

MIGHTY OAKS ACADEMY TRUST LTD
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023



MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	J Dickinson, Chair V Fletcher (resigned 10 December 2022) P Heffernan (appointed 24 May 2023) S Lane (appointed 15 June 2023)
Trustees	JA Bates, Chair (resigned 10 December 2022) ¹ P Doddridge, Trustee (appointed 1 September 2023) K Hall, Chair ¹ M Hall, Trustee D Loughran, Trustee ¹ C Thomas, Trustee (appointed 9 February 2023) S Tilley, Trustee (resigned 31 August 2023) ¹ ¹ Member of the Finance Committee
Company registered number	07481145
Company name	Mighty Oaks Academy Trust Ltd
Principal and registered office	Priorslee Avenue Priorslee Telford Shropshire TF2 9RS
Company secretary	N Curtin (resigned 2 January 2023) J Wootten (appointed 2 January 2023)
Executive leadership team	S Tilley, Chief Executive Officer (resigned 31 August 2023) P Doddridge, Chief Executive Officer (appointed 1 September 2023) J Cooper, Deputy Executive Officer (resigned 1 May 2023), now Head of School at Priorslee J Wootten, Chief Operations Officer (appointed 22 July 2023) A Priddey, Chief Financial Officer (appointed 1 September 2023)
Independent auditors	WR Partners Chartered Accountants Statutory Auditors Belmont House Shrewsbury Business Park Shrewsbury Shropshire SY2 6LG

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

Bankers

Lloyds Bank
The Border 113
Telford
TF3 4AE

Virgin Money
67 Queen Street
Wolverhampton
WV1 3BY

Teachers Building Society
Allenvie House
Hanham Road
Wimbourne
Dorset
BH21 1AG

Solicitors

Browne Jacobson
Victoria Square
Birmingham
B2 4BU

MIGHTY OAKS ACADEMY TRUST LTD
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

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

The Academy Trust is made up of 2 primary schools; Priorslee Primary Academy and Buildwas Academy.

Structure, governance and management

a. Constitution

Mighty Oaks Academy Trust ("The Trust") is a charitable company limited by guarantee and an exempt charity.

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

The Trustees of the Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Mighty Oaks Academy Trust.

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

b. Members' liability

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

c. Trustees' indemnities

The Trust's insurers indemnify against any claims in respect of civil liability which arises out of the conduct of the Insured in their capacity as a Director of the Trust.

d. Method of recruitment and appointment or election of Trustees

The management of the Trust is the responsibility of the Members and Trustees who are elected and co opted under the terms of the Trust deed. There are 3 Members including the Chair of Trustees. There are 5 Trustees including the Executive Principal. At present no Trustees sit on the Advisory / Local Governance boards. There are two elected parents on each Local Governance Board.

e. Policies adopted for the induction and training of Trustees

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

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

Structure, governance and management (continued)

f. Organisational structure

All Trustees are involved in decision making with the exception of the Finance Committee and Salaries and Gratings Committee. Both groups meet at least termly and hold delegated powers assigned to them by the full Trust Board. The Trustees are responsible for setting general policy, plans, budgets and targets, as well as monitoring the performance of the academies against aims and objectives. The day to day running of the Trust is delegated to the Executive Leadership team who report back as appropriate. The Executive Leadership team comprises of the Executive Principal, Deputy Executive Principal and School Business Manager.

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

The Salaries and Gratings committee includes both the Chair of Trustees and Chair of Finance. The national pay and conditions document is adopted and the Trust matched to an appropriate group size. All salary increments are reviewed alongside performance management which is rigorously applied. Challenging targets are set for staff to ensure high quality delivery. An external advisor is appointed to review the performance management of the Executive Principal.

h. Related parties and other connected charities and organisations

During the period, the Trust was not connected to any organisations. The Financial Statements are audited externally by WR Partners.

i. Trade union facility time

The Trust does not have any employees who are a Trade Union Representative.

Objectives and activities

a. Objects and aims

The principal object of the Trust is to advance for the public benefit, education in the United Kingdom, in particular but without prejudice, to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a broad and balanced curriculum within each establishment within the Trust. A variety of policies are clearly listed on the Trust web site and on each Academy web site and are available for all stakeholders to access. The aims and objectives for each setting are contained within the prospectus attached to each Academy within the Trust.

The main aim across the Trust is to ensure that all pupils have access to a broad and balanced curriculum that ensures that they have sufficient cultural capital to flourish in life.

Using the autonomy and freedoms brought by Academy status, we strive to ensure that all our children benefit from a curriculum designed to meet the specific and local needs of all learners at the academies within our Trust. The savings and economies made across the Trust through academy status will be re-invested to ensure our children have access to the best possible quality learning environment and resources.

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Trustees' meetings follow a discrete agenda that is formally presented. These cover a range of curriculum, personnel, financial and health and safety matters which are comprehensively reviewed. Regular meetings with the Executive Leadership Team also take place to ensure that aims and objectives are being efficiently disseminated and effectively met.

Aims for 2023-2024

The following suggestions are drawn from areas of the Strategic Development, Capacity and Business Plan.

- 1) School Standards
 - a. Trust average Key Stage 2 outcomes to be inline, or above, National Average in Reading, Writing, Maths, Combined Measure and SPAG
 - b. Trust average Key Stage 1 outcomes to be inline, or above, National Average in Reading, Writing Maths and Phonics
- 2) Governance and Leadership
 - a. Recruit at least two additional members to the Trust Board (Directors)
 - b. Formalise communication procedures between Trust Board and LGBs
 - c. Leadership in all schools to be at least 'good' in reference to the Ofsted inspection framework.
 - d. Recruit at least two additional LAC members for each Academy.
- 3) Financial / Good Value for Money
 - a. Explore generation of an additional £50,000 funding for the Trust Central Team
 - b. Explore increasing pupil revenue at Priorslee by £50,000
 - c. Explore increasing pupil revenue at Buildwas by £15,000
 - d. Explore ways of reducing energy costs and increasing usage of renewable energy sources
- 4) Sustainability and Growth
 - a. Formalise Trust procedures for middle and senior leadership development
 - b. Identify and be working with at least one additional school towards Trust membership
- 5) Human Resources
 - a. Develop a common and extensive staff development programme
 - b. Develop core of trusted and effective training partners for leadership development

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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

Strategic report

Achievements and performance

a. Review of achievements and performance

Curriculum

- The method for teaching phonics at both schools has been revised due to changes in reading book to phonics scheme alignment. This has seen the purchasing of the Little Wandle scheme at both schools.
- A new scheme for teaching PE, Get Set for PE, has been introduced at both schools.

Personnel

- Internally recruited a Senior Teacher at Buildwas to support the leadership of that school.
- Revised the structure of Key Stage Leads at Priorslee to ensure efficiency and impact.
- Further refined LSA deployment to ensure the best suited people are matched to children's needs.
- Continued policies for ensuring staff well-being at both schools.
- Recruited Lunch-time Supervisor at Buildwas to reduce reliance on TAs covering lunchtime.

Maternity cover for 3 members of staff during 2022-2023 (Priorslee Academy)

- JE went on maternity leave from December 2022. (ECT teacher from January 2023)
- Reception teacher at Priorslee went on maternity leave in May 2023. (A supply teacher was employed to cover this period of leave until July 2023).
- Head of School (JC) went on maternity leave in May 2023. (Senior teachers VL & RB covered this position from 9th May 2023. Their Year 6 position was filled internally.

Financial

- Aligned financial budget setting to meet the needs of the children at both schools.
- Continued to grow numbers in little Seedlings (Pre-School setting at Priorslee)
- Successfully secured CIF funding for projects at both schools (see below).

Health and Safety

Priorslee site:

- Secured CIF funding to build new external toilet block for the Year 6 demountable / field activities, providing an additional nine toilets, including one disabled access toilet. This was completed in Summer 2023, and allows the Trust more opportunities for hiring due to the access from the playground.
- The Staff Room was converted in to a meeting/PPA room and an additional smaller staff room.
- Conversion of the Nurture Hub in to a Trust Office for the Central Team, encouraging the children back into the Classroom.

Buildwas site:

- Secured CIF funding to replace electric storage heaters in demountable with air sourced heat pumps to provide more reliable and economical heating in the winter and cooling to classrooms in the summer.
- Investment into the fabric of Buildwas Academy has taken place including replacing furniture and general tidying of paint, grounds etc.

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

Strategic report (continued)

Achievements and performance (continued)

The following summaries describe the outcomes for children across the Trust at the end of the 2022 – 2023

EYFS

	Good Level of Development	
2022-23	Buildwas	92% (12 pupils)
	Priorslee	71% (49 pupils)

Year 1 Phonics Screening Check (June 2023)

	Children passing check	
2022-23	Buildwas	75% (8 pupils)
	Priorslee	79% (53 pupils)

Year 2 Phonics Screening Check (June 2023)

	Children passing Year 2 re-check	
2022-23	Buildwas	91% (11 pupils)
	Priorslee	43% (14 pupils)

KS1 SATS (June 2023)

	Reading		Writing		Maths	
	EXP +	GDS	EXP+	GDS	EXP+	GDS
Buildwas (13 pupils)	46%	23%	62%	38%	46%	8%
Priorslee (56 pupils)	69%	12%	56%	8%	66%	7%

KS2 SATS (June 2023)

	Reading		Writing		Maths	
	EXP +	GDS	EXP+	GDS	EXP+	GDS
Buildwas (7 pupils)	61%	15%	29%	15%	15%	7%
Priorslee (64 pupils)	80%	30%	80%	27%	83%	27%

The pandemic, lockdowns, and bubble closures of the last couple of years had a significant effect on the income generated by both schools in terms of catering and before and after school clubs. We are pleased that income is now in line with pre-Covid figures, for the second year running. We are proud of the extra curricular opportunities that we offer to children attending school's in the Trust. The following figures chart the funds paid into the account for dinner, breakfast and afterschool clubs, trips and activities over the last five years:

Financial Year 2017/2018	£180k
Financial Year 2018/2019	£198k
Financial Year 2019/2020	£124k
Financial Year 2020/2021	£89k
Financial Year 2021/2022	£192k
Financial Year 2022/2023	£184k

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

Strategic report (continued)

Achievements and performance (continued)

The Trust is trialling an in house Holiday Club for MOAT children to attend to provide safe childcare for our children, but to also generate income for the Trust. This will be held at Priorslee Academy but accessible for all children within the Trust, ran by our own staff.

b. Key performance Indicators

Financial KPIs (Key Performance Indicators) 2022 /2023

- 1) Increase Priorslee PreSchool income
- 2) Increase income from Priorslee Community letting
- 3) Increase pupil numbers at Buildwas and therefore increase GAG

Trust

- Streamline, combine and standardise bought in services across the Trust.
- Ensure funding for Teaching Assistants providing 1:1 support for high needs children is funded as fully as possible by EHCPs

For Priorslee

- Look for economies to reduce spending on educational supplies
- Look for economies to reduce spending on supplies and services
- Reduce overspend on Support Staffing

For Buildwas

- Increase total income through continuing policy of growing number on roll
- Increase GAG funding through above
- Increase selfgenerated income through maximizing children attending wraparound care and having school dinners

Subject leaders at both sites have further revised and developed the curriculum for their subject area and have produced Intent, Implementation and Impact statements, matching the planned learning to the characteristics of each individual school. Subject Leaders have begun the process of monitoring the implementation of the curriculum in each subject area.

The strategic business plan was revisited and extended for the period up to 2025, retaining its focus on the following areas:

1. Strategic Aims to Ensure High Quality Outcomes for All Learners
2. Strategic Aims to Ensure High Quality Leadership and Governance
3. Strategic Aims to Achieve Good Value for Money
4. Strategic Aims to Ensure Sustainability and Growth

c. 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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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

Strategic report (continued)

Financial review

In the year the Trust achieved an in year deficit of £9,804 (excluding pension reserve and fixed asset movement) (2022: deficit of £31,082). Total net movement in funds was a surplus of £490,335 (2022: surplus of £981,401) which includes an actuarial gain on the pension scheme of £378,000 (2022: gain of £1,296,000).

Total assets excluding the defined benefit pension scheme liability were £4,826,975 (2022: £4,683,640) which is an increase from the prior year with net current assets decreasing to £366,884 (2022: £461,575).

a. Reserves policy

The Trust has a balance of restricted and unrestricted funds as at 31 August 2023 of £4,623,975 (2022: £4,133,640). Excluding the pension reserve their total funds were £4,826,975 (2022: £4,683,640).

The Trust's free reserves are £366,884 (2022: £106,602).

(i) Unrestricted Reserves

The Trust will maintain an adequate level of unrestricted reserves to:

- Provide a working balance to cushion the impact of uneven cash flows
- Provide a contingency to cushion the impact of unexpected events, emergencies and large shortfalls in budget.
- Plan for potential major items of expenditure.

The appropriate level of reserves for this purpose will be determined by the Finance Committee and Trustees.

The unrestricted reserve balance will be reviewed and projections on future balances will be made at key points during the financial year.

(ii) Restricted Reserves

Restricted reserves are not available to the Trust for use in its budget setting process. They are required for specific purposes and are a means of building up funds to meet known or predicted future liabilities. These reserves have no specific limit set on them but they should be reasonable for the purpose held. They must be used for the purpose for which they have been set aside and transferred to unrestricted reserves if it is found they are no longer required. In order to establish that reserves are correctly held, there will be a review of balances at least annually.

b. Investment policy

The Trust receives interest on any cash bank balances and holds a Charity Deposit Account. No other investments are held by the Trust.

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

c. Principal risks and uncertainties

Risks are reviewed through ongoing discussion and agenda items within meetings at all levels. Overall responsibility for risk management rests with the Trustees. The following areas have been identified as the highest potential risks in a recent review of the Risk Register:

- Schools within Trust receive unfavourable Ofsted report;
- Presence of other organisations with similar objects and little scope for differentiation / Other organisations competing for the same sources of income;
- Risk of the impact an uncontrollable event will have on the charity e.g. recession, war, oil crisis;
- Risk that management information is not available quickly after the period to which it relates;
- Key person loss/succession risk; and
- Risk of dependency on few suppliers.

Actions and responses to the above risks have been identified in the Risk Register.

Professional services are purchased from the LA for advice and support and additionally, comprehensive insurance is purchased through the ESFA.

All documents are used as the basis for expenditure and any actions to be taken are reflected in the financial plan. There is a dedicated Finance Committee which meets half termly.

An annual emergency plan is co ordinated by the Executive Principal and made accessible to all Trustees and key staff. This provides a clear overview and protocol to follow in case of any incident deemed an emergency.

An annual fire risk assessment is carried out by the Local Authority which provides clarity in terms of risk to personnel and buildings. An additional buildings conditions survey is reviewed annually by a nominated Health and Safety Governor. Current areas for monitoring are:

- The condition of fire doors at Priorslee
- Condition of the roof at Priorslee
- Suitability of the external fencing at Priorslee
- The age and efficiency of the oil based heating system at Buildwas and timescale for the construction of the new Buildwas school at the former Buildwas Power Station site

Training for Staff and Trustees is catalogued and comprehensive. KCSIE update training takes place annually, and key Safeguarding modules are delivered half-termly There are four designated safeguarding leads as well as an attached Director, who also attend update training whenever this is available.

The SLA for caretaking and cleaning has recently changed to Prime Cleaning, with catering currently provided by Telford and Wrekin Catering.

The Trust Performance Report highlights matters pertinent to the day to day efficiencies in managing the Trust and references attendance, data, extra curricular activities, as well as pupil numbers and staffing. All staffing is determined by pupil numbers and specific need, with a termly establishment list updated.

Performance management for all staff takes place each term. The School Improvement Plan, which is co ordinated by the Head of School at each academy, ensures that curriculum delivery is cohesive, transparent and in line with current legislation and statutory guidance.

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

Fundraising

Fundraising through PTFA activities have now resumed at both schools but on a smaller scale. All funds raised by PTFAs are managed by each organisation and each has their own bank accounts. Schools have also supported national charity days, like Children in Need, and all money raised on these days is donated straight to the organisation.

Plans for future periods

Planning permission has now been fully and finally agreed for the mixed housing and commercial development on the Buildwas Power Station Site, where the new Buildwas school building will be built. Preparations for the new development will be starting shortly.

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 21 December 2023 and signed on its behalf by:


.....
K Hall
Chair of Trustees

MIGHTY OAKS ACADEMY TRUST LTD
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GOVERNANCE STATEMENT

Scope of responsibility

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

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 4 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
JA Bates, Chair	2	2
K Hall, Chair	5	5
M Hall, Trustee	5	5
D Loughran, Trustee	5	5
C Thomas, Trustee	3	3
S Tilley, Trustee	3	5

The Finance Committee is a sub-committee of the main board of Trustees. Its purpose is to appropriately deal with the financial matters that arise during the years and agree on the financial strategy of the Trust.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Tilley	4	7
JA Bates	2	2
K Hall	7	7
D Loughran	7	7

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GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

- aggregating purchasing power by reviewing contracts and sourcing best value across the MAT;
- diversifying the role and responsibilities of the Executive Principal, by encompassing key services across the MAT, including all HR, financial management, health and safety, also procurement; and
- completing all operational tasks utilising the most appropriate team member for the role.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the Trust for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

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GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The Board of Trustees has decided to buy-in an internal audit service from Telford & Wrekin local authority

The internal auditor's role included performing a range of checks on areas of the Trust's finance systems and controls which included:

- the operations of the systems of controls;
- then proper use of public funds;
- systems, procedures and policies in place; and
- reporting on their findings.

In addition to the internal audit, the external auditors reported to the Board the results of the interim visit performed during the year, which comprise part of the statutory year end audit; reporting on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.


Review of effectiveness

As accounting officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the external auditors;

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


.....
K Hall
Chair of Trustees


.....
P Doddridge
Accounting Officer

Date: 21 December 2023

MIGHTY OAKS ACADEMY TRUST LTD
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STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Mighty Oaks Academy Trust Ltd I have considered my responsibility to notify the Trust Board of Trustees and the Education & 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 Academies Trust Handbook 2022, including responsibilities for estates safety and management.

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

During the year under review the Trust did not ensure robust internal processes in all months through the performance of month end reconciliations and provision of monthly management accounts to the Chair. A CFO was not appointed in a timely fashion and prior ESFA approval was not obtained to appoint a CFO who was not an employee.

Since the year end there has been a change in Accounting Officer and a new CFO has been appointed. Reconciliations are now completed in time and processes are in place to ensure compliance with the AFM.

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



P Doddridge
Accounting Officer

Date: 21 December 2023

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

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

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

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

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

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

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

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


.....
K Hall

(Chair of Trustees)

Date: 21/12/23

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MIGHTY OAKS ACADEMY TRUST LTD**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MIGHTY OAKS ACADEMY TRUST LTD (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MIGHTY OAKS ACADEMY TRUST LTD (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 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 Trust or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

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

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

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

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
MIGHTY OAKS ACADEMY TRUST LTD (CONTINUED)**

Use of our report

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



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

WR Partners

Chartered Accountants

Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

22 December 2023

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MIGHTY OAKS ACADEMY TRUST LTD AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 22 February 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 Mighty Oaks Academy Trust Ltd 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 Mighty Oaks Academy Trust Ltd and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Mighty Oaks Academy Trust Ltd 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 Mighty Oaks Academy Trust Ltd and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Mighty Oaks Academy Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Mighty Oaks Academy Trust Ltd's funding agreement with the Secretary of State for Education dated January 2011 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MIGHTY OAKS ACADEMY TRUST LTD AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, except for the breaches in the performance of month end reconciliations and provision of monthly management accounts to the Chair, and breach of the Financial Handbook in relation to the previous CFO appointment, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of
WR Partners
Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:



MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and capital grants	3	-	-	292,791	292,791	22,185
Other trading activities	5	-	156,928	-	156,928	197,833
Investments	6	235	-	-	235	772
Charitable activities	4	-	2,871,036	-	2,871,036	2,635,665
Total income		235	3,027,964	292,791	3,320,990	2,856,455
Expenditure on:						
Charitable activities	7,8	-	3,127,336	81,319	3,208,655	3,171,054
Total expenditure		-	3,127,336	81,319	3,208,655	3,171,054
Net income/ (expenditure)		235	(99,372)	211,472	112,335	(314,599)
Transfers between funds	19	(139,953)	113,399	26,554	-	-
Net movement in funds before other recognised gains		(139,718)	14,027	238,026	112,335	(314,599)
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	25	-	378,000	-	378,000	1,296,000
Net movement in funds		(139,718)	392,027	238,026	490,335	981,401
Reconciliation of funds:						
Total funds brought forward	19	506,602	(595,027)	4,222,065	4,133,640	3,152,239
Net movement in funds		(139,718)	392,027	238,026	490,335	981,401
Total funds carried forward	19	366,884	(203,000)	4,460,091	4,623,975	4,133,640

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

The notes on pages 27 to 53 form part of these financial statements.

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)
REGISTERED NUMBER: 07481145

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	16	4,460,091	4,222,065
		<u>4,460,091</u>	<u>4,222,065</u>
Current assets			
Debtors	17	75,255	140,391
Cash at bank and in hand		591,324	674,536
		<u>666,579</u>	<u>814,927</u>
Creditors: amounts falling due within one year	18	(299,695)	(353,352)
Net current assets		<u>366,884</u>	<u>461,575</u>
Total assets less current liabilities		<u>4,826,975</u>	<u>4,683,640</u>
Net assets excluding pension liability		<u>4,826,975</u>	<u>4,683,640</u>
Defined benefit pension scheme liability	25	(203,000)	(550,000)
Total net assets		<u><u>4,623,975</u></u>	<u><u>4,133,640</u></u>

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)
REGISTERED NUMBER: 07481145

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	19	4,460,091	4,222,065
Restricted income funds	19	-	(45,027)
Restricted funds excluding pension asset	19	4,460,091	4,177,038
Pension reserve	19	(203,000)	(550,000)
Total restricted funds	19	4,257,091	3,627,038
Unrestricted income funds	19	366,884	506,602
Total funds		4,623,975	4,133,640

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 23 to 53 were approved by the Trustees, and authorised for issue on 21 December 2023 and are signed on their behalf, by:



K Hall
(Chair of Trustees)

The notes on pages 27 to 53 form part of these financial statements.

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	21	235,898	(23,665)
Cash flows from investing activities	22	(319,110)	(51,703)
Change in cash and cash equivalents in the year		(83,212)	(75,368)
Cash and cash equivalents at the beginning of the year		674,536	749,904
Cash and cash equivalents at the end of the year	23, 24	<u>591,324</u>	<u>674,536</u>

The notes on pages 27 to 53 form part of these financial statements

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

The registered office and principal place of business for the Trust was Priorslee Avenue, Priorslee, Telford, Shropshire, TF2 9RS.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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.

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **Donations**

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

- **Other income**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Taxation

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

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

1.7 Tangible fixed assets

Assets of a capital nature are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Depreciation is provided on the following bases:

Long-term leasehold property	- Straight line over term of lease (125 years)
Furniture and equipment	- 15% straight line
Computer equipment	- 25% straight line

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

1.8 Debtors

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

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Cash at bank and in hand

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

1.10 Liabilities

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

1.11 Provisions

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

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

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.13 Pensions

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

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

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

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

1.14 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 funders where the asset acquired or created is held for a specific purpose.

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

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

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

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

Critical areas of judgment:

Long term Leasehold Property

Priorslee Academy's land and buildings were bought in on conversion based on a valuation of £3,542k. Buildwas Academy's land and buildings were brought in on conversion at a valuation of £623k. Both balances are being written off over the 125 year life of the leases.

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	-	-	-	8,449
Grants	-	292,791	292,791	13,736
Total 2023	-	292,791	292,791	22,185
Total 2022	8,449	13,736	22,185	

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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

4. Funding for the Trust's charitable activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	2,235,126	2,235,126	2,143,892
Other DfE/ESFA grants:			
Other DfE / ESFA Grant Income	111,612	111,612	35,619
Pupil Premium	64,344	64,344	71,388
Universal Infant Free School Meals (UIFSM)	64,565	64,565	67,973
PE and Sports Grant	36,320	36,320	36,340
Rates reclaim	1,178	1,178	6,790
	<u>2,513,145</u>	<u>2,513,145</u>	<u>2,362,002</u>
Other Government grants			
Local Authority - SEN	39,348	39,348	46,306
Local Authority - Early Years	75,589	75,589	175,411
	<u>114,937</u>	<u>114,937</u>	<u>221,717</u>
Other Income from the Trust's activities	<u>242,954</u>	<u>242,954</u>	<u>51,946</u>
Total 2023	<u><u>2,871,036</u></u>	<u><u>2,871,036</u></u>	<u><u>2,635,665</u></u>
<i>Total 2022</i>	<u><u>2,635,665</u></u>	<u><u>2,635,665</u></u>	

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5. Income from other trading activities

	Restricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other Income	6,183	6,183	17,359
Clubs, Activities and Trips	150,745	150,745	180,474
Total 2023	<u>156,928</u>	<u>156,928</u>	<u>197,833</u>
<i>Total 2022</i>	<u>197,833</u>	<u>197,833</u>	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment income	235	235	772
Total 2023	<u>235</u>	<u>235</u>	<u>772</u>
<i>Total 2022</i>	<u>772</u>	<u>772</u>	

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7. Expenditure

	Staff Costs 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £	<i>Total 2022 £</i>
Educational Operations:					
Direct costs	1,924,259	-	220,002	2,144,261	1,715,517
Allocated support costs	440,271	217,173	406,950	1,064,394	1,455,537
Total 2023	<u>2,364,530</u>	<u>217,173</u>	<u>626,952</u>	<u>3,208,655</u>	<u>3,171,054</u>
<i>Total 2022</i>	<u>2,394,336</u>	<u>210,954</u>	<u>565,764</u>	<u>3,171,054</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Direct costs	2,144,261	1,064,394	3,208,655	3,171,054
Total 2023	<u>2,144,261</u>	<u>1,064,394</u>	<u>3,208,655</u>	<u>3,171,054</u>
<i>Total 2022</i>	<u>1,715,517</u>	<u>1,455,537</u>	<u>3,171,054</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Activities 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,924,259	1,924,259	1,467,140
Depreciation	15,736	15,736	11,422
Educational Supplies	45,262	45,262	116,843
Technology Costs	369	369	44,691
Educational Consultancy	72,825	72,825	-
Indirect staff costs	12,793	12,793	-
School trips	38,159	38,159	-
Other costs	34,858	34,858	65,082
Insurance costs	-	-	10,339
Total 2023	<u>2,144,261</u>	<u>2,144,261</u>	<u>1,715,517</u>
<i>Total 2022</i>	<u>1,715,517</u>	<u>1,715,517</u>	

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Activities 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Staff costs	440,271	440,271	927,196
Depreciation	65,583	65,583	45,095
Technology Costs	38,946	38,946	-
Indirect staff costs	6,050	6,050	56,399
School trips	138	138	-
Other costs	96,753	96,753	98,940
Rates	3,670	3,670	-
Energy	36,246	36,246	50,452
Security	2,592	2,592	-
Repairs & maintenance	30,835	30,835	46,702
Cleaning and Caretaking	67,040	67,040	76,025
Operating Leases	6,093	6,093	-
Insurance costs	11,097	11,097	-
Transport	5,462	5,462	-
Catering	172,105	172,105	131,351
Other Premises Costs	63,969	63,969	21,664
Legal and Professional	8,347	8,347	1,713
Audit & governance	9,197	9,197	-
Total 2023	<u>1,064,394</u>	<u>1,064,394</u>	<u>1,455,537</u>
<i>Total 2022</i>	<u>1,455,537</u>	<u>1,455,537</u>	

9. Analysis of specific expenses

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000 Amount £	Reason
Gifts made by the Trust	139	-	

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10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £	2022 £
Depreciation of tangible fixed assets	-	56,517
Fees paid to auditors for:		
- audit	10,350	9,500
- other services	4,125	3,500
	<u>14,475</u>	<u>13,000</u>

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £	2022 £
Wages and salaries	1,654,850	1,647,242
Social security costs	152,130	136,309
Pension costs	386,246	576,091
	<u>2,193,226</u>	<u>2,359,642</u>
Agency staff costs	171,304	32,016
Staff restructuring costs	-	2,678
	<u>2,364,530</u>	<u>2,394,336</u>

Staff restructuring costs comprise:

	2023 £	2022 £
Redundancy payments	-	2,678
	<u>-</u>	<u>2,678</u>

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11. Staff (continued)

b. Staff numbers

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

	2023 No.	2022 No.
Teachers	23	24
Administration and Support	50	52
Management	2	2
	<u>75</u>	<u>78</u>

c. Higher paid staff

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

d. Key management personnel

The key management personnel of the Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Trust was £175,126 (2022 £181,904).

12. Agency Staff Costs

During the year, payments totalling £171,304 (2022: £32,016) were made to agency staff.

13. Central services

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

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14. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Trust. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2023	2022
		£	£
S Tilley	Remuneration	60,000 -	70,000 -
		65,000	75,000
	Pension contributions paid	10,000 -	15,000 -
		15,000	20,000

During the year ended 31 August 2023, expenses totalling £Nil were reimbursed or paid directly to no Trustees (2022 - £248 to 1 Trustee). These expenses related to Travel & Subsistence and miscellaneous costs.

15. Trustees' and Officers' insurance

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

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16. Tangible fixed assets

	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2022	4,522,517	177,743	187,189	4,887,449
Additions	299,298	19,041	1,006	319,345
At 31 August 2023	4,821,815	196,784	188,195	5,206,794
Depreciation				
At 1 September 2022	368,658	134,854	161,872	665,384
Charge for the year	45,433	20,150	15,736	81,319
At 31 August 2023	414,091	155,004	177,608	746,703
Net book value				
At 31 August 2023	4,407,724	41,780	10,587	4,460,091
At 31 August 2022	4,153,859	42,889	25,317	4,222,065

17. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	6,205	6,205
Other debtors	3,050	-
Prepayments and accrued income	42,317	52,995
Tax recoverable	23,683	81,191
	75,255	140,391

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18. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade creditors	104,134	163,460
Other taxation and social security	31,600	31,624
Other creditors	35,315	37,050
Accruals and deferred income	128,646	121,218
	299,695	353,352
	2023	2022
	£	£
Resources deferred during the year		
Deferred income at 1 September 2022	61,177	76,210
Resources deferred during the year	77,402	56,609
Amounts released from previous periods	(61,177)	(71,642)
	77,402	61,177

Included in deferred income are monies received in the year from the Local Authority, Government Grants and Parent Balances that are for the year 2023/2024.

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19. Statement of funds

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
Designated Funds - all funds	400,000	-	-	(400,000)	-	-
General funds						
General Funds - all funds	106,602	235	-	260,047	-	366,884
Total Unrestricted funds	506,602	235	-	(139,953)	-	366,884
Restricted general funds						
General Annual Grant (GAG)	-	2,235,126	(2,235,126)	-	-	-
Pupil Premium	-	64,344	(64,344)	-	-	-
Other Grants	(45,027)	728,494	(796,866)	113,399	-	-
Pension reserve	(550,000)	-	(31,000)	-	378,000	(203,000)
	(595,027)	3,027,964	(3,127,336)	113,399	378,000	(203,000)
Restricted fixed asset funds						
Restricted Fixed Asset Fund	4,222,065	292,791	(81,319)	26,554	-	4,460,091
Total Restricted funds	3,627,038	3,320,755	(3,208,655)	139,953	378,000	4,257,091
Total funds	4,133,640	3,320,990	(3,208,655)	-	378,000	4,623,975

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19. Statement of funds (continued)

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

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

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

	<i>Balance at 1 September 2021 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2022 £</i>
Unrestricted funds						
Designated funds						
Designated Funds - all funds	400,000	-	-	-	-	400,000
General funds						
General Funds - all funds	101,565	5,037	-	-	-	106,602
Total Unrestricted funds	501,565	5,037	-	-	-	506,602
Restricted general funds						
General Annual Grant (GAG)	-	2,143,892	(2,105,153)	(38,739)	-	-
Pupil Premium	-	64,849	(64,849)	-	-	-
Other Grants	43,567	619,607	(708,201)	-	-	(45,027)
Restricted Pension reserve	(1,619,000)	-	(227,000)	-	1,296,000	(550,000)
	(1,575,433)	2,828,348	(3,105,203)	(38,739)	1,296,000	(595,027)

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19. Statement of funds (continued)

**Restricted fixed
asset funds**

Restricted Fixed Asset Fund	4,226,107	13,736	(56,517)	38,739	-	4,222,065
Total Restricted funds	2,650,674	2,842,084	(3,161,720)	-	1,296,000	3,627,038
Total funds	3,152,239	2,847,121	(3,161,720)	-	1,296,000	4,133,640

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Priorslee Primary School	433,762	520,114
Buildwas Primary School	(66,878)	(58,539)
Total before fixed asset funds and pension reserve	366,884	461,575
Restricted fixed asset fund	4,460,091	4,222,065
Pension reserve	(203,000)	(550,000)
Total	4,623,975	4,133,640

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

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £	Total 2022 £
Priorslee Primary School	1,425,994	389,457	22,206	559,354	2,397,011	2,235,334
Buildwas Primary School	467,265	50,814	23,056	158,190	699,325	652,203
Central services	31,000	-	-	-	31,000	227,000
Trust	1,924,259	440,271	45,262	717,544	3,127,336	3,114,537

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	4,460,091	4,460,091
Current assets	366,884	299,695	-	666,579
Creditors due within one year	-	(299,695)	-	(299,695)
Provisions for liabilities and charges	-	(203,000)	-	(203,000)
Total	366,884	(203,000)	4,460,091	4,623,975

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	-	-	4,222,065	4,222,065
Current assets	506,602	308,325	-	814,927
Creditors due within one year	-	(353,352)	-	(353,352)
Provisions for liabilities and charges	-	(550,000)	-	(550,000)
Total	506,602	(595,027)	4,222,065	4,133,640

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

	2023 £	2022 £
Net income/(expenditure) for the year (as per Statement of financial activities)	112,335	(314,599)
Adjustments for:		
Depreciation	81,319	56,517
Interest receivable	(235)	(772)
Decrease/(increase) in debtors	65,136	(61,451)
(Decrease)/increase in creditors	(53,657)	69,640
FRS102 Pension adjustments	31,000	227,000
Net cash provided by/(used in) operating activities	235,898	(23,665)

22. Cash flows from investing activities

	2023 £	2022 £
Purchase of tangible fixed assets	(319,345)	(52,475)
Interest received	235	772
Net cash used in investing activities	(319,110)	(51,703)

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23. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash in hand and at bank	591,324	674,536
Total cash and cash equivalents	591,324	674,536

24. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	674,536	(83,212)	591,324
	674,536	(83,212)	591,324

25. Pension commitments

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

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

Contributions amounting to £30,667 were payable to the schemes at 31 August 2023 (2022 - £36,938) and are included within creditors.

Teachers' Pension Scheme

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

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

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25. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020. The valuation report was published by the Department for Education on 30 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million
- the SCAPE discount rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 1.7% above the rate of CPI, and is based on the Office for Budget Responsibility's forecast for long-term GDP growth.

The next valuation result is due to be implemented from 1 April 2027.

The employer's pension costs paid to TPS in the year amounted to £221,418 (2022 - £214,625).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2023/10/valuation-result.aspx>).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £176,000 (2022 - £171,000), of which employer's contributions totalled £133,000 (2022 - £131,000) and employees' contributions totalled £43,000 (2022 - £40,000). The agreed contribution rates for future years are 14.8 per cent for employers and 5.5% - 12.5% per cent for employees.

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

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

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25. Pension commitments (continued)

Principal actuarial assumptions

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

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

	2023	2022
	Years	Years
<i>Retiring today</i>		
Males	21.7	22.9
Females	24.1	25.1
<i>Retiring in 20 years</i>		
Males	23.0	24.1
Females	25.9	26.7

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.5% (2022: +0.1%)	14	508
Mortality assumption - 1 year increase	238	588
CPI rate +0.25% (2022: +0.1%)	306	593
Pay growth +0.25% (2022: +0.1%)	217	553

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25. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	835,000	635,000
Other bonds	280,000	260,000
Property	53,000	58,000
Cash and other liquid assets	22,000	27,000
Other	409,000	366,000
Total market value of assets	1,599,000	1,346,000

The actual return on scheme assets was £20,000 surplus (2022 - £5,000 (deficit)).

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

	2023 £	2022 £
Current service cost	(138,000)	(328,000)
Interest cost	(20,000)	(26,000)
Administrative expenses	(6,000)	(4,000)
Total amount recognised in the Statement of Financial Activities	(164,000)	(358,000)

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

	2023 £	2022 £
At 1 September	1,896,000	2,811,000
Interest cost	81,000	48,000
Employee contributions	43,000	40,000
Actuarial gains	(321,000)	(1,323,000)
Current service cost	138,000	328,000
Benefits/transfers paid	(35,000)	(8,000)
At 31 August	1,802,000	1,896,000

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25. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	1,346,000	1,192,000
Interest income	61,000	22,000
Actuarial (losses)/gains	57,000	(27,000)
Employer contributions	133,000	131,000
Employee contributions	43,000	40,000
Benefits paid	(35,000)	(8,000)
Administration costs	(6,000)	(4,000)
At 31 August	1,599,000	1,346,000

26. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	2,828	2,828
Later than 1 year and not later than 5 years	2,827	5,655
	5,655	8,483

27. Members' liability

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

MIGHTY OAKS ACADEMY TRUST LTD
(A company limited by guarantee)

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FOR THE YEAR ENDED 31 AUGUST 2023

28. Related party transactions

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

During the year, consultancy fees of £1,219 (2022: £Nil) were charged by Sandwell Valley School Limited, a company of which M Hall (Trustee) is Headteacher and a director, and D Loughran is a Governor. There were no amounts outstanding at year end (2022: £Nil).