the view of this Board that expenditure has been prudent and managed in accordance with the Trust's financial procedures and policies. During the year attention has been bought to mitigating increased costs of utilities and unfunded staffing costs. The Trust is also building on the work of last year to continue to maintain an efficient supplier list, to source best value in the context of rising supply costs whilst still attempting to support local businesses and its community.

For the year ended 31 August 2023, the Trust's total income (excluding capital grants and the net assets transferred on conversion) was £20,415,000 (2022: £14,756,000) while the total expenditure (excluding depreciation and LGPS FRS102 pension cost charges) was £20,036,000 (2022: £13,840,000), resulting in a net operating surplus for the year of £379,000 (2022: £916,000).

After transfers from reserves to fund capital expenditure in the year, the balance of reserves at 31 August 2023, excluding the restricted fixed asset funds and LGPS liability fund was £3 121,000.

The net book value of fixed assets at 31 August 2023 were £34,278,000. The fixed assets held by the Trust are used exclusively for providing education and associated support services to the pupils of the Trust.

Following the conversion of Iveshead school into the Trust, land, buildings, other assets and the LGPS deficit were transferred to the Trust. The total value of these net assets transferred, as included in the Statement of Financial Activities, were £7,516,000. The details of the net assets transferred and the basis of their valuations are set out in Note 26 to the financial statements.

Included within the Trust's balance sheet at year end is a defined benefit pension scheme liability of £1,259,000 (2022: £683,000), which arises from the deficit in the Local Government Pension Scheme ("LGPS") that is attributable to the schools. Further details regarding the deficit in the LGPS at 31 August 2023 and the basis on which this has been recognised in the financial statements are set out in note 28 to the financial statements.

The key financial policies reviewed and adopted during the period included the Financial Regulations Policies and Manual, which lays out the framework for the Trust's financial management, including financial responsibilities of the Board of Trustees, CEO, managers, budget holders and other staff, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Anti-Fraud and Bribery, Charging and Remissions, Expenses, Trustees allowances and expenses and Pay Policy.

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review. Following a proposed change this year the Trustees have determined that the appropriate level of operating reserves should be approximately 1.5 months of operating costs. The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term staff absences.

Mowbray Education Trust Limited
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023(continued)

The Trust's current level of operating reserves at 31 August 2023 is £3,121,000 (2022: £2,599,000), which is made up of restricted income reserves of £1,333,000 (2022: £1,545,000) and unrestricted funds of £1,788,000 (2022: £1,054,000). Although the current level of operating reserves is above the target level identified above, the Trustees expectation is that these reserves will be utilised over the next few years to fund the ongoing development of the Trust, including the need to fund ongoing pay increases and energy cost increases across the sector and the need to fund ongoing capital projects and developments.

The value of the restricted fixed asset fund at 31 August 2023 is £34,324,000 (2022: £23,810,000), which is represented by the fixed assets that are used exclusively for providing education and associated support services to the pupils of the Trust, and the balance of unspent capital grants to be used on future capital expenditure. These funds can only be realised by disposing of the associated tangible fixed assets or by utilising the amounts of unspent capital grants in line with the terms and conditions of those grants.

The pension reserve fund has a deficit balance at 31 August 2023 of £1,259,000, which represents the deficit in the LGPS at the balance sheet date. The effect of this deficit position is that Trust is required to make additional pension contributions over a number of years in order to fund the deficit. These additional pension contributions will be funded from the Trust's annual recurring income, which may significantly impact its ability to continue to deliver its educational outcomes with the available public funding it receives. The Trustees have noted however that the Government has provided a guarantee that in the event of a school closure, any outstanding LGPS liabilities would be met by the Department for Education.



Investment Policy

The Trustees have approved an Investment Policy that ensures reserves are invested in an appropriate manner with due regard to return and risk. It is the policy of the Trust that reserves be invested in approved investment vehicles but should not be fixed for longer than twelve months. The Trustees receive regular reports as to the performance of any investments made by the Trust.

Principal Risks and Uncertainties

The Trustees take seriously their responsibility to manage all risks pertaining to the organisation to safeguard the future security of the Trust. To this end the Trustees seek to ensure that the Trust retains ongoing oversight of operational and strategic and financial risks through the Executive, the Audit, Finance and Risk committee and Trust Board.

Principal Risks and Uncertainties (continued)

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FOR THE YEAR ENDED 31 AUGUST 2023(continued)

The Board are informed of material and reputational risk factors through the review and update of the Trust Risk Register. The Board are informed of financial risk through the termly reporting by the Executive.

The Risk Management strategy was reviewed and approved in 2023 to improve executive oversight, to enable risk owners more confidence in reporting and mitigation of risk in their field and to build a positive culture around risk identification and management.

The Trustees have assessed the major risks to which the Trust is exposed, especially in the operational areas, such as teaching, health & safety, safeguarding and school trips, and in relation to the control of finances and strategic development of the Trust. Systems are in place, including operational procedures and internal financial controls in order to minimise risk and an agreed Risk Management Strategy and Risk Management Plan, which incorporates a Risk Register is maintained.

The Risk Management Plan is constantly reviewed by the executive team at the Trust, and the Audit, Finance and Risk committee in light of any new information and formally reviewed twice a year.

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

Educational

The continuing success of the Trust is dependent on continuing to attract pupil applicants in sufficient numbers by maintaining the highest educational standards across all key stages. To mitigate this risk, the Trustees ensure that pupil success and achievement are closely monitored and reviewed, with corrective actions embedded at an early stage, and that relationships and partnerships with parents, the local community and other organisations and groups are maintained and are effective in producing a cohesive and supportive community.

This year has seen turbulence for families and the community from the impact as associated with post covid return and the cost of living crisis. The Executive team has regularly updated the board on financial and social implications and recognised the work of the Trust in future proofing resources to support the ongoing need of pupils.

Safeguarding and child protection

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

Policies are reviewed and approved regularly, and audits undertaken to maintain awareness and good practice.

Financial

The Board manages its financial risk exposure to credit, cashflow and liquidity risks actively through the Chief Financial Officer and through oversight by the Finance, Audit and Risk Committee. The Board has approved an investment policy that directs investment of cash held into suitable investment vehicles restricted solely to those vehicles offered as cash deposit accounts. Trade debtors are minimal in value and in principle, payment in advance is sought from all debtors to minimise risk of bad debt. Credit extended to the Trust from suppliers is used and where appropriate, the Trust seeks to support small local suppliers through prompt payment of invoices.

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

The Trust has considerable reliance on continued Government funding through the ESFA (and Local Authority). In the year, approximately 95.6% of the Trust's operating income was ultimately Government funded. Whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms, particularly considering continuing cost pressures facing the sector.

Continuing increases in employment costs, including unfunded pay increases and pension costs associated with both the Teachers' Pension Scheme and the Local Government Pension Scheme, and premises costs, including the significant impact of energy cost increases, will also continue to place significant pressure on the Trust's financial position and its ability to deliver balance budgets in the future.

The Trustees examine the financial health of the Trust formally every half term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trust Board meetings and Audit, Finance and Risk committee meetings. The CFO meets monthly with the chair of Trustees and the Chair of the Audit, Finance and Risk committee to review the monthly management accounts.

At the balance sheet date, the Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Trust's liquidity.

The Trustees recognise that the LGPS deficit at 31 August 2023 represents a significant potential liability to the Trust. However, as the Trustees consider the Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is considered to be low. The Trustees have noted however that the Government has provided a guarantee that in the event of a school closure, any outstanding LGPS liabilities would be met by the Department for Education.



Estates

Trustees look to ensure that the importance of health and safety of students, staff and visitors is considered a top priority in its schools. Health and safety policies and procedures are in place, with independent reviews and support from specialist external advisors from the Local Authority, and all staff complete online health and safety training annually.

Financial spending decisions are made by the Trust, for instance in investment in the school property, in order to ensure the site condition is safe and fit for purpose. These decisions are made in collaboration with the Trust Estates Lead and Executive leaders.

The Trust has a Health and Safety network in place and the Trust's Audit, Finance and Risk Committee oversee their activity. The Trust has appointed a link trustee to report to the committee and Trust Board on matters of Health and Safety. The Audit, Finance and Risk committee ensure that health and safety is always a factor in its decision making.

Staffing

The success of the Trust is reliant on the quality of its staff, so the trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

The recruitment of suitably qualified and experienced staff has been a particular challenge reported to the Trust Board this year. Although the Trust has had a successful year in recruitment, the secondary schools have had to carry some vacancies for specialist teachers in shortage areas. Agency staff have been used where required but trustees are mindful of the high cost involved which have had an adverse impact on the Trust's financial results. Recruitment and succession planning is integral to the Trust's planning and the Executive Lead for People and Development has led in the recruitment and selection of all staff and the Trust has continued to successfully undertake permanent recruitment to vacant posts during the period. The Executive Lead for People and Development has reported to the Audit, Finance and Risk committee every term on the progress of the Trust recruitment and retention strategy, highlighting the development of talented teachers and aspiring leaders across the Trust and future teachers from training and university collaborations.

Failures in governance and / or management

The risk in this area arises from the potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure appropriate measures are in place to mitigate these risks, which includes those relating to fraud and mismanagement of funds. The risk management and internal controls processes are scrutinised by the Audit, Finance and Risk committee and reviewed by the Trust board for assurance and challenge. Following a communication from the ESFA, the Trust have been working to provide reassurance that all appropriate processes are in place and compliances met.

Fraud and mismanagement of funds

The Trust has engaged Wright Vigar, Alexandra House, 43 Alexandra Street, Nottingham NG5 1AY to perform a program of work aimed at checking and reviewing the financial and non-financial systems and records as required by the Academies Trust Handbook. The areas covered in 2022-23 were Income, Payroll and Cyber Security.

All finance staff receive training to keep them up to date with financial practice requirements and to develop their skills in this area.

This year has seen turbulence for families and the community from the impact as associated with post covid return and the cost-of-living crisis. The Executive team has regularly updated the board on financial and social implications and recognised the work of the Trust in future proofing resources to support the ongoing need of pupils.

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TRUSTEES' REPORT
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Fundraising

The Trust has not undertaken any material fundraising activities during the year ended 31 August 2023.



Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data	2023	2022
Energy consumption used to calculate emissions (kwh)	4,166,436kWh	964,559kWh
Energy consumption break down (kwh)		
• gas	2,776,259	
• electricity	1,373,143	
• transport fuel	17,034	
<u>Scope 1 emissions in metric tonnes CO2e</u>		
Gas consumption	50.69	42.86
Owned transport – mini-buses	1.23	1.21
Total scope 1	51.92	44.07
<u>Scope 2 emissions in metric tonnes CO2e</u>		
Purchased electricity	284.34	141.02
<u>Scope 3 emissions in metric tonnes CO2e</u>		
Business travel in employee owned vehicles	3.98	1.08
Total gross emissions in metric tonnes CO2e	340.24	186.18
<u>Intensity ratio</u>		
Tonnes CO2e per pupil	0.10	0.08

Quantification and reporting methodology:

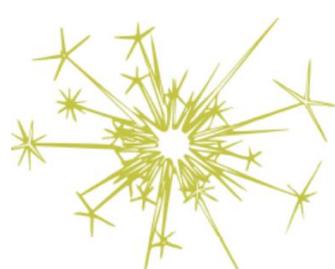
We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2023 UK Government’s Conversion Factors for Company Reporting.

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Measures taken to improve energy efficiency.

We have increased video conferencing technology for staff meetings, to reduce the need for travel between sites.



PLANS FOR FUTURE PERIODS

The Executive team recognise that to be seen and heard in the current educational climate and to insulate pupils and students education the Trust can provide support and sustainability. This would include opportunities to:

- Retain the best staff,
- Create an entire career in one trust,
- Increase resources and efficiencies,
- Further develop high performing teams,
- Increase specialism and expertise,
- Create a sector presence,
- To contribute to the improvement of the sector.

The Trust's plans for future periods are:

- **Growth**

Following the conversion of 1 secondary school in 2022-23 the Trust is considering further opportunities for growth. The growth strategy is regularly reviewed and relationships are built with schools who have an alignment of values with those of the Trust. We can enable this by:

- Protecting our track record
- Supporting schools/leaders
- Building Trust profile
- Winning competitive bids

- **People**

Following a successful start to the recruitment and retention strategy continued focus will ensure educational and organisational standards will be maintained and raised. Focus will include:

- Retention
- Well-being
- Training and development
- Career development support
- Recruitment

- **Financial Efficiency**

Whilst ensuring that the organisation remains fiscally shored, it has be acknowledged that financial assurance remains a top priority. With increased cost of staff, services, premises and contracts and uncertainty in equivalent funding increases the Trust want to focus on the funding delivering maximum possible impact at all times by:

- Improving experience for pupils but spending less
- Refining meetings for school and executive leaders to review staffing impact and cost
- Innovation to find efficiencies
- Strategic financial planning
- Continuing to buck the national trend
- Contribute learning to the sector
- Fund finding

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FOR THE YEAR ENDED 31 AUGUST 2023(continued)

- **Purpose**

Working in Trusts is an evolving picture and the sector is maturing around us. By consolidating the knowledge and leaning on our own learning the Trust can contribute. Seeking a holistic view of what education and educational establishments now offer will strengthen the offer of the Trust for pupils and their families and support other educational settings too. The Trust aims to focus on the following:

- Courageous leadership
- Seeking ways to thrive in an inhospitable climate
- Continuing to create the blue-print for trusts
- Commenting on the important issues
- Analysis and research: Complaints; SARs; GDPR

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and its Trustees do not act as Custodian Trustees of any other charity.

The Trust does however hold Post 16 Bursary Funds on behalf of the ESFA, which are distributed to students as required and in line with the terms and conditions of the funds.

DISCLOSURE OF INFORMATION TO AUDITORS

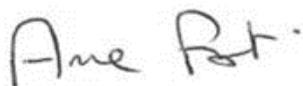
In so far as the Trustees are aware:

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

AUDITORS

The auditors, Cooper Parry Group Limited, have indicated their willingness to continue in office and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 19th December 2023 and signed on its behalf by:



.....
Anne Frost
Chair of Trustees



GOVERNANCE STATEMENT

Scope of Responsibility

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

As Trustees, we have reviewed at Trust Board sessions and in periodic Trust governance reports and have taken account of the guidance in DfE's Governance Handbook and Competency Framework for Governance.

The Board of Trustees has delegated the day-to-day responsibility to the CEO, 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 Mowbray Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.



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GOVERNANCE REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

Governance

The information on governance included here supplements that information that is described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 8 times during the year ended 31 August 2023. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible	%
Marianne Chadwick	5	8	63%
Ian Connerton	6	8	75%
Anne Frost	8	8	100%
Wayne Hickling	7	8	88%
Debbie Mogg	8	8	100%
Tendai Mutambirwa	6	8	75%
Drew Richardson-Walsh	7	8	88%
Kcarrie Valentine	5	8	63%
Ffyona Baker	4	5	80%
Natasha Garraway-Charles	4	5	80%
Alison Riggall	3	3	100%
Jo Unwin	3	3	100%
Linda Arnold	1	2	50%
Andrew Harris	4	6	66%
Debbie Longley-Brown	1	3	33%
Adam Brewster	1	2	50%
Stuart Hill	1	1	100%
Siobhan Connolly	0	1	0%

During the year ended 31 August 2023, the Board of Trustees reviewed the Trust's governance structure in order to evaluate its impact and effectiveness, and this included undertaking a skills audit. While the Board of Trustees has a wide range of skills that contribute to the successful governance of the Trust, the skills audit identified some gaps in specific skills and as a result, additional Trustees were recruited during the year to further add to the effective governance of the Trust. Further skills for recruitment are SEND and primary leadership. Charing skills are also sought to provide opportunities for succession planning.

Governance Reviews

An extremely positive external review of governance was undertaken this year. The review was underpinned by the Competency Framework for Governance published by the Department for Education and specifically considered strategic governance, leadership and direction as well as the impact and effectiveness of governance. Action points including strengthening stakeholder engagement and feedback and succession planning have been added to the governance improvement action plan populated from the self-evaluation process undertaken by the Trust board on a biannual basis. Trustees are reflective in their approach to governance and proactive in actioning improvements.

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GOVERNANCE REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

The Board of Trustees met 8 times during the year, they have maintained effective financial oversight and governance through the formal work undertaken by the Audit, Finance and Risk and Governance and Remuneration Committees. These are sub-Committees of the Board of Trustees and they met 5 and 4 times respectively during the year.

The responsibilities of and work undertaken by these sub-Committees are detailed further below. The minutes of these sub-Committee meetings are provided to the full Board of Trustees and the Chairs of these sub-Committees report to each full Board of Trustee meeting on the key matters considered at their meetings and the impact for consideration by the full Board of Trustees.



Conflicts of Interest

The Trust has a Conflicts of Interest statement in place, which is regularly reviewed and updated by management and the Board of Trustees. This statement is communicated to all Members, Trustees, Local Governing committee members and employees of the Trust and all Members, Trustees, Local Governing committee members and senior leadership team employees are required to confirm they have read the Conflicts of Interest statement on annual basis.

In line with the statement, all Members, Trustees, Local Governing committee members and senior leadership team employees are required to complete a declaration of any business or pecuniary interests on an annual basis or, in the case of individuals taking up these roles during the year, at the point of taking up their role. A register of interests is then maintained by the Executive Lead for Governance and Compliance, which is reviewed at the start of each Board of Trustee meeting and also available to the Trust's finance and operations team for monitoring in relation to any transactions with any organisations in which interests have been declared. Any transactions with organisations in which any interests have been declared are reported to the Board of Trustees in advance of the transactions, so that formal approval can be provided by the Board where the transaction is considered appropriate and formal notification to the ESFA can then be made, including where relevant, seeking pre-approval.

In relation to the activities of the Trust's subsidiary company, Mowbray Education Trust Services LTD, the company has its own Board of Directors which consists of Directors appointed by the Trust and independently appointed members. Where any decisions are considered by the Board of the Mowbray Education Trust Services LTD, Directors of which present a potential conflict of interest with the Trust and its Board of Trustees, the Trust appointed Directors are excluded from the discussions and decision-making process.

Audit, Finance and Risk Committee

The Audit, Finance and Risk Committee is a sub-Committee of the Board of Trustees. Its purpose is to provide oversight, guidance and assistance to the Board of Trustees on all matters related to finance, resources, premises and Health & Safety of the Trust. This Committee also acts as the Trust's Audit Committee, where its purpose is to maintain an oversight of the Trust's governance, risk management, internal control and value for money framework.

Attendance at meetings of the Finance Committee during the year was as follows:

Trustee	Meetings attended	Out of a possible
Marianne Chadwick	5	5
Natasha Garraway-Charles	3	5
Debbie Mogg	5	5
Tendai Mutambirwa	5	5

The key issues dealt with by the Audit, Finance and Risk Committee during the year was the increased staffing and running costs across the Trust, the oversight of Conditional Funding projects and Local Authority supported expansion projects for secondary. The committee challenged the Trust's 3-year financial forecasts and the actions required to address the impact of increased cost pressures expected over this forecast period. The committee have maintained oversight of the audit process and reviewed the areas for scrutiny. Financial and non-financial areas have been presented for assurance and impact.

Review of Value for Money

As Accounting Officer, the CEO 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, as well as estates safety and management, 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 period, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate. The Accounting Officer for the Trust has delivered value for money during the year by:

- Sourcing a DfE approved framework for energy to be adopted across the Trust.
- Bringing provision of cleaning services in house to prevent waste and inefficiencies through using third party provider.
- Refining the preferred supplier list for Estates contracts and suppliers and co ordinating spends across the trust with the Trust Estates Lead for further efficiencies.
- Long term planning for cost effective and energy efficient printing solution implemented for Autumn 2023
- Curriculum, assessment and school communication packages purchased across the trust for best value.
- The Trust Estates Lead has co-ordinated the support of Local Authority arrangements to ensure compliance and health and safety requirements are met across the Trust.

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 ongoing process designed to identify and prioritise the risks to the achievement of the Trust's 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 at Mowbray Education Trust for the period from 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

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



The Risk and Control Framework

The 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 regular monthly financial reports which are reviewed and agreed by the trustees.
- regular reviews by the Audit, Finance and Risk 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.

Mowbray Education Trust Limited
(A company limited by guarantee)
GOVERNANCE REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2023

The Board of Trustees has decided to buy-in an internal audit service from Wright Vigar. This option has been chosen as, given the current structure of the Trust, the Board of Trustees believe this provides a robust and best value approach to providing assurance that the Trust's financial and non-financial controls and risk management procedures are operating effectively.

The internal auditor's role includes offering advice and insight to the Board of Trustees on how to address weaknesses in financial and non-financial controls as well as evaluating the suitability of, and level of compliance with, financial and non-financial controls. This includes assessing whether procedures are effective and efficient, and checking whether agreed controls and procedures have been followed. The

internal auditors have undertaken three focused reviews during the year and the scope of work included Income, Payroll and Cyber Security.

On a termly basis, internal audit reports are submitted to the Audit, Finance and Risk Committee for scrutiny, the findings of these reports are in turn reported to the Board of Trustees. On the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities the internal auditor annually prepares an annual summary report to the Committee outlining the areas reviewed, key findings, recommendations and conclusions to help the Committee consider actions and assess year on year progress.

The internal auditor has delivered their program of work during the year ended 31 August 2023 as planned and no significant internal control weaknesses were identified from the work completed. The Executive are requested to update the committee on progress against any actions arising from the reports in future meetings.

Review of Effectiveness

As Accounting Officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year ended 31 August 2023 the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process, including the School Resource Management Self-Assessment Tool;
- the work of the executive team within the Trust who have responsibility for the development and maintenance of the internal control framework; and
- Correspondence from the ESFA, including the 'minded to' letter issued on 28th March 2023.

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

Approved by order of the Board of Trustees on 19th December 2023 and signed on its behalf by:

Anne Frost

Christine Stansfield

.....
Anne Frost
Chair of Trustees

.....
Christine Stansfield
Accounting Officer



MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

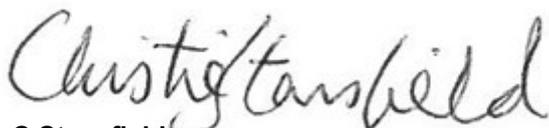
As accounting officer of Mowbray Education Trust Limited I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for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

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

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the Board of Trustees and ESFA. If any instances are identified after the date of this statement, these will be notified to the Board of Trustees and ESFA:

Matter 1:

The trust was awarded a number of 2022-23 Condition Improvement Fund (CIF) projects during the previous year and at the same time was awaiting the outcome of the School Rebuilding Programme (SRP). Whilst awaiting the outcome of the SRP, the trust commenced works on the 2022-23 CIF projects which the ESFA subsequently notified through a warning letter issued on 28 March 2023 that trust was in breach of the terms of the CIF awards and hence the requirements of the Academy Trust Handbook. The warning letter from the ESFA imposed several conditions on the trust in relation to the provision of information to the ESFA for the period from April 2023 to the date of this report. To date, the trust has complied with all of the conditions set out by the ESFA. Following the further investigation by the ESFA in relation to this matter, the ESFA concluded that certain expenditure for time extensions due to bad weather had not been submitted for prior approval that therefore was considered ineligible expenditure and as such considered the trust to have been in breach of the terms of the CIF funding and the Academy Trust Handbook. The trust has subsequently repaid an amount of £23,302 to the ESFA. The trust has submitted all information requested from the ESFA and are awaiting a response regarding a query about further expenditure of £10,364.



C Stansfield

Accounting Officer

Date: 19 December 2023

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

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

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

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

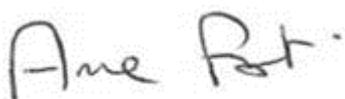
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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



A Frost

Chair of Trustees

Date: 19 December 2023

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOWBRAY EDUCATION TRUST LIMITED

Opinion

We have audited the financial statements of Mowbray Education Trust Limited (the 'parent Academy Trust') and its subsidiaries (the 'Group') for the year ended 31 August 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Academy Trust balance sheet, the Consolidated 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 Group's and of the parent Academy Trust's affairs as at 31 August 2023 and of the Group's 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOWBRAY EDUCATION TRUST LIMITED (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF MOWBRAY EDUCATION TRUST LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

Our assessment focussed on key laws and regulations the Academy Trust has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, Charities Act 2011, the Academies Trust Handbook 2022, the Academies Accounts Direction 2022 to 2023, taxation legislation, data protection, anti-bribery and employment legislation.

We are not responsible for preventing irregularities, including fraud. Our approach to detecting irregularities, including fraud, included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the Academy Trust and how the Academy Trust is complying with that framework, including agreement of financial statement disclosures to underlying documentation and other evidence;
- obtaining an understanding of the Academy Trust's control environment and how the Academy Trust has applied relevant control procedures, through discussions with Trustees and other management and by reviewing the reports on the internal scrutiny work commissioned by the trust in relation to the year and by performing walkthrough testing over key areas;
- obtaining an understanding of the Academy Trust's risk assessment process, including the risk of fraud;
- reviewing meeting minutes of those charged with governance throughout the year; and
- performing audit testing to address the risk of management override of controls, including testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Whilst considering how our audit work addressed the detection of irregularities, we also considered the likelihood of detection of fraud based on our approach. Irregularities arising from fraud are inherently more difficult to detect than those arising from error.

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

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

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MOWBRAY EDUCATION TRUST LIMITED (CONTINUED)**

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

Use of our report

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

A handwritten signature in black ink that reads "Cooper Parry Group Limited". The signature is written in a cursive style and is positioned above the printed name of the auditor.

Simon Atkins FCA (Senior statutory auditor)

for and on behalf of

Cooper Parry Group Limited

Statutory Auditor

Cubo Birmingham

Office 401, 3rd Floor

Two Chamberlain Square

Birmingham

B3 3AX

Date: 21 December 2023

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 26 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 Mowbray Education Trust Limited 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 Mowbray Education Trust Limited and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Mowbray Education Trust Limited 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 Mowbray Education Trust Limited and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Mowbray Education Trust Limited's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Mowbray Education Trust Limited's funding agreement with the Secretary of State for Education dated 24 January 2013 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw our conclusions included:

- Reviewing the internal control policies and procedures implemented by the Academy Trust and evaluating their design and effectiveness to understand how the Academy Trust has complied with the framework of authorities, including reviewing the reports on the internal scrutiny work commissioned by the Academy Trust in relation to the year.
- Reviewing the minutes of meetings of the Trustees, relevant sub-committees and other evidence made available to us, relevant to our consideration of regularity;
- Enquiries of the Accounting Officer, including reviewing the work undertaken by the Accounting Officer in relation to their Statement on Regularity, Propriety and Compliance; and

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

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

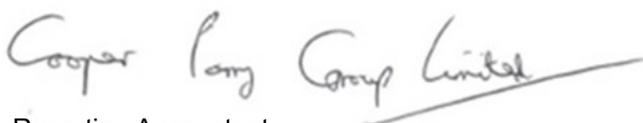
- Detailed testing of the income and expenditure of the Academy Trust based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit of the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

Conclusion

In the course of our work, except for the matters listed below 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.

Matter 1:

The trust was awarded a number of 2022-23 Condition Improvement Fund (CIF) projects during the previous year and at the same time was awaiting the outcome of the School Rebuilding Programme (SRP). Whilst awaiting the outcome of the SRP, the trust commenced works on the 2022-23 CIF projects which the ESFA subsequently notified through a warning letter issued on 28 March 2023 that trust was in breach of the terms of the CIF awards and hence the requirements of the Academy Trust Handbook. The warning letter from the ESFA imposed several conditions on the trust in relation to the provision of information to the ESFA for the period from April 2023 to the date of this report. To date, the trust has complied with all of the conditions set out by the ESFA. Following the further investigation by the ESFA in relation to this matter, the ESFA concluded that certain expenditure for time extensions due to bad weather had not been submitted for prior approval that therefore was considered ineligible expenditure and as such considered the trust to have been in breach of the terms of the CIF funding and the Academy Trust Handbook. The trust has subsequently repaid an amount of £23,302 to the ESFA. The trust has submitted all information requested from the ESFA and are awaiting a response regarding a query about further expenditure of £10,364.



Reporting Accountant
Cooper Parry Group Limited
Statutory Auditor

Date: 21 December 2023

MOWBRAY EDUCATION TRUST LIMITED
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants:	3					
Transfer from Local Authority on conversion		304	(3,328)	10,540	7,516	-
Other donations and capital grants		10	-	989	999	1,596
Other trading activities	5	870	-	-	870	492
Investments	6	23	-	-	23	1
Charitable activities	4	-	19,512	-	19,512	14,248
Total income		<u>1,207</u>	<u>16,184</u>	<u>11,529</u>	<u>28,920</u>	<u>16,337</u>
Expenditure on:						
Charitable activities	7,8	481	19,770	1,176	21,427	15,900
Total expenditure	7,8	<u>481</u>	<u>19,770</u>	<u>1,176</u>	<u>21,427</u>	<u>15,900</u>
Net income/(expenditure)		726	(3,586)	10,353	7,493	437
Fund transfers	19	8	(169)	161	-	-
Net movement in funds before other recognised gains		<u>734</u>	<u>(3,755)</u>	<u>10,514</u>	<u>7,493</u>	<u>437</u>
Other recognised gains:						
Actuarial gains	28	-	2,967	-	2,967	9,161
Net movement in funds		<u>734</u>	<u>(788)</u>	<u>10,514</u>	<u>10,460</u>	<u>9,598</u>
Reconciliation of funds:						
Funds brought forward		1,054	862	23,810	25,726	16,128
Net movement in funds		734	(788)	10,514	10,460	9,598
Total funds carried forward	19	<u>1,788</u>	<u>74</u>	<u>34,324</u>	<u>36,186</u>	<u>25,726</u>

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

The notes on pages 46 to 78 form part of these financial statements.

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 07796947

**CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	34,278	23,312
		<u>34,278</u>	<u>23,312</u>
Current assets			
Debtors	16	827	1,646
Cash at bank and in hand		4,965	3,762
		<u>5,792</u>	<u>5,408</u>
Creditors: amounts falling due within one year	17	(2,551)	(2,218)
Net current assets		<u>3,241</u>	<u>3,190</u>
Total assets less current liabilities		<u>37,519</u>	<u>26,502</u>
Creditors: amounts falling due after more than one year	18	(74)	(93)
Net assets excluding pension liability		<u>37,445</u>	<u>26,409</u>
Defined benefit pension scheme liability	28	(1,259)	(683)
Total net assets		<u><u>36,186</u></u>	<u><u>25,726</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	34,324	23,810
Restricted income funds	19	1,333	1,545
		<u>35,657</u>	<u>25,355</u>
Restricted funds excluding pension asset			
Pension reserve	19	(1,259)	(683)
Total restricted funds		<u>34,398</u>	<u>24,672</u>
Unrestricted income funds	19	1,788	1,054
Total funds		<u><u>36,186</u></u>	<u><u>25,726</u></u>

The financial statements on pages 41 to 78 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



A Frost

Chair of Trustees

Date: 19 December 2023

The notes on pages 46 to 78 form part of these financial statements.

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 07796947

**ACADEMY TRUST BALANCE SHEET
AS AT 31 AUGUST 2023**

	Note	2023 £000	2022 £000
Fixed assets			
Tangible assets	14	34,264	23,299
Investments	15	-	-
		<u>34,264</u>	<u>23,299</u>
Current assets			
Debtors	16	821	1,607
Cash at bank and in hand		4,915	3,715
		<u>5,736</u>	<u>5,322</u>
Creditors: amounts falling due within one year	17	(2,537)	(2,196)
		<u>3,199</u>	<u>3,126</u>
Net current assets		<u>3,199</u>	<u>3,126</u>
Total assets less current liabilities		<u>37,463</u>	<u>26,425</u>
Creditors: amounts falling due after more than one year	18	(74)	(93)
Net assets excluding pension liability		<u>37,389</u>	<u>26,332</u>
Defined benefit pension scheme liability	28	(1,259)	(683)
Total net assets		<u><u>36,130</u></u>	<u><u>25,649</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	34,324	23,810
Restricted income funds	19	1,291	1,534
		<u>35,615</u>	<u>25,344</u>
Restricted funds excluding pension liability			
Pension reserve	19	(1,259)	(683)
Total restricted funds		<u>34,356</u>	<u>24,661</u>
Unrestricted income funds			
Unrestricted funds excluding pension asset	19	1,774	988
Total unrestricted income funds		<u>1,774</u>	<u>988</u>
Total funds		<u><u>36,130</u></u>	<u><u>25,649</u></u>

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

REGISTERED NUMBER: 07796947

ACADEMY TRUST BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2023

The Academy Trust's net movement in funds for the year was £10,481 (2022 - £9,593).

The financial statements on pages 41 to 78 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



A Frost

Chair of Trustees

Date: 19 December 2023

The notes on pages 46 to 78 form part of these financial statements.

MOWBRAY EDUCATION TRUST LIMITED
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	21	1,819	513
Cash flows from investing activities			
	23	(597)	118
Cash flows from financing activities			
	22	(19)	(19)
Change in cash and cash equivalents in the year		1,203	612
Cash and cash equivalents at the beginning of the year		3,762	3,150
Cash and cash equivalents at the end of the year	24, 25	<u>4,965</u>	<u>3,762</u>

The notes on pages 46 to 78 form part of these financial statements

MOWBRAY EDUCATION TRUST LIMITED

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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), judgements and key sources of estimation uncertainty, is set out below.

1.1 Basis of preparation of financial statements

The financial statements of the Group, 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.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Academy Trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Academy Trust has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

Mowbray Education Trust Limited is a charitable company (the "Academy Trust"). The address of its principal place of business is given on page 1 and the nature of its operations are set out in the Trustees Report.

1.2 Going concern

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

MOWBRAY EDUCATION TRUST LIMITED

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the Consolidated 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 Consolidated 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.

- **Other income**

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

- **Transfer on conversion**

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

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

All resources expended are inclusive of irrecoverable VAT.

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

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

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

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

The estimated useful lives range as follows:

Long-term leasehold property	- 50	years
Furniture and equipment	- 10 - 20	years
Computer equipment	- 3	years
Motor vehicles	- 10	years

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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 Consolidated statement of financial activities.

1.8 Investments

The Academy Trust's shareholding in the wholly owned subsidiary, Mowbray Education Trust Services Limited, is initially measured at cost and subsequently measured at cost less impairment.

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.9 Debtors

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

1.10 Cash at bank and in hand

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

1.11 Liabilities

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Operating leases

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

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

1. Accounting policies (continued)

1.14 Pensions

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

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

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

1.15 Fund accounting

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

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

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

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

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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 2022 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.

The long term leasehold property includes the land and buildings of Iveshead School that was transferred to the Academy Trust on its conversion. The Trust now occupies these land and buildings under a 125 year lease arrangement with Leicestershire County Council. In the absence of available valuations from the ESFA, the value of these land and buildings, as included in the financial statements, are based on a Trustees' valuation. The valuation requires significant judgment on the part of the Trustees as there is no market for the properties and therefore the valuation has been made based on a review of the construction cost data and the publicly available benchmark information on rebuild costs of comparable schools, taking into account the ageing and condition of the site.

The assessment of the useful economic lives and the method of depreciating fixed asset requires judgement. Depreciation is charged to the Statement of Financial Activities based on the useful economic life selected, which requires an estimation of the period and profile over which the Academy Trust expects to consume the future economic benefits embodied in the assets.

Critical areas of judgement:

The judgements (apart from those requiring estimation) that have the most significant effect on the amounts recognised in the financial statements are discussed below:

In categorising leases as finance leases or operating leases, management makes judgements as to whether significant risks and rewards of ownership have transferred to the Academy Trust as lessee.

The classification of expenditure between restricted and unrestricted funds is considered a critical area of judgement as certain expenditure can be applied to both funds. Where this is the case and the amounts in question are considered material, the expenditure is apportioned to both funding streams on an appropriate basis.

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	10	-	-	10	15
Capital Grants	-	-	989	989	1,581
Transfer from Local Authority on conversion	304	(3,328)	10,540	7,516	-
Total 2023	314	(3,328)	11,529	8,515	1,596
Total 2022	15	-	1,581	1,596	

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

4. Funding for the Academy Trust's charitable activities

	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants			
General Annual Grant	16,333	16,333	12,148
Other DfE/ESFA grants			
Pupil premium	695	695	582
UFSM	90	90	119
Supplementary grant	414	414	148
Other DfE/ESFA	415	415	202
	<u>17,947</u>	<u>17,947</u>	<u>13,199</u>
Other Government grants			
Special education projects	936	936	581
Local Authority grants	431	431	369
	<u>1,367</u>	<u>1,367</u>	<u>950</u>
COVID-19 additional funding (DfE/ESFA)			
COVID-19 recovery premium	128	128	72
National tutoring programme	70	70	-
School led tutoring grant	-	-	27
	<u>198</u>	<u>198</u>	<u>99</u>
Total 2023	<u><u>19,512</u></u>	<u><u>19,512</u></u>	<u><u>14,248</u></u>
Total 2022	<u><u>14,248</u></u>	<u><u>14,248</u></u>	

The academy trust received £128,000 of COVID recovery premium funding in the year and costs incurred in respect of this funding totalled £128,000.

The academy trust also received £87,000 of National Tutoring Programme funding in the year and costs incurred in respect of this funding totalled £70,000, with the remaining balance of £17,000 included in creditors as this is subject to clawback from the ESFA.

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

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	200	200	28
Academy trips	541	541	395
Other income	129	129	69
Total 2023	<u>870</u>	<u>870</u>	<u>492</u>
Total 2022	<u>492</u>	<u>492</u>	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment income	23	23	1

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Direct costs - Educational Activities:					
Direct costs	14,098	-	1,433	15,531	11,768
Allocated support costs	1,965	1,415	2,516	5,896	4,132
Total 2023	<u>16,063</u>	<u>1,415</u>	<u>3,949</u>	<u>21,427</u>	<u>15,900</u>
Total 2022	<u>12,068</u>	<u>806</u>	<u>3,026</u>	<u>15,900</u>	

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Educational activities	15,531	5,896	21,427	15,900
Total 2022	11,768	4,132	15,900	

Analysis of support costs

	Educational Activities 2023 £000	Total funds 2023 £000	Total funds 2022 £000
LGPS FRS 102 net interest cost	107	107	152
Staff costs	1,965	1,965	1,235
Depreciation	1,183	1,183	924
Catering	336	336	280
Recruitment and support	31	31	26
Maintenance of premises	304	304	222
Cleaning	420	420	317
Rent and rates	32	32	65
Energy	659	659	202
Insurance	14	14	48
Security and transport	140	140	51
Technology costs	445	445	289
Office overheads	146	146	202
Professional costs	82	82	79
Bank interest and charges	12	12	12
Governance costs	16	16	25
Other Costs	4	4	3
Total 2023	5,896	5,896	4,132

Included in Professional costs are £5,118 (2022: £Nil) of legal costs associated with the conversion of schools to academy status.

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

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£000	£000
Operating lease rentals	100	73
Depreciation of tangible fixed assets	1,183	924
Fees paid to auditors for:		
- audit	20	16
- audit (subsidiary)	3	2
- other services	11	9
	1,327	1,028

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	Group	Group	Academy	Academy
	2023	2022	Trust	Trust
	£000	£000	2023	2022
			£000	£000
Wages and salaries	11,777	8,137	11,656	8,016
Social security costs	1,102	782	1,099	778
Pension costs	2,792	2,856	2,791	2,847
	15,671	11,775	15,546	11,641
Agency staff costs	323	273	314	273
Staff restructuring costs	69	20	69	20
	16,063	12,068	15,929	11,934

Staff restructuring costs comprise:

	Group	Group	Academy	Academy
	2023	2022	Trust	Trust
	£000	£000	2023	2022
			£000	£000
Severance payments	69	20	69	20
	69	20	69	20

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

10. Staff (continued)

b. Severance payments

The Group paid 6 severance payments in the year, disclosed in the following bands:

	Group 2023 No.
£0 - £25,000	6

c. Special staff severance payments

Included in staff restructuring costs are three non-statutory/ non-contractual severance payments totalling £44,435 (2022: £19,500). Individually, the payments were £20,000, £15,000 and £9,435.

d. Staff numbers

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

	Group 2023 No.	Group 2022 No.	Academy Trust 2023 No.	Academy Trust 2022 No.
Teachers	191	139	191	139
Administration and support	314	209	302	196
Management	28	11	28	11
	533	359	521	346

The average number of employees on a full time equivalent basis is 381 (2022: 256).

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

10. Staff (continued)

e. Higher paid staff

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	6	7
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	1	1
In the band £100,001 - £110,000	1	-
In the band £130,001 - £140,000	1	2
	<u> </u>	<u> </u>

f. Key management personnel

The key management personnel of the Group comprise the Trustees and the senior management team as listed on page 1. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Group was £1,217,197 (2022 - £1,021,466).

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

11. Central services

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

- human resource and payroll services;
- oversight and co-ordination of financial services;
- oversight and co-ordination of estates and health and safety;
- provision of IT management and support;
- provision of communications and marketing support; and
- executive management.

The Group charges for these services on the following basis:

- 6% of GAG income for primary schools;
- 8.5% of GAG income for secondary schools;
- Plus £100 per pupil charge.

The actual amounts charged during the year were as follows:

	2023	2022
	£000	£000
AB Kettleby School	70	29
Brownlow Primary School	302	193
John Ferneley College	771	640
Somerby Primary School	62	24
The Grove Primary School	144	61
Sherard Primary School	224	144
Iveshead School	351	-
Total	<u>1,924</u>	<u>1,091</u>

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 August 2023, expenses totalling £229 were reimbursed or paid directly to 1 Trustee (2022 - £NIL).

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Group has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £4,294 (2022 - £4,294). The cost of this insurance is included in the total insurance cost.

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

14. Tangible fixed assets

Group

	Long-term leasehold property £000	Assets under constructio n £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2022	25,960	438	2,105	346	27	28,876
Additions	-	187	1,301	121	-	1,609
Transferred on conversion	10,540	-	-	-	-	10,540
Transfers between classes	-	(438)	438	-	-	-
At 31 August 2023	<u>36,500</u>	<u>187</u>	<u>3,844</u>	<u>467</u>	<u>27</u>	<u>41,025</u>
Depreciation						
At 1 September 2022	4,714	-	583	242	25	5,564
Charge for the year	765	-	353	65	-	1,183
At 31 August 2023	<u>5,479</u>	<u>-</u>	<u>936</u>	<u>307</u>	<u>25</u>	<u>6,747</u>
Net book value						
At 31 August 2023	<u><u>31,021</u></u>	<u><u>187</u></u>	<u><u>2,908</u></u>	<u><u>160</u></u>	<u><u>2</u></u>	<u><u>34,278</u></u>
At 31 August 2022	<u><u>21,246</u></u>	<u><u>438</u></u>	<u><u>1,522</u></u>	<u><u>104</u></u>	<u><u>2</u></u>	<u><u>23,312</u></u>

The long term leasehold property conversion balance includes the land and buildings of Iveshead School that was transferred to the Academy Trust on its conversion. The Trust now occupies these land and buildings under a 125 year lease arrangement with Leicestershire County Council. In the absence of available valuations from the ESFA, the value of these land and buildings, as included in the financial statements, are based on a Trustees' valuation. The valuation requires significant judgment on the part of the Trustees as there is no market for the properties and therefore the valuation has been made based on a review of the construction cost data and the publicly available benchmark information on rebuild costs of comparable schools, taking into account the ageing and condition of the site.

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

14. Tangible fixed assets (continued)

Academy Trust

	Long-term leasehold property £000	Assets under constructio n £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 September 2022	25,960	438	2,075	343	27	28,843
Additions	-	187	1,295	119	-	1,601
Transferred on conversion	10,540	-	-	-	-	10,540
Transfers between classes	-	(438)	438	-	-	-
At 31 August 2023	<u>36,500</u>	<u>187</u>	<u>3,808</u>	<u>462</u>	<u>27</u>	<u>40,984</u>
Depreciation						
At 1 September 2022	4,714	-	564	241	25	5,544
Charge for the year	765	-	348	63	-	1,176
At 31 August 2023	<u>5,479</u>	<u>-</u>	<u>912</u>	<u>304</u>	<u>25</u>	<u>6,720</u>
Net book value						
At 31 August 2023	<u><u>31,021</u></u>	<u><u>187</u></u>	<u><u>2,896</u></u>	<u><u>158</u></u>	<u><u>2</u></u>	<u><u>34,264</u></u>
At 31 August 2022	<u><u>21,246</u></u>	<u><u>438</u></u>	<u><u>1,511</u></u>	<u><u>102</u></u>	<u><u>2</u></u>	<u><u>23,299</u></u>

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FOR THE YEAR ENDED 31 AUGUST 2023

15. Fixed asset investments

Mowbray Education Trust Limited owns 100% of the share capital of Mowbray Education Trust Services Limited (company number 09757861) and the company is registered in England and Wales. The cost of the investment is £1. The company's registered office is c/o John Ferneley College, Scalford Road, Melton Mowbray, Leicestershire, LE13 1LH. The results of the subsidiary undertaking are consolidated in the Group financial statements and the audited accounts have been filed with the Registrar of Companies.

The principal activity of the company is to carry on the trading activities of the schools in the parent charity including operating a day nursery, the Oasis Family Centre. The following is a summary of the financial statements of Mowbray Education Trust Services Limited for the year ended 31 August 2023.

Profit and loss account	2023	2022
	£'000	£'000
Turnover	228	198
Cost of sales	(133)	(137)
Administrative expenses	(98)	(56)
(Loss) / Profit for the financial year	(3)	5
Balance sheet		
Fixed assets	14	13
Current assets	85	86
Creditors: amounts falling due within one year	(96)	(75)
Net assets	3	24

16. Debtors

	Group	Group	Academy	Academy
	2023	2022	Trust	Trust
	£000	£000	2023	2022
			£000	£000
Due within one year				
Trade debtors	11	17	12	17
Prepayments and accrued income	646	1,434	639	1,395
VAT recoverable	170	195	170	195
	<u>827</u>	<u>1,646</u>	<u>821</u>	<u>1,607</u>
	<u><u>827</u></u>	<u><u>1,646</u></u>	<u><u>821</u></u>	<u><u>1,607</u></u>

MOWBRAY EDUCATION TRUST LIMITED
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FOR THE YEAR ENDED 31 AUGUST 2023

17. Creditors: Amounts falling due within one year

	Group 2023 £000	Group 2022 £000	Academy Trust 2023 £000	Academy Trust 2022 £000
Other loans	19	19	19	19
Trade creditors	785	1,235	783	1,230
Other taxation and social security	263	180	263	180
Other creditors	322	248	350	248
Accruals and deferred income	1,162	536	1,122	519
	<u>2,551</u>	<u>2,218</u>	<u>2,537</u>	<u>2,196</u>

	Group 2023 £000	Group 2022 £000	Academy Trust 2023 £000	Academy Trust 2022 £000
Deferred income at 1 September 2022	129	133	115	114
Resources deferred during the year	125	129	125	115
Amounts released from previous periods	(129)	(133)	(115)	(114)
	<u>125</u>	<u>129</u>	<u>125</u>	<u>115</u>

Deferred income relates to trip money paid in advance by parents for events occurring in the year ended 31 August 2024 and in respects of government funding received in advance.

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

	Group 2023 £000	Group 2022 £000	Academy Trust 2023 £000	Academy Trust 2022 £000
Other loans	74	93	74	93

Included within other loans are various interest free SALIX loans. These loans are unsecured and are repayable over 8 years in 6 monthly instalments.

Included within amounts of £74,000 (2022: £93,000) of creditors: amounts falling due after more than one year, are amounts falling due in more than one year but not more than two years of £19,000 (2022: £19,000), amounts falling due in more than two years but not more than five years £53,000 (2022: £58,000) and amounts due in more than five years £2,000 (2022: £16,000).

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

19. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General income funds	1,041	1,207	(474)	-	-	1,774
Fixed asset funds	13	-	(7)	8	-	14
	<u>1,054</u>	<u>1,207</u>	<u>(481)</u>	<u>8</u>	<u>-</u>	<u>1,788</u>
Restricted general funds						
General Annual Grant (GAG)	1,534	16,333	(16,505)	(161)	-	1,201
UiFSM grant	-	90	(90)	-	-	-
Pupil Premium	-	695	(607)	-	-	88
COVID-19 Recovery premium	-	128	(128)	-	-	-
National Tutoring Programme grant	-	70	(70)	-	-	-
Supplementary grant	-	414	(414)	-	-	-
Other DfE/ESFA grants	-	415	(413)	-	-	2
Local Authority and other government grants	11	1,367	(1,328)	(8)	-	42
Pension reserve	(683)	(3,328)	(215)	-	2,967	(1,259)
	<u>862</u>	<u>16,184</u>	<u>(19,770)</u>	<u>(169)</u>	<u>2,967</u>	<u>74</u>

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Restricted fixed asset funds						
Fixed assets	23,299	10,540	(1,176)	1,601	-	34,264
Capital grants	623	989	-	(1,459)	-	153
Capital loans (SALIX)	(112)	-	-	19	-	(93)
	<u>23,810</u>	<u>11,529</u>	<u>(1,176)</u>	<u>161</u>	<u>-</u>	<u>34,324</u>
Total Restricted funds	<u>24,672</u>	<u>27,713</u>	<u>(20,946)</u>	<u>(8)</u>	<u>2,967</u>	<u>34,398</u>
Total funds	<u><u>25,726</u></u>	<u><u>28,920</u></u>	<u><u>(21,427)</u></u>	<u><u>-</u></u>	<u><u>2,967</u></u>	<u><u>36,186</u></u>

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

The General Annual Grant funding must be used for the normal running costs of the Academy Trust in line with the Trust's charitable objects and the terms and conditions of the Academy Trust's funding agreement.

Other grants and income, which include other ESFA / DfE grants (including Pupil Premium, PE, UiFSM, Teachers' Pay and Pension grants, Supplementary grants), Local Authority funding, and other restricted income, are all used in accordance with the specific restrictions of the individual grants and funding provided.

The Pension reserve represents the Local Government Pension Scheme deficit.

Restricted fixed asset funds represent the investment in fixed assets of the Academy Trust, net of accumulated depreciation, and includes the value of fixed assets transferred to the Academy Trust on conversion of the schools, together with any capital expenditure that is recognised on the balance sheet. Any unspent capital grants are also reflected within the balance of the restricted fixed asset funds.

During the year a net amount of £161,000 was transferred into fixed asset funds. £142,000 was transferred from restricted general funds, reflecting the use of revenue reserves to fund fixed asset additions that were not funded by capital grants. £19,000 was transferred to restricted general funds, reflecting the allocation of the SALIX loans as a capital balance.

A further amount of £8,000 was transferred from restricted general funds, reflecting the use of revenue reserves (MET Services Limited) to fund fixed asset additions that are recorded in unrestricted funds.

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

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

19. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
General income funds	941	508	(388)	(20)	-	1,041
Fixed asset funds	-	-	(7)	20	-	13
	<u>941</u>	<u>508</u>	<u>(395)</u>	<u>-</u>	<u>-</u>	<u>1,054</u>
Restricted general funds						
General Annual Grant (GAG)	855	12,148	(11,102)	(367)	-	1,534
UiFSM grant	-	119	(119)	-	-	-
Pupil Premium	-	582	(582)	-	-	-
Catch up premium	198	-	(198)	-	-	-
COVID-19 Recovery premium	-	72	(72)	-	-	-
School Tutoring Led grant	-	27	(27)	-	-	-
Supplementary grant	-	148	(148)	-	-	-
Other DfE/ESFA grants	-	202	(202)	-	-	-
Local Authority and other government grants	54	950	(993)	-	-	11
Pension reserve	(8,699)	-	(1,145)	-	9,161	(683)
	<u>(7,592)</u>	<u>14,248</u>	<u>(14,588)</u>	<u>(367)</u>	<u>9,161</u>	<u>862</u>

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Restricted fixed asset funds						
Transfer on conversion	21,953	-	-	(21,953)	-	-
Other DfE/ESFA capital grants	511	-	-	(511)	-	-
Capital expenditure from GAG	315	-	-	(315)	-	-
Fixed assets	-	-	(917)	24,216	-	23,299
Capital grants	-	1,581	-	(958)	-	623
Capital loans (SALIX)	-	-	-	(112)	-	(112)
	<u>22,779</u>	<u>1,581</u>	<u>(917)</u>	<u>367</u>	<u>-</u>	<u>23,810</u>
Total Restricted funds	<u>15,187</u>	<u>15,829</u>	<u>(15,505)</u>	<u>-</u>	<u>9,161</u>	<u>24,672</u>
Total funds	<u><u>16,128</u></u>	<u><u>16,337</u></u>	<u><u>(15,900)</u></u>	<u><u>-</u></u>	<u><u>9,161</u></u>	<u><u>25,726</u></u>

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

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023	2022
	£000	£000
Ab Kettleby School	205	175
Brownlow Primary School	650	632
John Ferneley College	1,093	778
Somerby Primary School	60	111
Mowbray Education Trust [Central Services]	(207)	160
The Grove Primary School	172	276
Sherard Primary School	458	390
Iveshead School	634	-
Mowbray Education Trust Services Limited	56	77
	3,121	2,599
Total before fixed asset funds and pension reserve	3,121	2,599
Restricted fixed asset fund	34,324	23,810
Pension reserve	(1,259)	(683)
Total	36,186	25,726
		Deficit
		£000
Mowbray Education Trust [Central Services]		(207)

The management team recognise that the central team deficit is a reflection of the movement of senior Iveshead staff to the central team following conversion. This, as well as the initial reduced management fee from the school, has resulted in a deficit but this is not anticipated through future budgets, where some savings have been shown in the school budgets. Investment in central capacity has been proposed, considered and approved in order to support the Trust's growth strategy.

MOWBRAY EDUCATION TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Ab Kettleby School	272	41	30	62	405	382
Brownlow Primary School	1,868	195	96	317	2,476	2,335
John Ferneley College	5,278	148	439	902	6,767	6,425
Somerby Primary School	287	26	28	53	394	389
Mowbray Education Trust [Central Services]	990	680	398	322	2,390	1,010
The Grove Primary School	658	98	52	194	1,002	944
Sherard Primary School	1,669	260	79	186	2,194	2,172
Iveshead School	2,843	508	304	568	4,223	-
Mowbray Education Trust Services Limited	125	9	8	36	178	174
Academy Trust	13,990	1,965	1,434	2,640	20,029	13,831

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NOTES TO THE FINANCIAL STATEMENTS
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20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	14	-	34,264	34,278
Current assets	1,774	3,865	153	5,792
Creditors due within one year	-	(2,532)	(19)	(2,551)
Creditors due in more than one year	-	-	(74)	(74)
Provisions for liabilities and charges	-	(1,259)	-	(1,259)
Total	1,788	74	34,324	36,186

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	13	-	23,299	23,312
Current assets	1,041	3,744	623	5,408
Creditors due within one year	-	(2,199)	(19)	(2,218)
Creditors due in more than one year	-	-	(93)	(93)
Provisions for liabilities and charges	-	(683)	-	(683)
Total	1,054	862	23,810	25,726

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

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

	2023	2022
	£000	£000
Net income for the year (as per Statement of financial activities)	7,493	437
	<hr/>	<hr/>
Adjustments for:		
Depreciation	1,183	924
Capital grants from DfE and other capital income	(989)	(1,581)
Interest receivable	(23)	(1)
Defined benefit pension scheme obligation inherited	3,328	-
Defined benefit pension scheme cost less contributions payable	108	993
Defined benefit pension scheme finance cost	107	152
Decrease/(increase) in debtors	819	(1,249)
Increase in creditors	333	838
Fixed assets transferred on conversion	(10,540)	-
	<hr/>	<hr/>
Net cash provided by operating activities	1,819	513
	<hr/> <hr/>	<hr/> <hr/>

22. Cash flows from financing activities

	Group	Group
	2023	2022
	£000	£000
Repayments of borrowing	(19)	(19)
	<hr/>	<hr/>
Net cash used in financing activities	(19)	(19)
	<hr/> <hr/>	<hr/> <hr/>

23. Cash flows from investing activities

	Group	Group
	2023	2022
	£000	£000
Interest receivable	23	1
Purchase of tangible fixed assets	(1,609)	(1,464)
Capital grants	989	1,581
	<hr/>	<hr/>
Net cash (used in)/provided by investing activities	(597)	118
	<hr/> <hr/>	<hr/> <hr/>

MOWBRAY EDUCATION TRUST LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023**

24. Analysis of cash and cash equivalents

	Group 2023 £000	Group 2022 £000
Cash in hand and at bank	4,965	3,762
	4,965	3,762

25. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2023 £000
Cash at bank and in hand	3,762	1,203	-	4,965
Debt due within 1 year	(19)	19	(19)	(19)
Debt due after 1 year	(93)	-	19	(74)
	3,650	1,222	-	4,872

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

26. Conversion to an academy trust

On 1 December 2022 Iveshead School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Mowbray Education Trust Limited from Leicestershire County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Consolidated balance sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Consolidated statement of financial activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Consolidated statement of financial activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Leasehold land and buildings	-	-	10,540	10,540
Current assets				
Cash - representing budget surplus on LA funds	304	-	-	304
Provisions				
Defined benefit pension scheme liability (LGPS)	-	(3,328)	-	(3,328)
Net assets/(liabilities)	<u>304</u>	<u>(3,328)</u>	<u>10,540</u>	<u>7,516</u>

Leasehold land and buildings have been transferred to Mowbray Education Trust from Leicestershire County Council under a 125 year lease.

27. Capital commitments

	Group 2023 £000	Group 2022 £000	Academy Trust 2023 £000	Academy Trust 2022 £000
Contracted for but not provided in these financial statements				
Acquisition of tangible fixed assets	326	612	326	612

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

28. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS 31 March 2022.

Contributions amounting to £316,000 were payable to the schemes at 31 August 2023 (2022 - £205,000) and are included within creditors.

Teachers' Pension Scheme

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

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

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 2023 as published by HM Treasury. 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 most recent actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Government Actuary's Department on 27 October 2023 and by the Department for Education on 30 October 2023.

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy) from 1 April 2024 (contribution rate to 31 March 2024 is 23.68% as set by the 31 March 2019 valuation).
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI.

The employer's pension costs paid to TPS in the year amounted to £1,753,000 (2022 - £1,233,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/members/faqs/valuation.aspx>).

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

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NOTES TO THE FINANCIAL STATEMENTS
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28. 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 £1,158,000 (2022 - £787,000), of which employer's contributions totalled £921,000 (2022 - £629,000) and employees' contributions totalled £237,000 (2022 - £158,000). The agreed contribution rates for future years are 23.4 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the original conversion of the Academy Trust and other schools that have converted since then and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred from conversions represents their cumulative service at both the predecessor schools and the Academy Trust at the balance sheet date.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.45	3.55
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25

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

	2023	2022
	Years	Years
Retiring today		
Males	19.9	21.5
Females	24.5	24.0
Retiring in 20 years		
Males	21.7	22.4
Females	25.4	25.7

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments (continued)

Sensitivity analysis

Increase in reported value of defined benefit obligations

	2023 £000
Discount rate -0.1%	353
Mortality assumption - 1 year increase	575
Pension increase rate (CPI) +0.1%	324
Salary increase rate +0.1%	36
	36

Share of scheme assets

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	7,478	5,946
Bonds	4,460	2,729
Property	918	877
Cash and other liquid assets	262	195
Total market value of assets	13,118	9,747

The actual return on scheme assets was £312,000 (2022 - £(13,000)).

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

	2023 £000	2022 £000
Current service cost	(1,029)	(1,622)
Interest income	482	155
Interest cost	(589)	(307)
Total amount recognised in the Consolidated Statement of Financial Activities	(1,136)	(1,774)

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

28. Pension commitments (continued)

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

	2023 £000	2022 £000
At 1 September	10,430	17,795
Current service cost	1,029	1,622
Interest cost	589	307
Employee contributions	237	158
Actuarial gains	(3,137)	(9,329)
Benefits paid	(123)	(123)
Obligations transferred from converting schools	5,352	-
At 31 August	<u>14,377</u>	<u>10,430</u>

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

	2023 £000	2022 £000
At 1 September	9,747	9,096
Interest income	482	155
Actuarial losses	(170)	(168)
Employer contributions	921	629
Employee contributions	237	158
Benefits paid	(123)	(123)
Assets transferred from converting schools	2,024	-
At 31 August	<u>13,118</u>	<u>9,747</u>

29. Operating lease commitments

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

	Group 2023 £000	Group 2022 £000	Academy Trust 2023 £000	Academy Trust 2022 £000
Not later than 1 year	138	70	138	70
Later than 1 year and not later than 5 years	361	186	361	186
Later than 5 years	485	535	485	535
	<u>984</u>	<u>791</u>	<u>984</u>	<u>791</u>

MOWBRAY EDUCATION TRUST LIMITED

(A company limited by guarantee)

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

30. 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.

31. Related party transactions

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

The following related party transactions took place in the period of account:

A Stansfield a spouse of C Stansfield, the Chief Executive Officer, is employed by the academy trust as a support staff member. The appointment was made in open competition and the Chief Executive Officer was not involved in the decision making process regarding appointment. The post is paid within the normal pay scale for the role and the individual receives no special treatment as a result of their relationship to the Chief Executive Officer.

During the year, the Academy Trust recharged its subsidiary undertaking, Mowbray Education Trust Services Limited £47,162 (2022: £45,961) for use of staff and general overheads expenditure and Mowbray Education Trust Services Limited made gift aid payments of £18,493 (2022: £Nil) to the Academy Trust. Mowbray Education Trust Services Limited recharged £Nil (2022: £4,592) to the Academy Trust for governance costs. At the year end, Mowbray Education Trust Services Limited owed the Academy Trust £52,991 (2022: £52,991) in respect of historic balances, a provision of £52,991 (2022: £52,991) has been made against this debt in the Academy Trust's financial statements. At the year-end the Academy Trust owed £27,894 (2022: £Nil) to Mowbray Education Trust Services Limited.

During the year, Minibus Driver Assessment Limited, a company controlled by the spouse of M Chadwick, a trustee, provided supplies to the Academy Trust totalling £2,005 (2022: £Nil) in respect of course fees. No amounts were outstanding at the year-end (2022: £Nil). The Academy Trust retrospectively notified the ESFA of these transactions.