

**Anthem Schools Trust  
Annual Report  
and Accounts  
for the year ended  
31 August 2023**





# Annual Report and Accounts for the year ended 31 August 2023

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## Reference and Administrative Details

### Members

Jay Bhutani  
David Hawker  
Duncan Parkes  
Heather Dawson  
Philip Wood

### Trustees

Jay Bhutani (\*) Chair  
Anthony Breslin (\*\*) (\*\*\*) (resigned 17 October 2023)  
Rebecca Clarke (\*) (\*\*) (\*\*\*\*)  
Martin Coles (\*\*) (\*\*\*\*)  
Troels Henriksen (\*) (\*\*\*) (appointed 1 May 2023)  
Mark Jarvis (\*\*\*) (resigned 17 February 2023)  
Mark Kamlow (\*\*\*) (appointed 1 May 2023)  
Alison Macleod (\*\*\*) (\*\*\*\*)  
Angela McFarlane (resigned 16 December 2022)  
Sally Wilson (\*) (\*\*) (\*\*\*\*)

\* Members of the Finance Committee  
\*\* Members of the Education Committee  
\*\*\* Members of the Audit Committee  
\*\*\*\* Members of the People Committee

### Company Secretary

### Accounting Officer

### Clerk to Trustees (Governance Manager)

Sheila McKenzie  
Mohsen Ojja  
Pippa Truman-Davies

### Executive Team

Chief Executive  
Chief Operating Officer  
Director of Education  
Director of People  
Director of Governance – General Counsel

Mohsen Ojja  
Sheila McKenzie  
Elma Lawson  
Helen Barker  
Claire Pannell

### Company Name

Anthem Schools Trust

### Principal and Registered Office

Highbridge House, 16-18 Duke Street  
Reading, RG1 4RU

### Company Registration Number

07468210 (England and Wales)



**Independent Auditors**

Bishop Fleming LLP  
Chy Nyverow  
Newham Road  
Truro  
Cornwall TR1 2DP

**Bankers**

Lloyds Bank Plc  
24 Broad Street  
Reading, RG1 2BT

**Solicitors**

Winckworth Sherwood LLP  
Arbor, 255 Blackfriars Road,  
London, SE1 9AX



## Trustees' Report

The Trustees present their annual report together with the consolidated financial statements and auditors' report of the charitable company for the year ended 31 August 2023. The annual report serves the purposes of both a Trustees' report and a Directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the company's Memorandum and Articles of Association, applicable laws and 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 published October 2019 (FRS 102).

The Trust operates eleven primary and five secondary academies in the East Midlands, London and Thames Valley. In the school census on 6 October 2023, the Trust's academies had a combined pupil capacity of 9,592 (2022: 9,689) and a roll of 8,579 (2022: 8,665).

The catchment areas and admissions policies are specific to each of the schools within the Trust. Further details are available on each school's website.

## Structure, Governance and Management

### Constitution

Anthem Schools Trust (Anthem) is a company limited by guarantee and an exempt charity. The charitable company's Articles of Association are the primary governing documents of Anthem. Anthem was incorporated on 13 December 2010. Anthem has entered into a funding agreement with the Department for Education which provides the framework within which all the academies must operate.

The Trustees of Anthem are also the directors of the charitable company for the purposes of company law. Details of the Trustees who served throughout the year are included in the Reference and Administrative Details on page 3.

### 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' Indemnity

In accordance with the Articles of Association, subject to the provisions of the Companies Act 2006 and Article 6.3, every Trustee or other officer or auditor of the Trust and every member of any Anthem Community Council (replaced Anthem Community Councils in Oct 23) and/or Advisory Body (in so far as necessary) shall be indemnified out of the assets of the Trust against any liability incurred by him/her in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he/she is acquitted or in connection with any application in



which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

### **Principal Activities**

Anthem's objects are specifically restricted to the following:

- a. 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 ("the mainstream academies") offering a broad and balanced curriculum for 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").
- b. In the event that the Trust establishes, maintains, carries on, manages and develops academies which are designated with a religious character, such academy shall be conducted in accordance with the tenets, practices and teachings of the designated religion; and
- c. To promote for the benefit of the inhabitants of the areas served by the academies 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.

### **Method of Recruitment and Appointment or Election of Trustees**

The Members of Anthem shall comprise:

- the Chair of the board of Trustees, and
- any persons appointed by the members.

The process of appointing a new Chair of the board of Trustees is to initially look within existing Board members for applications and then to approach external agencies if no suitable internal applicant is identified.

Trustees are appointed by the Members. When required, new Trustees are recruited through external agencies.

The term of office for any Trustee shall be four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed for a maximum of two terms.

A Trustee shall cease to hold office if they resign their office by notice to Anthem (but only if at least five Trustees remain in office when the notice of resignation is to take effect).

A Trustee shall cease to hold office if they are removed by the person or persons who appointed them.



## **Policies and Procedures Adopted for the Induction and Training of Trustees**

Trustees are briefed regularly by the Executive Team on educational, financial and other school matters through a combination of briefing at board meetings, other sessions, visits to schools and other individual meetings. Board skills audits and Board Performance Reviews are performed every two years to identify areas of additional training need for the Trustees.

When new Trustees join the board, tailored induction and training is provided dependent on their needs and existing experience to give them a good understanding of the wider educational context, Anthem's vision and aspirations, the operation of Anthem and their governance responsibilities. The induction process includes meetings with the Chair as well as written induction materials and visits to schools.

## **Organisational Structure**

The board of Trustees of Anthem is constituted under the Articles of Association. The board of Trustees is responsible for ensuring that high standards of corporate governance are maintained.

Anthem has established a structure to enable its efficient running. The structure consists of three levels: the board and its committees; the executive; Anthem Community Councils and headteachers (with their senior leadership teams) at each school. The aim of the management structure is to devolve responsibility and encourage involvement in decision-making at all levels. A Scheme of Delegation laid down by the Trustees defines the roles and responsibilities at each level of the governance structure.

### **Trustees**

As stated above, the Trustees are responsible for making major decisions about the strategic direction of Anthem and ensuring that the aims of Anthem are met.

### **Executive**

The executive function of Anthem is responsible for developing and implementing the Trust strategy and policies; overseen by the Trustees. The Chief Executive is supported by a Director of Education, Director of Governance – General Counsel, a Chief Operating Officer and a Director of People, with a national support team delivering key functions required to run Anthem.

The Chief Executive is the 'Accounting Officer' of Anthem.

### **Anthem Community Councils and Headteachers**

The Anthem Community Councils are a mix of individuals from each school's local community, including two students from that school. Their role is to support Anthem in relation to the functioning of that school in line with the Governance Strategy and Scheme of Delegation, both approved by the board of Trustees.

The four remits for each Anthem Community Council are: community; panel membership; celebration; and safeguarding and special educational needs. The Chair of the Anthem Community Council is nominated by the school, interviewed by the Director of Governance – General Counsel and the Chief Executive, and appointed by the board of Trustees.

The ultimate point of accountability for the performance of schools is the Trustees who monitor and challenge Anthem Community Councils through the Executive Team, and will intervene, where required, to support school improvement.





Headteachers are responsible for the effective management (including financial management) of their schools.

### **Staff**

Anthem employed 870 (2022: 911) full time equivalent staff on average through the period. Anthem believes in providing training and development for its employees, extending opportunities impartially to all. All employment decisions, policies and practices are made without regard to an individual's gender, race, colour, religion, sexual orientation or national origin.

During the period under review, Anthem provided training at all levels including professional support and access to internal and external continuous professional development tools. Each school will lead on a professional development offer for the staff in their schools whilst the Trust provides a trust-wide offer focusing on new and aspiring leaders. Access is provided to apprenticeships to enable career development for existing staff as well as new recruits. New staff are fully inducted, and teachers take part in training events before each school year starts and throughout the school year.

Regular staff meetings and briefings take place at trust level, and headteachers and other key staff from each school meet regularly to share knowledge and best practice.

### **Parents and Carers**

In order to achieve maximum potential in its pupils, Anthem believes it is vital that parents/carers are not only fully involved in developing our schools, but also in holding them to account. The schools have a critical role in engaging all parents/carers in either assisting pupils in their learning or in creating an environment where study can take place at home. Excellent parent/carer relationships are therefore critical to a school's success. Anthem encourages its schools to seek parental feedback through regular surveys and consultations.

### **Arrangements for Setting Pay and Remuneration of Key Management Personnel**

The Trust board's People Committee reviews and sets the pay and remuneration of key management personnel. This includes the Chief Executive and other members of the Education Executive Team as well as the headteachers of the schools.

### **Connected Organisations, including Related Party Relationships**

There were no organisations connect to Anthem during the year.

### **Trade Union Facility Time**

The Trust employed more than 49 full time employees during the financial year and therefore it must disclose trade union facility time in accordance with the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017.

The required information is set out in the tables below:

<b>Relevant Union Officials</b>	
<b>Number of employees who were relevant union officials during the year</b>	<b>Full time equivalent employees</b>
8	7.6
<b>Percentage of time spent on facility time</b>	
<b>Percentage of time</b>	<b>Number of employees</b>
0%	5
1%-50%	3
51%-99%	0
100%	0

<b>Percentage of pay bill spent on facility time</b>	
Total cost of facility time	£9,517
Total pay bill	£43.2 million
% of the total pay bill spent on facility time	0.02%

<b>Paid trade union activities</b>	
Total spent on paid trade union activities as a percentage of total paid facility hours	0.00%

### **Fundraising Practices**

The Trust carried out fundraising practices complying with the Charities (Protection and Social Investment) Act 2016. All fundraising is initiated at school level through approaches to parents and other members of the school local community. No external agencies are used, and any complaints would follow the school complaints policy and procedures. During the year, no complaints were recorded.

### **Decision-making at the Board**

All matters which under the Trust's governance arrangements are reserved for decision by the Trustees, are presented at board and committee meetings. Trustees are briefed on any potential impacts and risks for any stakeholders, including pupils, parents, employees, suppliers, partners and the community, and how they are to be managed. The Trustees take these factors into account



before making a final decision which together they believe is in the best interests of the Trust and its members.

### **Engagement with suppliers, customers, and other stakeholders**

Trustees hold the Anthem vision and values, and the long-term educational and financial stability of the Trust, at the heart of all decision making. The board of Trustees engage with stakeholders to ensure that strategy and decision-making considers the impacts of all those involved.

Pupil engagement and outcomes are considered not only through the attainment results of pupils, but through the cultural capital gained in curriculum and pupil engagement in the community and with wider issues. Pupil voice activities are held throughout the year to gain pupil perspectives.

Parents and the community are represented through the Anthem Community Councils, which meet regularly to improve community engagement and Trust impact on the community. Senior Leaders are in attendance at each meeting to ensure open communication and discussion between the Trust and the Anthem Community Council.

Employee engagement is discussed below, and employee surveys are conducted regularly by schools to ensure positive employee impacts and active engagement.

The Trust aims to build beneficial partnerships and arrangements with its key suppliers, developing beneficial relationships and improved quality to the Trust. The Trust aims to conduct all its business relationships with integrity and courtesy, and to honour business agreements.

### **Employee Information Policy**

Anthem undertakes discussions with employees when making decisions that affect employee interests to ensure that employee views are reflected, and their interests are protected. The Trust has entered a Trade Union Recognition Agreement with all the major trade unions that represent staff working in our schools. These trade unions are consulted with on all policies relating to staff.

Headteachers and senior operations staff meet regularly to assist the Executive Team in determining Trust policy, strategy, and processes. The senior leaders of each school hold regular team meetings to discuss Trust developments and achieving Trust targets. The Trust's vision and values encourage open communication and feedback, with teams able to contribute feedback up the chain to improve policy and processes. The Trust has an active policy of performance management and personal development for all staff.

## Objectives and Activities

### Anthem Vision and Values

Our vision is that together, we create ambitious and successful schools in which every child thrives.

Our shared values of integrity, collaboration and excellence provide the benchmark and the standard for our work as a Trust. They provide a frame of reference for how we relate to one another, and for what is common between our schools and our people.

#### What do our values stand for?



**Integrity:** We do the right thing and we do it well. We have a shared moral purpose that enables us to deliver on our commitments.



**Collaboration:** We are greater than the sum of our parts. We learn from each other, within and beyond the Trust, demonstrating unity not uniformity, and professional generosity.



**Excellence:** We have high expectations and aspirations for ourselves and our learners. We welcome challenge, creativity, and ambition to drive progress.

### Objectives, Strategies and Activities

Under the direction of a new CEO, who joined Anthem in January 2023, we began working to reshape and improve all aspects of the Trust, as well as looking ahead to Anthem's future and possibilities for growth. Trustees revised and approved an ambitious five-year strategic plan for the Trust in February 2023, redefining our three key priorities as follows:

- Raise quality of education to ensure improved life chances and outcomes for all pupils.
- Improve financial situation and restore reserves depleted by energy losses.
- Raise profile of Trust, integrating it better and building a vibrant culture based on Anthem's values.

Over the spring term, a new corporate structure was introduced, designed to deliver these five-year strategic priorities. The new structure includes two new leadership positions: a Director of Governance – General Counsel, and a Director of Education, with teams now reorganised under four directorates:

- Operations (under the Chief Operating Officer)
- Education
- Governance
- People



In all our decisions about this new structure, we were mindful of the challenging financial position we were in following the exceptional rise in energy costs and took great care to ensure these changes represented good use of available funds and resources to guide our Trust forward.

Following the corporate restructure, the executive team began working with Trustees on revised strategies to support Anthem’s ongoing improvement, to be implemented in 2023-24. These include:

- A bold and brave new governance strategy based on what is right for now, rather than what’s gone before.
- A new education strategy, designed around the principle of inclusion so we deliver great education for every student, every lesson, all the time.
- A new people strategy to ensure we employ people really well, nurture our talent and provide development opportunities for all staff.

### Plans for Future Periods

The Anthem five-year Strategic Plan sets out strategic objectives under each of the three key priorities.

<b>Priority 1. Raise quality of education to ensure improved life chances and outcomes for all pupils</b>	
<b>YEARS 1 - 3</b>	Ensure that all schools are rated Good or better by Ofsted.
	Act with empathy and determination to support struggling schools, mobilizing resources from across the Trust and making necessary changes with haste.
	Design and deliver a curriculum that is broad, balanced, leads to best outcome for students and is consistent across Anthem schools.
	Set high teaching standards, support, train and hire to those standards, appoint best possible school leaders.
	A full offering of extra/co-curricular activities that would support academic achievement and improve life chances for pupils.
	Ensure all children leave our care as well-rounded individuals who have achieved high levels of academic success and are well prepared for life in modern Britain.
<b>YEARS 3 - 5</b>	All schools comfortably at high-end of what is rated Good by Ofsted, as evidenced by Primary and Secondary schools’ attainment and progress scores that are consistently above national average.
	Anthem schools should be destination of choice for parents, pupils and teachers.

<b>Priority 2. Improve financial situation and restore reserves depleted by energy losses</b>	
YEARS 1 - 3	Ask each school to review capacity and formulate plans to grow pupil numbers at each key stage, and where appropriate, post-16.
	Lay the groundwork for implementing zero-based budgeting (curriculum-led budgeting).
	A strong central financial infrastructure that adds value to schools and holds all staff to account for spending decisions.
YEARS 3 - 5	Once reserves are on path to sustainability, maintain at modest levels and invest as necessary to improve pupil outcomes and physical learning environments.
	Consider adding schools to the Trust, in a cohesive and financially sound manner.

<b>Priority 3. Raise profile of Trust, integrating it better and building a vibrant culture based on Anthem's values</b>	
YEARS 1 - 3	Embed Anthem values more deeply across the Trust.
	Develop new partnerships inside and outside the Trust to improve teaching and educational outcomes.
	Develop and promote staff good health and well-being, leading to high levels of applications at recruitment.
	Build strong relationships with DfE, Regional Commissioners and Academy groups.
	Be fearless in pursuit of educational outcomes that ensure equality and inclusion for all.
YEARS 3 - 5	Be recognized as a regional, local, and national thought and practice leader. Also as being at cutting-edge of teaching and learning and a policy influencer.
	Improve geographic cohesion of Trust by creating clusters and feeder schools.

In setting Anthem's objectives and planning its activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The Directors consider that the Trust's aims are demonstrably for public benefit.

### **Benefit and Beneficiaries**

In accordance with its charitable objectives, Anthem Schools Trust strives to advance the education of the pupils attending the schools that operate through the Trust. The Trust's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout all the Trust's schools.



## Streamlined energy and carbon reporting (SECR)

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023

	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
<b>Energy consumption used to calculate emissions (kWh)</b>	8,489,443	12,270,802
<b>Scope 1 emissions in metric tonnes CO2e</b>		
Gas consumption	1,000.48	1,467.99
Electricity consumption	623.11	782.34
Owned transport – mini-buses	16.25	16.03
Total scope 1	1,639.84	2,266.36
<b>Scope 2 emissions in metric tonnes CO2e</b>		
Purchased electricity	-	-
<b>Scope 3 emissions in metric tonnes CO2e</b>		
Business travel in employee-owned vehicles	39.54	28.48
Total gross emissions in metric tonnes CO2e	1,679.38	2,294.84
<b>Intensity ratio</b>		
Tonnes CO2e per pupil	0.20	0.26

### Quantification and Reporting Methodology

Anthem has followed the 2019 HM Government Environmental Reporting Guidelines. The Trust has also used the GHG Reporting Protocol – Corporate Standard and the 2022 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

Anthem received additional funding in 2022-23 to improve energy-efficiency. A programme of works is being undertaken to reduce energy consumption through measures such as LED lighting, improving the thermal efficiency of buildings and challenging attitudes around energy use.

The Trust continues to investigate opportunities to reduce CO2e emissions in line with Government targets.

### Directors’ Assessment of Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

## Strategic Report

### Achievements, Performance and Key Performance Indicators

#### Academic performance

##### Ofsted overview

At the end of 2022-23, Ofsted judgements for Anthem schools remain unchanged from their status of the previous year.

	Number		Percentage (%)	
	2023	2022	2023	2022
<b>Outstanding</b>	5	5	31%	31%
<b>Good</b>	8	8	50%	50%
<b>Requires Improvement</b>	3	3	19%	19%
<b>Special Measures</b>	0	0	0%	0%

##### Primary outcomes

There have been improvements in all three subjects across the trust. Our best performing schools are Abacus Belsize Primary, All Saints Juniors and Judith Kerr as well as improvements in outcomes at Boston West Academy. We are confident that this upward trajectory in outcomes will continue this academic year.

Progress			% meeting expected standard			Combined
Reading	Writing	Maths	Reading	Writing	Maths	
1.6	1.0	1.5	75.3	70.1	74.3	59%

##### Secondary outcomes

Saint Marks Academy and Oxford Spires Academy are our best performing schools. Queensbury Academy and Oakbank school have had some improvements in outcomes this year. We are confident that all five secondaries will continue with this upward trajectory in outcomes this academic year.

	Progress	Attainment
<b>Key Stage 4</b>	-0.03	43.2
<b>Key Stage 5</b>	<b>Academic A Level</b>	<b>Applied General</b>
Average grade	C	Merit+
Average points	31.5	28.5





## Promoting the success of the Trust

Anthem is a successful Schools Trust that primarily provides education provision to the pupils within the Trust and strives to improve the life chances of those pupils. The Trust's ability to achieve these goals depends on the trust and confidence of its stakeholders to operate sustainably in the long term. The Trust seeks to put its pupils' best interests first, invests in its employees and supports the communities in which it operates.

The Trustees, both individually and together, consider they have acted in accordance with their duties codified in law, which include their duty to act in the way in which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006.

The Trust has had many successes in the year in achieving its purpose, these have been outlined above in the Trustees' reports.

## Financial Review

The majority of Anthem's income is derived from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is limited to specific purposes. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Income and expenditure for the year includes capital income, depreciation and pension scheme adjustments which are accounting adjustments and not included when operational budgets are agreed with the ESFA. Total operating income for the year was £61.7 million and operating expenditure (after accounting for transfers to the fixed asset fund) amounted to £62.7 million, resulting in an operating deficit of £1.1 million. These are shown within the unrestricted fund and restricted general fund on the Statement of Financial Activities on page 34.

As of 31 August 2023, the LGPS pension scheme was in deficit with the amount attributable to Anthem being £2.3 million, a reduction of £1.4 million from last year. Formal actuarial valuations are completed every three years, the most recent being concluded by 31 March 2023.

Anthem has employees who are members LGPS pension funds for several different regions with some pension funds now in surplus due to the reduction of the pension liability. Although in surplus these funds do not meet the criterion for an asset as we expect the position to return to a deficit and Anthem does not expect to receive these funds. Therefore, we have adjusted those pension funds to a breakeven position and shown the adjustment as a separate line in note 26 to the financial statements.

Anthem also receives grants for fixed assets from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), these grants are shown in the Statement of Financial Activities as restricted income in the Fixed Assets Fund. The restricted Fixed Assets Fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

At 31 August 2023, the net book value of fixed assets was £91.1 million (2022: £92.8 million) and movements in tangible fixed assets are shown in note 13 to the financial statements. There have



been additions in the year of £2.4 million (2022: £2.6 million) and depreciation of £4.1 million (2022: £4.3 million). In accordance with the valuation policy prior year values have been restated to reverse the revaluation of land and buildings for 11 schools last year which increased the value by £20.2 million.

### **Reserves Policy**

Anthem has developed a risk-based approach to setting the level of reserves held. This approach uses a three-year financial plan that identifies what level of reserves Anthem as a whole requires over that period of time. This level will ensure that the schools and Anthem can operate efficiently and without interruption, to meet all obligations as they fall due. Added to this is a contingency for unforeseen emergencies. The model is continually developing but has confirmed that the Trust should maintain a target level of reserves of between £3.5 million and £5.9 million.

The operational reserves of Anthem are those funds that are retained from the core income of the schools. These funds exclude the Fixed Asset Fund and the Pension Reserve Fund (including the initial assets 'donated' when the schools transferred and subsequent depreciation or amortisation of these assets and any deficits in relation to FRS102 pension costs). Anthem plans to meet any contributions towards pension deficits from operational income received each year.

The restricted pension reserve is held to offset the liability relating to the defined benefit pension liability for the Local Government Pension Scheme. This deficit would only crystallise as a liability on the closure of the Trust. In such an event Parliament has agreed to guarantee that outstanding LGPS liabilities will be met by the Department for Education.

On 31 August 2023, the Trust held Restricted General Funds of £0.1 million (2022: £1.1 million) and Unrestricted General Funds of £2.1 million (2022: £2.1 million), which is below the target level range. The Trustees have agreed a three year plan that will generate surpluses each year and bring the reserves back to within the target range.

### **Investment Policy**

Cash balances across the Trust are pooled and balances not required immediately are placed on fixed-term deposit, for between three and 12 months, with a major UK bank.

### **Financial and Risk Management Objectives and Policies**

Anthem has a formal risk management process in place to identify and assess all risks associated with the organisation; this enables the instigation of risk mitigation strategies. A Risk Register is in place which is subject to regular review. Key members of staff and Trustees are involved in the preparation of the Risk Register, overseen by the Audit Committee. The Risk Register identifies the types of risk Anthem might encounter and rates the risks in terms of likelihood and impact. This ensures that the most significant risks are highlighted, appropriate strategies implemented, and resources allocated.

The work on the strategic risk register has been extended to develop an assurance framework. This is a structured method of identifying and mapping the main sources of assurance across the Trust, ensuring the Trustees effectiveness in managing strategic risks.



## Principal Risks and Uncertainties

The board of Trustees has reviewed the key risks to which Anthem is exposed together with the operating, financial and compliance controls that have been implemented to manage those risks. The board is of the view that a formal ongoing process for identifying, evaluating and managing significant risks was in place for the year ended 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.

As with all school trusts in England, the Trust faced significantly increased financial pressures in 2022-23. The impact of the war in Ukraine on energy prices led to a five-fold increase in the Trust energy costs. However, work during the year to reduce energy usage reduced the impact on the Trust's financial position. A new price for energy was negotiated in summer 2023, which is at a more manageable level.

There is also continuing concern around the funding arrangements for capital works and the need to maintain and improve the fabric of the buildings that Anthem is responsible for. A condition survey of all school sites is undertaken every three years, which is used to allocate the School Conditional funding received from the ESFA. The focus of the process of allocation is to ensure each school is warm, safe and dry for all students and staff.

The trust is continually working to identify cost savings and optimise the efficiency of the curriculum model but does anticipate that it will be challenging to deliver a broad and balanced curriculum in the academic year 2023-24 due to the impact of financial constraints on reserves in 2022-23.

## Financial Instruments

### Credit risk

Anthem has a very low credit risk. All debts are monitored on a monthly basis and any for which payment is not received within 90 days are considered for legal action.

### Cash flow and liquidity

Anthem has cash and other working capital balances. The main risk arising from Anthem's financial instruments is therefore liquidity risk and Anthem considers that other risks are low or non-existent risks and therefore not material to the Trust's financial position. The Trust has a pooled deposit account across all schools to enable management of this risk.

## Equal Opportunities and Disabled Persons Policies (Equalities Policy)

Anthem is committed to the principle of equal opportunities and seeks to ensure the working environment values the needs of all employees and students. It is the policy of Anthem to support the recruitment and retention of employees and students with disabilities by making resources available and through training and career development.

The Trustees believe that equality at the Trust should permeate all aspects of Trust life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth.

At Anthem, equality is a key principle for treating all people the same irrespective of their gender, ethnicity, disability, religious beliefs, sexual orientations, age or any other recognised area of discrimination.



### **Going Concern**

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.

### **Funds held as Custodian Trustee on behalf of others**

Neither Anthem nor any of its Trustees act as a Custodian Trustee.

### **Auditor**

In so far as all the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Approved by order of the members of the board of Trustees on 12 December 2023 and signed on its behalf by:

**Jay Bhutani**

Chair of Trustees



## Governance Statement

### Scope of Responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Anthem 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.

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Anthem and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met six times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Bhutani, Jay	6	6
Breslin, Anthony	6	6
Clarke, Rebecca (Chair)	5	6
Coles, Martin	4	6
Henriksen, Troels	1	2
Jarvis, Mark	3	3
Kamlow, (Mark)	2	2
McFarlane, Angela	2	2
Macleod, Alison	6	6
Wilson, Sally	6	6

Changes to the board in the financial year are detailed in the Reference and Administrative Details on page 3.

Every full board of Trustee meeting includes a report from the Chief Executive, a report from the Chief Operating Officer, an update on governance both at Trust and local level and reports from committees. Matters discussed during the year to 31 August 2023 included:

- Performance of schools both educationally and financially.
- Reports from Ofsted and the Department for Education.
- Agreement of the Anthem vision, strategic priorities and development plan.



- Review of leadership and succession planning.
- Strategic risks, mitigations and contingencies; and
- Review of risk assessments and other arrangements relating to COVID-19.

In 2022-23 most meetings were held virtually with Trustees visiting schools independently.

Every two years the board of Trustee's undergoes a skills audit and self-evaluation of performance.

The Board of Trustees and all Anthem Community Councils maintain a register of all declared personal/business interests and declare any conflicts of interest at the beginning of each meeting. Any individuals are required to absent themselves from any discussion in which it is possible that a conflict will arise between their duty to act solely in the interests of the Trust and any personal or business interest or duty. This also applies to all employees, consultants and volunteers.

The Trust board has four committees: Finance, Audit, Education and People.

### Finance Committee

The purpose of the Finance Committee is to provide independent oversight of the financial performance of Anthem and of its individual schools. It works closely with the Audit Committee to ensure that their activities complement each other and ensure that the Trust meets all aspects of financial compliance.

This Finance Committee provides an opportunity for detailed discussion and consideration of financial matters, with regular reporting to the full board of Trustees. It is given delegated authority for most financial decision-making, but the full board of Trustees as a whole remains accountable and still remain actively engaged in financial matters.

Matters discussed during the year to 31 August 2023 include:

- Review of finance policies.
- Agreement of financial regulations.
- Regular review of the current financial position including forecast outturns for the year, including pupil number predictions.
- Review of long term (3-5 years) financial position.
- Review of capital grants received in year for the improvement of the estate.
- Review of procurement practices and value for money; and
- Consideration of the schools' assets and fulfilment of the Trusts charitable obligations to maximise the benefit of those assets with regard to asset disposal and reinvestment.

Attendance at Finance Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Wilson, Sally (Chair)	6	6
Bhutani, Jay	6	6

Clarke, Rebecca	6	6
Henriksen, Troels	1	1

### Audit Committee

The purpose of the Audit Committee is to:

- Support the board in its responsibilities for issues of risk control and governance. It reviews the comprehensiveness, reliability and integrity of assurances in meeting the board and Accounting Officer's assurance needs; and
- Have an independent oversight of Anthem's systems of internal control, financial reporting, safeguarding and child protection, risk management and compliance, including monitoring of the quality and effectiveness of both external and internal auditors.

Matters discussed during the year to 31 August 2023 include:

- Recommend the appointment of both internal and external auditors.
- Commission and receive reports on the internal control framework.
- Oversight of the management of safeguarding and child protection across Anthem.
- Oversight of the management of risk across Anthem.
- Review of the strategic risk register and board assurance framework.
- Oversight of the year end process and receive reports from the appointed external auditors; and
- Receive and recommend the adoption or rejection of the financial statements to the board of Trustees.

Attendance at Audit Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Henriksen, Troels (Chair)	1	1
Jarvis, Mark (Chair)	3	3
Breslin, Anthony	3	4
Kamlow, Mark	1	1
Macleod, Alison	2	4

### Education Committee

The purpose of the Education Committee is to provide an independent oversight of the educational performance of Anthem and of its individual schools.

Matters discussed during the year to 31 August 2023 include:

- Scrutiny of attainment and progress data, actual from the summer 2022 and projections for the summer 2023.
- Reports from Ofsted inspections of schools.





- Reports on the progress of disadvantaged groups of pupils.
- Reports on school improvement activity in schools; and
- Reports on safeguarding.

Attendance at Education Committee meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Breslin, Anthony (Chair)	4	4
Clarke, Rebecca	4	4
Coles, Martin	2	4
Wilson, Sally	3	4

### **People Committee**

The purpose of the People Committee is to approve the remuneration and benefits for the headteachers and the Executive and oversee the consistency of outcomes from the performance management process for headteachers and the remuneration strategy for all employees in Anthem.

Matters discussed during the year to 31 August 2023 include:

- Pay awards for teachers and support staff; and
- A review of headteacher and executive pay.
- Development of the People Strategy.
- Development of improved Performance Management processes.

Attendance at People Committee meetings in the year was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Macleod, Alison (Chair)	3	3
Clarke, Rebecca	3	3
Wilson, Sally	3	3

### **Review of Value for Money**

As Accounting Officer, the Chief Executive 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 year, and reports to the board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year by:

- Appointing single providers for utility contracts such as gas, electricity, and water to ensure value for money and consistency of service.





- Investigating and initiating energy efficiency solutions such as a LED lighting for all schools, improving the thermal efficiency of buildings and rationalising energy usage.
- Reviewing the estate to identify improvements to enhance the learning environment.
- Procuring standardised student assessments across the Trust to achieve a more favourable unit rate.
- Continuing to rationalise and standardise the range of education and non-educational purchases and subscriptions across the trust to ensure value for money.

## **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 Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Anthem for the year ended 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 Anthem is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing Anthem's significant risks that have been in place for the year ended 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**

Anthem'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:

- A Risk Register and Board Assurance Framework; that identifies key strategic risks and the controls that give Trustees assurance that mitigating actions are in place.
- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees.
- Regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines; and
- Delegation of authority and segregation of duties.



The board of Trustees considered the need for a specific internal audit function and have appointed the accountancy firm RSM to perform this function. The internal auditor's role includes giving advice on financial matters and performing a range of checks on Anthem's financial systems.

A schedule of work to be delivered by RSM is agreed annually by the Audit Committee. This schedule includes reviews of individual schools, the central function and cross-Trust functions. On a quarterly basis, RSM reports to the board of Trustees, through the Audit Committee, on the operation of the systems of control and on the discharge of the board of Trustees' financial responsibilities. Areas of weakness identified require remedial actions that are monitored by the Audit Committee and confirmed as initiated at a subsequent follow up review by RSM. No material control weaknesses exist.

### **Review of Effectiveness**

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

- The work of the internal auditor.
- The work of the external auditor; and
- The work of the executive within Anthem who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of Trustees on 12 December 2023 and signed on its behalf by:

**Jay Bhutani**  
Chair of Trustees

**Mohsen Ojja**  
Accounting Officer



## Statement on Regularity, Propriety and Compliance

As Accounting Officer of Anthem, I have considered my responsibility to notify the Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, under the funding agreement in place between the 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 Anthem board of Trustees are able to identify any material irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under Anthem's funding agreement and the Academy Trust Handbook 2022.

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

Approved on 12 December 2023 and signed by:

**Mohsen Ojja**

Accounting Officer



## Statement of Trustees' Responsibilities

The Trustees (who are also 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 Annual Accounts Direction 2022 to 2023 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023.
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 12 December 2023 and signed on its behalf by:

**Jay Bhutani**  
Chair of Trustees



## Independent Auditors' Report to the Members of Anthem Schools Trust

### Opinion

We have audited the financial statements of Anthem Schools Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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



## 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.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

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

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

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

## Responsibilities of Trustees

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

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

### **Auditors' responsibilities for the audit of the financial statements**

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

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.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, we considered the following:

- the nature of the Academy sector, control environment and the Academy Trust's performance;
- results of our enquiries of management and the Trustee board, including the committees charged with governance over the Academy Trust's finance and control, about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Academy Trust's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks of fraud or noncompliance with laws and regulations;
- how the Academy Trust ensured it met its obligations arising from it being financed by the ESFA and other funders, and as such material compliance with these obligations is required to ensure the Academy Trust will continue to receive its public funding and be authorised to operate, including around ensuring there is no material unauthorised use of funds and expenditure;
- how the Academy Trust ensured it met its obligations to its principal regulator, the Secretary of State for Education; and
- these matters were discussed among the audit engagement team who also considered any potential indicators of fraud .

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue, management override of controls using manual journal entries, procurement and payroll. We identified the





greatest potential for fraud as incorrect recognition of revenue and management override using manual journal entries.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Academy Trust operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Academies Accounts Direction, Academy Trust Handbook, Charity law, Charity Statement of Recommended Practice, UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Academy Trust's ability to operate or to avoid a material penalty. These included safeguarding regulations, data protection regulations, occupational health and safety regulations, education and inspections legislation, building legislation and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of Trustees and management and those charged with governance concerning actual and potential litigation and claims;
- performing procedures to confirm material compliance with the requirements of its regulators;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing internal control reports; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws





and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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](http://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.

### **Kevin Connor FCA (Senior Statutory Auditor)**

for and on behalf of  
**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Chy Nyverow  
Newham Road  
Truro  
Cornwall  
TR1 2DP

Date:



# **Independent Reporting Accountant's Assurance Report on Regularity to the Anthem Schools Trust and the Education & Skills Funding Agency**

## **For the year ended 31 August 2023**

In accordance with the terms of our engagement letter dated 20 June 2023 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 Anthem Schools Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Anthem Schools Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Anthem Schools Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Anthem Schools Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of the Anthem Schools Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Anthem Schools Trust's funding agreement with the Secretary of State for Education dated 7 June 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 conclusion includes:

- An assessment of the risk of material irregularity and impropriety across all of the Trust's activities;
- Further testing and review of the areas identified through the risk assessment including enquiry, identification of controls processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- Consideration of evidence obtained through the work detailed above and the work completed as part of our audit of the financial statements in order to support the regularity conclusion.

In line with the Framework and guide for external auditors and reporting accountants of academy trusts issued April 2023, we have not performed any additional procedures regarding the Trust's compliance with safeguarding, health and safety and estates management.

## Conclusion

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

**Bishop Fleming LLP**  
Chartered Accountants  
Statutory Auditors  
Chy Nyverow  
Newham Road  
Truro  
Cornwall  
TR1 2DP

Date:

## Statement of financial activities for the year ended 31 August 2023 (incorporating income & expenditure account)

Notes	Unrestricted	Restricted			2023	2022
	General fund	Pension fund	Fixed asset fund	Total	Total	
	£'000	£'000	£'000	£'000	As restated	
					£'000	
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	109	-	2,461	2,570
<i>Charitable activities:</i>						
Funding for educational operations	3	848	59,219	-	-	60,067
Other trading activities	4	1,155	282	-	-	1,437
Investments	5	59	-	-	-	59
<b>Total income and endowments</b>		<b>2,062</b>	<b>59,610</b>	<b>-</b>	<b>2,461</b>	<b>64,133</b>
<b>Expenditure on:</b>						
Raising funds	6	354	82	-	-	436
<i>Charitable activities:</i>						
Educational operations	7	1,432	60,560	2,384	4,369	68,745
<b>Total expenditure</b>	<b>6</b>	<b>1,786</b>	<b>60,642</b>	<b>2,384</b>	<b>4,369</b>	<b>69,181</b>
<b>Net income/(expenditure) for the year</b>		<b>276</b>	<b>(1,032)</b>	<b>(2,384)</b>	<b>(1,908)</b>	<b>(5,048)</b>
<b>Transfers between funds</b>		<b>(301)</b>	<b>(6)</b>	<b>-</b>	<b>307</b>	<b>-</b>
<b>Other recognised gains and losses</b>						
Actuarial losses on defined benefit pension schemes	26			1,995		1,995
Pension surplus not recognised	26			1,837		1,837
<b>Net movement in funds</b>		<b>(25)</b>	<b>(1,038)</b>	<b>1,448</b>	<b>(1,601)</b>	<b>(1,216)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward at 31 August 2022		2,086	1,138	(3,755)	116,047	115,516
Total funds brought forward at 31 August 2022 (as restated)		2,086	1,138	(3,755)	94,831	94,300
<b>Total funds carried forward at 31 August 2023</b>		<b>2,061</b>	<b>100</b>	<b>(2,307)</b>	<b>93,230</b>	<b>93,084</b>

The fixed asset fund has been restated to reflect the Trust's accounting policy.

All the Trust's activities derive from continuing operations during the financial period. The pension fund has been separated to improve transparency.

## Statement of financial activities for the year ended 31 August 2023 (incorporating income & expenditure account)

### Comparative year information

	Notes	Unrestricted	Restricted			2022	2021
		£'000	General fund	Pension fund	Fixed asset fund	Total	Total
					As restated		
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Income and endowments from:</b>							
Donations and capital grants	2	-	95	-	2,035	2,130	2,046
<i>Charitable activities:</i>							
Funding for educational operations	3	888	55,104	-	-	55,992	54,971
Other trading activities	4	948	679	-	-	1,627	602
Investments	5	4	-	-	-	4	5
<b>Total income and endowments</b>		<b>1,840</b>	<b>55,878</b>	<b>-</b>	<b>2,035</b>	<b>59,753</b>	<b>57,624</b>
<b>Expenditure on:</b>							
Raising funds	6	345	38	-	-	383	93
<i>Charitable activities:</i>							
Educational operations	7	1,194	56,077	4,226	4,684	66,181	62,238
<b>Total expenditure</b>	<b>6</b>	<b>1,539</b>	<b>56,115</b>	<b>4,226</b>	<b>4,684</b>	<b>66,564</b>	<b>62,331</b>
<b>Net income/(expenditure) for the year</b>		<b>301</b>	<b>(237)</b>	<b>(4,226)</b>	<b>(2,649)</b>	<b>(6,811)</b>	<b>(4,707)</b>
<b>Transfers between funds</b>		<b>(79)</b>	<b>(384)</b>	<b>-</b>	<b>463</b>	<b>-</b>	<b>-</b>
<b>Other recognised gains and losses</b>							
Actuarial losses on defined benefit pension schemes	26	-	-	24,360	-	24,360	(3,119)
Adjustment for change in financial assumptions	26			3,092	-	3,092	-
<b>Net movement in funds</b>		<b>222</b>	<b>(621)</b>	<b>23,226</b>	<b>(2,186)</b>	<b>20,641</b>	<b>(7,826)</b>
<b>Reconciliation of funds</b>							
Total funds brought forward at 31 August 2021		1,864	1,759	(26,981)	97,017	73,659	81,485
<b>Total funds carried forward at 31 August 2022</b>		<b>2,086</b>	<b>1,138</b>	<b>(3,755)</b>	<b>94,831</b>	<b>94,300</b>	<b>73,659</b>

All the Trust's activities derive from continuing operations during the financial period. The pension fund has been separated to improve transparency.



## Balance Sheet as at 31 August 2023

	Notes	2023 £'000	2022 As restated £'000
<b>Fixed assets</b>			
Tangible assets	12	91,051	92,782
<b>Current assets</b>			
Debtors	13	2,865	2,032
Cash and cash equivalents	23	6,960	8,639
		9,825	10,671
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	14	(5,485)	(5,393)
<b>Net current assets</b>		4,340	5,278
<b>Non-current liabilities</b>			
Creditors: amounts falling due after one year	14	-	(5)
<b>Net assets excluding pension liability</b>		95,391	98,055
Defined benefit pension scheme liability	26	(2,307)	(3,755)
<b>Net assets including pension liability</b>		93,084	94,300
<b>The funds of the Trust:</b>			
<b>Restricted funds</b>			
Fixed asset funds	15	93,230	94,831
Restricted income funds	15	100	1,138
Pension reserve	15	(2,307)	(3,755)
<b>Total restricted funds</b>		91,023	92,214
<b>Unrestricted funds</b>	15	2,061	2,086
<b>Total funds</b>		93,084	94,300

The financial statements on pages 35 to 65 were approved by the board of Trustees, and authorised for issue on 12 December 2023 and are signed on their behalf by:

**Jay Bhutani**  
Chair of Trustees

**Mohsen Ojja**  
Accounting Officer

Company registration no: 07468210



## Cash Flow Statement for the year ended 31 August 2023

	Notes	2023 £'000	2022 £'000
<b>Cash flows from operating activities</b>			
Net cash from operating activities	20	(1,793)	(286)
<b>Cash flows used in investing activities</b>			
Dividends, interest and rents from investments		59	4
Capital grants from DfE and ESFA	2	2,461	2,021
Payments to acquire tangible fixed assets	22	(2,396)	(2,623)
		124	(598)
<b>Cash flows used in financing activities</b>			
Repayment of borrowings	21	(10)	(10)
Change in cash and cash equivalents in the reporting period		(1,679)	(894)
Cash and cash equivalents at 1 September 2022		8,639	9,533
<b>Cash and cash equivalents at 31 August 2023</b>	23	6,960	8,639



## 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.

#### Basis of preparation

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

Anthem Schools Trust meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared in sterling, which is the functional currency of the company. Monetary amounts in the financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historic cost convention. 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.

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

#### Income

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

#### Grants receivable

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





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

Capital grants are recognised where there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

### **Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Academy Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 28.

### **Donations**

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

### **Other income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the goods have been provided or on completion of the service.

### **Donated goods, services and gifts in kind**

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

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

On becoming an academy, the land and property of the predecessor school was transferred to the academy for nil consideration. The valuation of the land and buildings as at the date of conversion was prepared by Lambert, Smith Hampton on a depreciated replacement cost basis.

### **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 based on time spent, and depreciation charges allocated on the portion of the asset's use.

### **Expenditure on raising funds**

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

### **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

### **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 or donated market value and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities.

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

Freehold buildings	3%
Long Leasehold buildings	3%
Computer equipment	33%
Fixtures and fittings	20%
Motor vehicles	25%

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

### **Impairment of fixed assets**

At each reporting period end date, the Trust reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Trust estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax



discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Financial Activities.

### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of twelve months or less.

### **Financial instruments**

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

Financial instruments are recognised in the Trust's Statement of Financial Position when the Trust becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Financial assets**

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

#### **Cash at bank**

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

#### **Financial liabilities**

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. 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 charity's wholly owned subsidiary are held at face value less any impairment.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.



### **Leased assets**

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

### **Taxation**

The Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### **Pension benefits**

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. As stated in note 26, the 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 are recognised in the period to which they relate.

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

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



## **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, the Department for Education or other 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 Education and Skills Funding Agency.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

## **Critical accounting estimates and areas of judgement**

Accounting 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 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.

### **Pension Liability**

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 26 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### **Depreciation**

The Trustees estimate the useful economic lives and residual values of Buildings, Building Improvements, Computer Equipment, Furniture and Fittings and Motor Vehicles in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the Statement of Financial Activities and the Balance Sheet.

The Trustees have reviewed the carrying values of the Trust's Buildings, Building Improvements, Computer Equipment, Furniture and Equipment and Motor Vehicles.

### **Critical areas of judgement**

The Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of

these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

## 2. Donations and capital grants

	Unrestricted fund £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Capital grants	-	2,461	2,461	2,021
Donated Fixed Assets	-	-	-	14
Other donations	-	109	109	95
	-	2,570	2,570	2,130
	=====	=====	=====	=====

## 3. Funding for the Trust's educational operations

	Unrestricted fund £'000	Restricted funds £'000	Total 2023 £'000	As restated Total 2022 £'000
<b>DfE / ESFA grants</b>				
- General Annual Grant (GAG)	-	43,882	43,882	42,636
- 16-19 funding	-	3,643	3,643	3,240
Other DfE / ESFA grants				
-Supplementary Grant	-	1,335	1,335	-
-UIFSM	-	404	404	368
-Pupil Premium	-	2,752	2,752	2,423
-Teacher Pay and Pension grants	-	168	168	218
-Others	-	2,880	2,880	2,429
	-	55,064	55,064	51,314
<b>Other Government grants</b>				
- SEND Funding	-	2,066	2,066	1,593
- Local authority grants	-	1,609	1,609	1,289
	-	58,739	58,739	54,196
<b>Other funds</b>				
- Other income from the Trust's educational operations	848	480	1,328	1,791
<b>Exceptional government funding</b>				
- Coronavirus exceptional support	-	-	-	5
<b>Total funding</b>	848	59,219	60,067	55,992
	=====	=====	=====	=====

The comparative has been restated to split out the General Annual Grant (GAG) and 16-19 funding, as well as the SEND funding and local authority grants.

#### 4. Other trading activities

	Unrestricted fund £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Hire of facilities	347	-	347	296
Trip income	339	-	339	335
Sale of school uniform	14	-	14	10
Consultancy	79	252	331	679
Other income	376	30	406	307
	<u>1,155</u>	<u>282</u>	<u>1,437</u>	<u>1,627</u>
	=====	=====	=====	=====

#### 5. Investment income

	Unrestricted fund £'000	Restricted funds £'000	Total 2023 £'000	Total 2022 £'000
Bank interest receivable	1	-	1	2
Short term deposits	58	-	58	2
	<u>59</u>	<u>-</u>	<u>59</u>	<u>4</u>
	=====	=====	=====	=====

#### 6. Expenditure

	Staff costs (note 8) £'000	Non-pay expenditure Premises £'000	Other costs £'000	Total 2023 £'000	Total 2022 As restated £'000
Academies' educational operations (note 7)					
- direct costs	39,173	-	4,114	43,287	40,845
- allocated support costs	11,213	2,717	11,528	25,458	25,336
	<u>50,386</u>	<u>2,717</u>	<u>15,642</u>	<u>68,745</u>	<u>66,181</u>
Expenditure on raising funds	-	-	436	436	383
	<u>50,386</u>	<u>2,717</u>	<u>16,078</u>	<u>69,181</u>	<u>66,564</u>
	=====	=====	=====	=====	=====



## 6. Expenditure (continued)

Net (income)/expenditure for the year includes:	2023	2022
	£'000	As restated £'000
Operating lease rentals	281	593
Fees paid to auditor for: -audit services	40	52
-other services	10	30
Depreciation of tangible fixed assets	4,125	4,344
	4,456	5,019
	=====	=====

Included within expenditure are unrecoverable debts of £nil (2022: £1,592).

## 7. Charitable activities

	2023	2022
	£'000	As restated £'000
Direct costs – educational operations	43,287	40,845
Support costs – educational operations	25,458	25,336
	68,745	66,181
	=====	=====
<b>Analysis of support costs</b>		
Support staff costs	11,212	11,764
Depreciation and impairment of fixed assets	4,125	4,344
Technology costs	719	901
Premises costs	2,717	2,877
Legal costs - other	14	28
Other support costs	6,576	5,310
Governance costs	95	112
	25,458	25,336
	=====	=====



## 8. Staff costs

### a. Staff costs during the year were:

	<b>2023</b> <b>£'000</b>	<b>2022</b> <b>£'000</b>
Wages and salaries	35,212	33,470
Social security costs	3,658	3,317
Operating costs of defined benefit pension scheme	10,031	10,945
	<hr/> 48,901	<hr/> 47,732
Agency staff costs	1,442	1,282
Staff restructuring costs (see below)	43	125
	<hr/> 50,386	<hr/> 49,139
	=====	=====
Staff restructuring costs comprise:		
- Severance payments	43	115
- Redundancy payments	-	10
	<hr/> 43	<hr/> 125
	=====	=====

### b. Severance payments

The academy trust paid 8 severance payments in the year, disclosed in the following bands:

0 - £25,000                      8

### c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £43k (2022: £38k). Individually, the payments were: £20,000, £13,908, £9,001, £1, £1 and £1.

### d. Staff numbers

The average number of persons (including senior management team and agency staff) employed by the Trust during the year was as follows:

	<b>Headcount</b>	
	<b>2023</b>	<b>2022</b>
Teachers	488	518
Administration and support (including Teaching Assistants)	637	741
Management	77	77
<b>Total</b>	<b>1,202</b>	<b>1,336</b>

## 8. Staff costs (continued)

### e. Higher paid staff

	<b>2023</b>	<b>2022</b>
	<b>Number</b>	<b>Number</b>
£ 60,001 - £ 70,000	41	25
£ 70,001 - £ 80,000	7	11
£ 80,001 - £ 90,000	8	3
£ 90,001 - £100,000	3	3
£100,001 - £110,000	1	-
£110,001 - £120,000	1	2
£120,001 - £130,000	1	-
£130,001 - £140,000	1	-
£140,001 - £150,000	-	-
£150,001 - £160,000	1	1
£160,001 - £170,000	-	-
£170,001 - £180,000	-	1
	=====	=====

### f. Key management personnel

The key management personnel of Anthem comprise the Trustees and senior management team, as listed on page 3. 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 Trust was £870,292 paid to 7 employees (2022: £626,763 paid to 4 employees).

## 9. Central services

Anthem has provided the following central services to its academies during the year; school improvement, financial, property management, procurement, legal, governance, safeguarding, data analysis, communications and others as arising.

Anthem charges for these services based on 6% of the General Annual Grant from the ESFA. It is not charged on capital grant income, Pupil Premium funding and income generated locally (lettings, catering, uniform sales, sponsorship, donations etc). The actual amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Abacus Belsize Primary School	53	47
All Saints Junior School	31	25
Abbey Woods Academy	49	44
Benjamin Adlard Primary School	71	58
Boston West Academy	107	87
The Deepings School	450	294
Gladstone Park Primary School	196	156
Grampian Primary Academy	63	50
Judith Kerr Primary School	114	89
Lincoln Carlton Academy	106	87
Mount Street Infant Academy	70	56
Meadow Park Academy	95	77
Oakbank School	187	121
Oxford Spires Academy	474	305
Queensbury Academy	419	263
St Mark's Academy	369	230
	<hr/>	<hr/>
	2,854	1,863
	=====	=====

From 31 August 2023, the Trust put in place a policy of pooling reserves. The Trust agreed to pool all individual school reserves (excluding any unspent balances of school specific restricted funds) from 31 August 2023.

## 10. Trustees' remuneration and expenses

No Trustees or persons connected with them received any remuneration during the year for services as a Trustee. During the year ended 31 August 2023, travel and subsistence expenses totalling £1,184 (2022: £1,094) were reimbursed to four (2022: two) Trustees.

## 11. Trustees' and Officers' insurance

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

## 12. Tangible fixed assets

	Freehold Land and Buildings £'000	Long Leasehold Land and Buildings £'000	Computer Equipment £'000	Furniture & Fittings £'000	Motor Vehicles £'000	Total £'000
<b>Cost</b>						
At 1 September 2022	21,337	121,200	4,342	5,090	48	152,017
Prior year adjustment	1,786	(22,019)	-	-	-	(20,233)
At 1 September 2022 (as restated)	23,123	99,181	4,342	5,090	48	131,784
Additions	376	1,436	346	238	-	2,396
Disposals	-	-	-	(2)	-	(2)
At 31 August 2023	23,499	100,617	4,688	5,326	48	134,178
<b>Depreciation</b>						
At 1 September 2022	4,602	25,129	4,104	4,135	48	38,018
Prior year adjustment	88	896	-	-	-	984
At 1 September 2022 (as restated)	4,690	26,025	4,104	4,135	48	39,002
Charge in year	424	3,186	177	338	-	4,125
At 31 August 2023	5,114	29,211	4,281	4,473	48	43,127
<b>Net book values</b>						
At 31 August 2023	18,385	71,406	407	853	-	91,051
At 31 August 2022	18,434	73,156	238	955	-	92,782

The 31 August 2022 values have been restated as detailed in note 30.

There are leasehold assets of £3,196k held for The Deepings, where the property is held as a tenancy at will. Negotiations of the lease are ongoing; therefore, the assets have been treated as leasehold in substance and depreciated according to the Trust's depreciation policy.

## 13. Debtors

	2023 £'000	2022 £'000
Trade debtors	205	207
VAT recoverable	545	439
Other debtors	166	131
Prepayments and accrued income	1,949	1,255
	2,865	2,032

## 14. Creditors

<b>Amounts falling due within one year</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	2,439	2,001
Other taxation and social security	782	780
Loans (see below)	5	10
Accruals and deferred income (see below)	1,406	1,784
Other creditors	853	818
	5,485	5,393
	=====	=====
<b>Creditors: amounts falling due after one year</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Loans	-	5
	-	5
	=====	=====
<b>Creditors: deferred income</b>	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Deferred income at 1 September	691	1,167
Income deferred in the year	550	691
Amounts released from previous years	(691)	(1,167)
	550	691
	=====	=====

Included in deferred income is £247k (2022: £235k) for universal infant free school meal funding, £12k (2022: £173k) for other ESFA grants, £121k (2022: £129k) for Local Authority grants and £75k (2022: £82k) for non-government funding.

Included within other creditors is £94k (2022: £72k) for funds received in advance for academy trips. These trips will be taking place during the next academic year.

Loans of £5k (2022: £15k) are from Salix and provided on the following terms: 0% interest repayable over 6 years and maturing 1 September 2023.

## 15. Funds

	Balance at 31 August 2022 As restated £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,046	43,882	(44,898)	(6)	24
16-19 funding	-	3,643	(3,643)	-	-
Teacher Pay and Pension Grants	-	168	(168)	-	-
Pupil Premium Grants	-	2,752	(2,722)	-	30
Supplementary Grant	-	1,335	(1,335)	-	-
Universal Infant Free School Meals	-	404	(404)	-	-
Other DfE / ESFA grants	-	2,880	(2,880)	-	-
SEND funding	-	2,066	(2,066)	-	-
Other Government grants	-	1,609	(1,609)	-	-
EEF grants	92	190	(236)	-	46
Donations and other income	-	399	(399)	-	-
Activities for generating funds	-	282	(282)	-	-
Pension reserve (note 26)	(3,755)	-	(2,384)	3,832	(2,307)
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total restricted general funds	(2,617)	59,610	(63,026)	3,826	(2,207)
	=====	=====	=====	=====	=====
<b>Restricted fixed asset funds</b>					
Acquired on conversion	51,630	-	(2,428)	-	49,202
DfE/ESFA capital grants	43,201	2,461	(1,941)	307	44,028
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total restricted fixed asset funds	94,831	2,461	(4,369)	307	93,230
	=====	=====	=====	=====	=====
<b>Total restricted funds</b>	<b>92,214</b>	<b>62,071</b>	<b>(67,395)</b>	<b>4,133</b>	<b>91,023</b>
	=====	=====	=====	=====	=====
<b>Unrestricted funds</b>					
Unrestricted fund	2,086	2,062	(1,786)	(301)	2,061
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total funds</b>	<b>94,300</b>	<b>64,133</b>	<b>(69,181)</b>	<b>3,832</b>	<b>93,084</b>
	=====	=====	=====	=====	=====

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

**General Annual Grant:** The General Annual Grant must be used for the normal running costs of the Trust including salary costs, overheads, premises costs and curriculum costs. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

**16-19 funding:** This grant is provided by the ESFA alongside the General Annual Grant to fund sixth form education.

## 15. Funds (continued)

**Teacher Pay and Pension Grants:** This grant is provided by the ESFA to fund increased payroll costs following the teacher pay award agreed annually by the School Teachers' Review Body (STRB).

**Pupil Premium Grants:** The pupil premium grant is ESFA funding provided to improve educational outcomes for disadvantaged pupils.

**Supplementary Grant:** This grant was provided by the ESFA in 2022-23 to provide support for the costs of the Health and Social Care Levy and wider costs.

**Universal Infant Free School Meals:** Provided by the ESFA to support in the delivery of the legal requirement to offer free school meals, meeting the school food standards, to all Anthem's reception, year 1 and year 2 pupils. Subject to meeting this legal duty, it may be spent for the educational benefit of pupils registered at Anthem schools or on the provision of community facilities.

**Other DfE/ESFA grants:** Other grants received from the DfE and ESFA include the Recovery Premium, Mainstream Schools Additional Grant (MSAG), PE Grant, ECF Mentor Grant and funding for 16-19 Tuition and the National Tutoring Programme. Also included is exceptional funding received to cover rent and transport of pupils to and from the school site for Abacus Belsize.

**SEND Funding:** This includes funding received from Local Authorities to provide additional support as required by pupils at Anthem schools.

**Other Government Grants:** This relates to funding received from Local Authorities for other purposes such as early years provision.

**Education Endowment Foundation (EEF) Grants:** this includes grants provided to the Research School to bridge the gap between research and classroom practice, partner with schools to improve outcomes for disadvantaged pupils through evidence-informed implementation, robust evaluation, quality CPD and follow-on support.

**Donations and other income:** Anthem schools receive various donations for specific projects.

**Activities for generating funds:** this relates to consultancy income for work that has been completed by Anthem employees for educational benefit outside of the Trust.

**Fixed asset fund:** The fixed asset fund includes grants received from the DfE and other sources to finance the purchase of tangible fixed assets.

**Pension reserve:** The pension reserve is the element of the local government pension fund liability attributable to the Trust (see note 26).

**Transfer between funds:** A transfer from restricted funds to the restricted fixed asset fund was necessary to fund capital expenditure carried out during the year.

## 15. Funds (continued)

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

	Balance at 31 August 2021 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,759	45,876	(46,205)	(384)	1,046
Teacher Pay and Pension Grants	-	218	(218)	-	-
Universal Infant Free School Meals	-	368	(368)	-	-
Pupil Premium grants	-	2,423	(2,423)	-	-
Other DfE / ESFA grants	-	2,502	(2,502)	-	-
Other government grants	-	2,882	(2,882)	-	-
Other Grants	-	313	(221)	-	92
Donations and other income	-	617	(617)	-	-
Activities for generating funds	-	679	(679)	-	-
Pension reserve (note 26)	(26,981)	-	(4,226)	27,452	(3,755)
	<hr/>				
Total restricted general funds	(25,222)	55,878	(60,341)	27,068	(2,617)
	=====	=====	=====	=====	=====
<b>Restricted fixed asset funds</b>					
Acquired on conversion	54,058	-	(2,428)	-	51,630
DfE/ESFA capital grants	42,959	2,035	(2,256)	463	43,201
	<hr/>				
Total restricted fixed asset funds	97,017	2,035	(4,684)	463	94,831
	=====	=====	=====	=====	=====
<b>Total restricted funds</b>	71,795	57,913	(65,025)	27,531	92,214
	=====	=====	=====	=====	=====
<b>Unrestricted funds</b>					
Unrestricted fund	1,864	1,840	(1,539)	(79)	2,086
	<hr/>				
<b>Total funds</b>	73,659	59,753	(66,564)	27,452	94,300
	=====	=====	=====	=====	=====



## 16. Funds -Group

### Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>As restated £'000</b>
Operating Reserve	2,106	3,092
The Deepings School	30	-
Research School	25	132
	<hr/>	<hr/>
Total funds before fixed assets and pension reserve funds	2,161	3,224
Restricted fixed asset fund	93,230	94,831
Pension reserve	(2,262)	(3,755)
	<hr/>	<hr/>
Total	93,129	94,300
	=====	=====

From 31 August 2023 the Trust has pooled all individual school reserves, with the exception of any unspent amounts from specific restricted funds not subject to pooling, and therefore all Academy Trust reserves are shown within the operating reserves fund. This will ensure that the Trust can direct resources to the areas where they will have the greatest impact on student outcomes.

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

	<b>Teaching &amp; Educational Support Staff Costs</b>	<b>Other Support Staff Costs *</b>	<b>Educational Supplies</b>	<b>Other Costs ** (Excluding Depreciation)</b>	<b>Total 2023</b>	<b>Total 2022</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Abacus Belsize	867	42	10	688	1,607	1,766
All Saints Junior	371	41	3	273	688	259
Abbey Woods	885	127	3	335	1,350	1,959
Benjamin Adlard	1,282	189	30	303	1,804	2,311
Boston West	1,650	217	27	353	2,247	2,608
The Deepings	5,748	1,403	62	1,714	8,927	8,705
Gladstone Park	2,853	493	15	631	3,992	4,188
Grampian	964	262	10	325	1,561	1,729
Judith Kerr	1,631	224	8	570	2,433	2,062
KYRA	158	3	-	213	374	757
Lincoln Carlton	1,550	372	20	320	2,262	2,823
Mount Street	1,328	257	15	290	1,890	1,375
Meadow Park	1,552	193	19	337	2,101	970
Oakbank	2,434	393	56	959	3,842	3,613
Oxford Spires	5,911	1,130	41	2,141	9,223	8,236
Queensbury	4,964	1,071	196	1,376	7,607	7,271
St Mark's	4,254	1,000	170	1,777	7,201	6,712
Central Services	772	2,265	16	266	3,319	4,534
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	39,174	9,682	701	12,871	62,428	61,878
	=====	=====	=====	=====	=====	=====

\* Other Support Staff Costs excludes the movement on the Local Government Pension Scheme following actuarial valuations.

\*\* Excluding depreciation (£4,125k), and capital grant funded expenditure (£242k).

## 17. Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total funds 2023 £'000
Tangible fixed assets	-	-	91,051	91,051
Current assets	2,061	5,585	2,179	9,825
Current (and non-current) liabilities	-	(5,485)	-	(5,485)
Pension scheme liability	-	(2,307)	-	(2,307)
<b>Total net assets</b>	<u>2,061</u> =====	<u>(2,207)</u> =====	<u>93,230</u> =====	<u>93,084</u> =====

Fund balances at 31 August 2022 are represented by:

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund As restated £'000	Total funds 2022 As restated £'000
Tangible fixed assets	-	-	92,783	92,783
Current assets	2,086	6,537	2,048	10,671
Current (and non-current) liabilities	-	(5,399)	-	(5,399)
Pension scheme liability	-	(3,755)	-	(3,755)
<b>Total net assets</b>	<u>2,086</u> =====	<u>(2,617)</u> =====	<u>94,831</u> =====	<u>94,300</u> =====

## 18. Capital commitments

	2023 £'000	2022 £'000
Contracted for, but not provided in the financial statements	243	210

## 19. Operating lease commitments

At 31 August 2023, the total of the Trust's future minimum lease payments under non-cancellable operating leases were:

	2023 £'000	2022 £'000
Due within one year	281	255
Due in one to five years	208	249
Due after five years	173	90
	<u>662</u> =====	<u>594</u> =====

## 20. Reconciliation of net (loss)/income to net cash used in operating activities

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>As restated £'000</b>
Net movement in funds for the year	(1,216)	20,641
Depreciation (note 13)	4,125	4,344
Disposal of tangible fixed assets (note 13)	2	-
Capital grants from DfE and other capital income	(2,461)	(2,021)
Interest receivable (note 5)	(59)	(4)
Defined benefit pension scheme cost less contributions payable (note 26)	(3,832)	(27,452)
Defined benefit pension scheme finance cost (note 26)	2,384	4,226
Decrease / (increase) in debtors	(833)	321
Increase in creditors	97	(341)
	<hr/>	<hr/>
Net cash from operating activities	(1,793)	(286)
	=====	=====

## 21. Cash flows used in financing activities

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Repayments of borrowing -Salix loan	(10)	(10)
	<hr/>	<hr/>
Net cash used in financing activities	(10)	(10)
	=====	=====

## 22. Cash flows used in investing activities

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Dividends, interest and rents from investments	59	4
Capital grants from DfE / ESFA	2,450	2,021
Capital funding received from others	11	-
Payments to acquire tangible fixed assets	(2,396)	(2,623)
	<hr/>	<hr/>
Net cash used in investing activities	124	(598)
	=====	=====

## 23. Analysis of cash and cash equivalents

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Cash in hand and at bank	2,796	2,231
Notice deposits	4,164	6,408
	<hr/>	<hr/>
	6,960	8,639
	=====	=====

## 24. Analysis of changes in net debt

	<b>At 1 September 2022</b>	<b>Cash flows</b>	<b>At 31 August 2023</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Cash	2,231	565	2,796
Cash equivalents	6,408	(2,244)	4,164
	<b>8,639</b>	<b>(1,679)</b>	<b>6,960</b>
Loans falling due within one year	(10)	5	(5)
Loans falling due after one year	(5)	5	-
<b>Total</b>	<b>8,624</b>	<b>1,669</b>	<b>6,955</b>

## 25. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the Trust 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 (2022: £10) for the debts and liabilities contracted before he/she ceases to be a member.

## 26. Pension and similar obligations

The Trust's employees belong to two principal pension schemes: The Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Bedfordshire, Brent, Camden, Derbyshire, Lincolnshire, Merton, Oxfordshire, Berkshire and Southwark County Councils. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2020 and of the LGPS to the period ended 31 March 2022.

There were £586,465 outstanding contributions at the end of the financial year (2022: £583,436).

### Teachers' Pension Scheme

#### Introduction

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

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

#### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions.

## 26. Pension and similar obligations (continued)

Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the previous valuation as at 31 March 2016 which was effective for the year ended 31 August 2023 are:

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

The 2020 valuation result is due to be implemented from 1 April 2024 and effective until 31 March 2027. The employer contribution rate for this period will be 28.68% of pensionable pay (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £5,229k (2022: £5,073k). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £3,203k (2022: £2,768k), of which employer's contributions totalled £2,488k (2022: £2,168k) and employees' contributions totalled £715k (2022: £600k). The agreed contribution rates for future years are between 16.5% and 33.5% (2022: 17.5% and 35.0%) for employers and averages between 5.5% and 12.5% (2022: 5.5% and 12.5%) for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of Trust 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.

<b>Principal Actuarial Assumptions:</b>	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
Rate of increase in salaries	3.7%	3.7%
Rate of increase for pensions	2.9%	3.0%
Discount rate for scheme liabilities	5.2%	4.2%
Inflation assumption (CPI)	2.9%	3.0%

## 26. Pension and similar obligations (continued)

The Trust entered into three-year agreements ended March 2023 to make contributions in addition to normal funding levels for the Lincolnshire County Council Pension Scheme, which is in deficit.

Triennial valuations are being carried out to reassess the position; no agreements for additional contributions have been made.

The below table, as produced by AON Hewitt Ltd, Barnett Waddingham and Hymans Robertson sets out the impact of a small change in the discount rates on the defined benefit obligations and projected service cost along with a plus/minus 1-year age rating adjustment to the mortality assumption.

	Approximate increase in employer's liability	
	2023 £'000	2022 £'000
0.1% decrease in real discount rate	1,818	2,165
1-year increase in member life expectancy	2,004	2,277
0.1% increase in salary increase rate	1,536	1,853
0.1% increase in employer's liability	1,811	2,149

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement age 65 are:

	At 31 August 2023 (years)	At 31 August 2022 (years)
<b>Retiring today</b>		
Males	20.9	21.5
Females	23.9	23.9
<b>Retiring in 20 years</b>		
Males	21.9	22.8
Females	25.3	25.6

The Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 As restated £'000
Equity instruments	25,739	25,875
Debt instruments	8,506	6,891
Property	4,828	4,235
Cash	1,453	1,028
	40,526	38,029
	=====	=====
Total market value of assets		

## 26. Pension and similar obligations (continued)

Actual return on scheme assets was (£981k) (2022: £1,053k).

### Amounts recognised in the Statement of Financial Activities

	2023	2022 As restated
	£'000	£'000
Current service cost (net of employee contributions)	2,990	5,725
Net interest cost	1,860	669
	<hr/>	<hr/>
Total operating charge	4,850	6,394
	=====	=====

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

	2023	2022 As restated
	£'000	£'000
At 1 September	38,692	62,970
Current service cost	2,990	5,725
Interest cost	1,662	1,058
Employee contributions	709	600
Actuarial (gain) / loss	5,366	577
Change in Demographic Assumptions	(1,130)	(267)
Change in Financial Assumptions	(9,819)	(31,927)
Benefits paid	(566)	(455)
Effect of non-routine settlements	-	411
	<hr/>	<hr/>
At 31 August	37,904	38,692
	=====	=====

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

	2023	2022 As restated
	£'000	£'000
At 1 September	38,029	35,989
Interest income	1,639	592
Actuarial gain / (loss)	(778)	(20)
Return on plan assets (excluding net interest on the net defined pension liability)	(974)	(1,053)
Employer contributions	2,467	2,168
Employee contributions	709	600
Benefits paid	(566)	(455)
Effect of non-routine settlements	-	208
	<hr/>	<hr/>
At 31 August	40,526	38,029
	=====	=====

## **26. Pension and similar obligations (continued)**

The Trust has an unrecognised surplus of £1,837k (2022: £3,092k) In respect of its defined benefit pension scheme as it does not expect to recover the plan surplus through reduced contributions in the future or through refunds from the plan. The prior year figure has been restated for this unrecognised surplus.

## **27. Related party transactions**

Owing to the nature of the Academy Trust's operations 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 a Trustee has 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 Trusts' financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 11.

## **28. Agency Arrangements**

The Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2023, the Trust received £24k and disbursed £21k from the fund. An amount of £12k is included in other creditors relating to undistributed funds that is repayable to ESFA.

The Trust distributes training bursary funds to trainees as an agent for the DfE. In the accounting period ending 31 August 2023, the Trust received £40k and disbursed £40k. An amount of nil is included in creditors relating to undistributed funds that is repayable to the DfE.



## 29. Prior Year Adjustment

The value of land and buildings for a number of Anthem schools was adjusted in the last financial statements to reflect desktop valuations completed by the DfE. This revaluation (£20,233k) has been reversed through a prior year adjustment to reflect the Trust's accounting policy.

The adjustment is summarised as follows:

### Statement of Financial Activities

	Fixed asset fund			2022 Total	
	Prior Year Adjustment	2021/22 Financial Statements	Restated 2021/22 Value	2021/22 Financial Statements	Restated 2021/22 Value
	£'000	£'000	£'000	£'000	£'000
<b>Statement of Financial Activities:</b>					
Educational Operations	983	3,701	4,684	65,198	66,181
<b>Total Expenditure</b>	<b>983</b>	<b>3,701</b>	<b>4,684</b>	<b>65,581</b>	<b>66,564</b>
<b>Net income/(expenditure) for the year</b>	<b>(983)</b>	<b>(1,666)</b>	<b>(2,649)</b>	<b>(5,828)</b>	<b>(6,811)</b>
<b>Other recognised gains and losses</b>					
Revaluation of land and buildings	(20,233)	20,233	-	20,233	-
<b>Net Movement in Funds</b>	<b>(21,216)</b>	<b>19,030</b>	<b>(2,186)</b>	<b>41,857</b>	<b>20,640</b>
<b>Total funds carried forward at 31 August 2022</b>	<b>(21,216)</b>	<b>116,047</b>	<b>(2,186)</b>	<b>115,516</b>	<b>94,300</b>

### Balance Sheet

	Prior Year Adjustment	2021/22 Financial Statements	Restated 2021/22 Value
	£'000	£'000	£'000
Tangible assets	(21,216)	113,998	92,782
<b>Net assets including pension liability</b>	<b>(21,216)</b>	<b>115,516</b>	<b>94,300</b>
Fixed asset funds	(21,216)	116,047	94,831
<b>Total funds</b>	<b>(21,216)</b>	<b>115,516</b>	<b>94,300</b>



### **30. Events after the end of the reporting period**

There are no significant subsequent events after the year end to report.