Company Registration Number: 08561360 (England & Wales)

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

CONTENTS

EXTOL ACADEMY TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

J Butterworth
R Chopra (appointed 6 October 2022)
S Lynch
C Theobald

Trustees

J Butterworth, Chair
L Gillen, Vice Chair, Chair of Resource Committee
A S Blake, Chair of Audit and Risk Committee
M E Bousfield, Chair of Standards Committee
J D Deville, CEO Accounting Officer
S A Brownhill
D Eason (appointed 17 April 2023)
I Hoult (appointed 31 May 2023)
M Ingram (appointed 27 February 2023)
D Richardson
R Stuart (resigned 29 November 2022)

Company registered number

08561360

Company name

Extol Academy Trust

Principal and registered office

Eldon Grove Academy
Eldon Grove
Hartlepool
Cleveland
TS26 9LY

Clerk to the Board

A Dunn: Governance Services

Senior management team

J D Deville, Chief Executive Officer
Z Westley, Headteacher, Springwell School, school joined Trust 1st September 2022
C Parks, Headteacher; Eldon Grove Academy
C Reed, Headteacher; Rossmere Academy
E Robins, Headteacher; New Silksworth Infant and Junior
E Stirk, Chief Financial Officer; Extol
P Watson, Headteacher; Thorntree Academy as of 1st September 2022

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

Independent auditors

Clive Owen LLP
Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Bankers

Lloyds Bank
102 Grey Street
Newcastle upon Tyne
NE99 15L

Solicitors

Womble Bond Dickinson
Helix
The Spark
Draymans Way
Newcastle upon Tyne
NE4 5DE

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year/period 1st September 2022 to 31st August 2023.

The annual report serves the purposes of both a Trustees' report, and a Directors' report and a strategic report under company law.

Extol Trust operates a multi-academy trust within the North East of England. It currently consists of six schools in three Local Authorities; Hartlepool, Middlesbrough and Sunderland. It has a combined pupil capacity of 1877 and had a roll of 1,460 (Reception – Year 6 pupils) as of October 2022 census.

The composition of our Trust is:

School	Date the school joined Extol Academy Trust
Eldon Grove Academy Age Range 3 -11	1st July 2013
New Silksworth Infant Academy Age Range 2 – 7	1st September 2016
New Silksworth Junior Academy Age Range 7 – 11	1st September 2016
Rossmere Academy Age Range 2 - 11	1st May 2022
Springwell Special School	1st September 2022
Thorntree Academy Age Range 3-11	1st March 2020

Extol Trust welcomes all pupils, and places at our schools are offered in an open, fair, clear and objective manner. We work closely with the Local Authorities in which our schools are based and have agreed to adhere to their Co-ordinated Admission Schemes. Places at Springwell School are allocated and commissioned by Hartlepool Local Authority. Our Admission Policy reflects the statutory Admission Code.

Extol Trust is the admission authority for all our mainstream schools however the table below highlights other responsible bodies in our schools

<table>
<tr><th>Name of school</th><th>Which LA Co-ordinated Admission does the school adhere to?</th><th>Who deals with complaints about arrangements?</th><th>Who is responsible for arranging/providing for an appeal against refusal of a place at the school?</th></tr>
<tr><td>Eldon Grove Academy</td><td>Hartlepool Local Authority

Full details School admission arrangements | School admission arrangements | Hartlepool Borough Council</td><td rowspan="6">Schools Adjudicator
Office of Schools Adjudicator
Bishopsgate House
Feethams
Darlington
DL1 5QE

Tel: 01325 340402
Email: osa.team@osa.gsi.gov.uk</td><td rowspan="5">Extol Trust</td></tr>
<tr><td>New Silksworth Infant Academy</td><td rowspan="2">Sunderland Local Authority

Full details School admissions - Sunderland City Council</td></tr>
<tr><td>New Silksworth Junior Academy</td></tr>
<tr><td>Rossmere Academy</td><td>Hartlepool Local Authority

Full details School admission arrangements | School admission arrangements | Hartlepool Borough Council</td></tr>
<tr><td>Thorntree Academy</td><td>Middlesbrough Local Authority

Middlesbrough agreed school admissions arrangements</td></tr>
<tr><td>Springwell School</td><td>Hartlepool Local Authority

https://www.hartlepoolnow.co.uk/pages/local-offer</td><td>HBC</td></tr>
</table>

Structure, governance and management

Constitution

Extol Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust. The Trustees of Extol Academy Trust are also the Directors of the charitable company for the purposes of company law. The charitable company operates as Extol Academy Trust but is known as Extol 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.

Structure, governance and management (continued)

Members' liability

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

Trustees' indemnities

Extol opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance, where UK government funds cover losses that arise. The 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 for Trustees and unlimited professional indemnity for Officers. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

Method of recruitment and appointment or election of Trustees

Extol Trust strongly believes that robust and effective governance is imperative to our success and it is at the heart of our oversight of operations.

The Trustees of the Extol Trust shall comprise as outlined in the Trust's Articles of Association:

- Up to 11 Trustees appointed under Article 50
- The Chief Executive Officer if so, appointed under Article 57
- A minimum of 2 Parent Trustees elected or appointed under Articles 53-56 (where there are no local Governing Bodies. Within Extol Trust all schools continue to have an LGB with parental representation)

The number of Trustees shall not be less than three. The term of office for any Trustee, excluding ex-officio positions (CEO) shall be four years. However, subject to remaining eligible and following evaluation of performance, a Trustee may be reappointed.

If a Trustee position becomes available or deemed necessary, our Members seek applications from suitably skilled personnel. A process of due diligence is undertaken by Members to ensure a prospective Trustee shares Extol Trust's ethos, moral purpose and will have a shared commitment to achieving our objectives. Members endeavour to ensure the appointment brings additional value and expertise to enhance our Board of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

Organisational structure

During the year Extol continued to operate a unified management structure. Extol Trust's organisational structure consists of six tiers to ensure we balance professional collaboration, system wide accountability and individual school autonomy. The agreed structure includes:

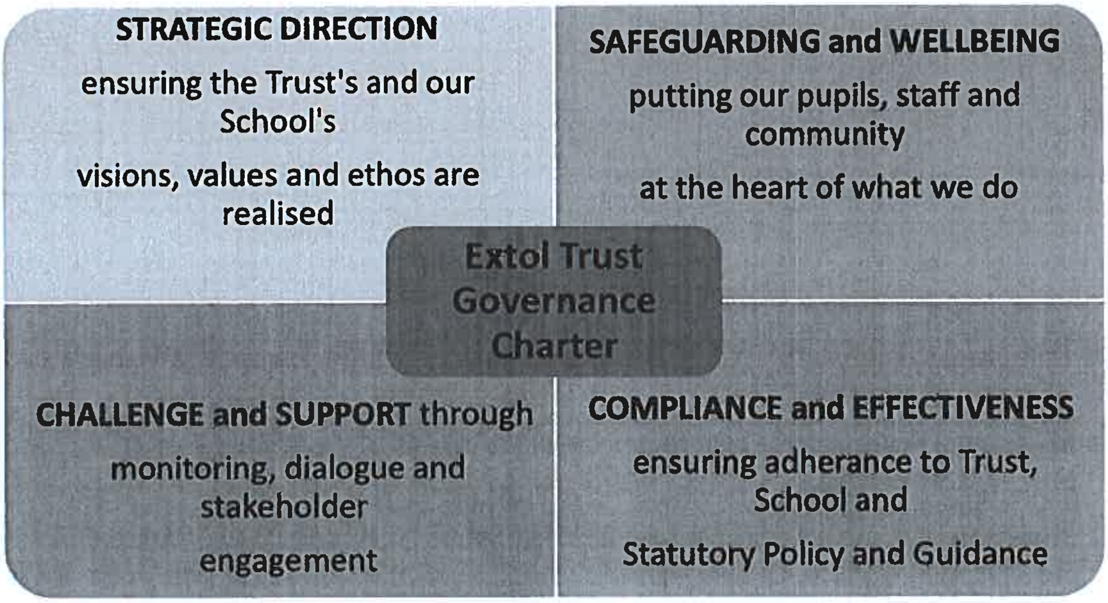
1. Trust Board
2. Trust sub-committees
3. Local Governing Bodies - the Local Governors
4. The Executive Central Team - the Chief Executive Officer (the CEO), the Chief Finance Officer, Lead Practitioner for Teaching and Learning, Estates Manager, People and Culture Manager and their respective teams.
5. The Executive School Leader Team: Headteachers and Deputy Headteachers led by CEO
6. School Senior Leadership Teams

The aim of the structure is to distribute responsibility widely and encourage involvement in decision making at all levels. The structure is underpinned by our Overview of Governance Document, Scheme of Delegation and

Structure, governance and management (continued)

Financial Scheme of Delegation.

The structure sits within an overall framework of principles highlighted in our governance charter and Scheme of Delegation.



Trustees

The Board of Trustees is the accountable body for the performance of all schools within Extol Trust and as such must:

- Set the vision, ethos and strategy for Extol Trust and its schools over the next three to five years;
- Manage the governance structure for the Trust, from Members to individual school level, to be consistent with and reflect our Articles of Association;
- Provide clarity, through the published Terms of Reference and Scheme of Delegation the level at which the LGBs will have authority and accountability;
- Engage with our school communities, parents, pupils and staff;
- Support the development of collaborative relationships beyond the Trust;
- Ensure that there is a strong, effective executive leadership structure with clear succession planning strategies in place across the Trust;
- Oversee and scrutinise each schools' educational performance through reference to pupil outcomes;
- Oversee and scrutinise the Trust's financial capability and management systems to ensure compliance with the Academy Trust Handbook, and deliver best value for money;
- Ensure senior leaders within schools are challenged to continue to improve the quality of education for pupils;
- Develop the Trust Board to ensure that it has the capacity, skills and knowledge to have a positive impact on outcomes for pupils.

The Trust Board has four sub-committees: Audit and Risk Committee, Resource Committee, Standards Committee and Renumeration Committee.

Structure, governance and management (continued)

Executive Central Team
Extol's "Executive Central Team" is the executive management arm of the Trust, focusing on business operations and the educational performance of schools across the Trust. They operate under the leadership and direction of the CEO, who is by virtue of position a Trustee of Extol Trust. The Executive Central Team work directly with Headteachers and the Local Governing Body in each school to ensure that the required outcomes are achieved in accordance with the direction and vision of the Trust Board.

Local Governing Body (LGB)
Each LGB develop and maintain appropriate relationships and common purpose with their individual school. The role of a Local Governor within Extol Trust is an important one. In developing our governance arrangements, the Trust Board has sought to ensure that the responsibility to govern is vested in those closest to the impact of decision making and that such responsibility matches the capacity of those assuming responsibility. The Trust Board establishes a Local Governing Body for each of the schools, for the most part made up of individuals drawn from the school's community which includes elected parent and staff governors. To ensure all necessary business is addressed in LGB meeting the Trust determines an annual business schedule, which drives each half termly agenda.

School Senior Leadership Team (feeds into Executive Leadership Team Forum)
Individual school's Leadership Teams lead at school level but work closely with the Executive Team to review practice and policies designed collaboratively. They ensure that they:

- Develop a culture of high expectation with highly motivated staff and pupils;
- Demonstrate compliance and alignment of established school policy and practice;
- Establish and maintain high standards of teaching and learning, with a relentless focus on school improvement, which raises standards of attainment and progress for all children;
- Establish high quality CPD for all staff so that individuals are the best professional they can be;
- Ensure the effective safeguarding of pupils;
- Utilise resources well, to ensure they impact on the quality of education.

Accountability for Decisions
Our Governance is underpinned by a collective understanding about who is responsible for providing valuable input to decision making and who has the decision-making responsibility. This is governed by our agreed Scheme of Delegation.

The relationship between the Trust Board, Sub Committees, the Executive Teams and the Local Governing Bodies is characterised as a partnership to realise a common vision and a common purpose. The tiers of governance previously described is based on the following principles of:

1. no duplication of governance.
2. governance should be as close as possible to the point of impact of decision-making. The Terms of Reference and the Scheme of Delegation provide clarity as to who the decision makers are for different levels of decisions. Effectiveness of both management and governance is supported through clarity over who holds the decision-making responsibility and who supports and advises the decision makers.

Arrangements for setting pay and remuneration of key management personnel
The Trustees consider that they, together with the Chief Executive Officer, Chief Financial Officer, and Headteachers compose the key management personnel of Extol Trust, in charge of directing and controlling, running and operating the Trust on a day-to-day basis.

The Trustees give of their time freely and no Trustee, other than the CEO, received a salary in the reported year. However, Trustees are remunerated for expenses as detailed in Note 11.

The Board of Trustees, through its Remuneration Committee, ensures its decisions about levels of executive pay (including salary and other benefits) follow a robust evidence-based process.

Structure, governance and management (continued)

The Remuneration Committee which comprises of Chair of Board and Chairs of Sub-Committees discharges its responsibilities effectively, ensuring its approach to pay and benefits is transparent, proportionate and justifiable, including:

- process - that the procedure for determining executive pay is agreed by the board in advance and documented
- independence - decisions about executive pay reflect independent and objective scrutiny by the board and that conflicts of interest are avoided
- decision-making - factors in determining pay are clear, including whether performance considerations, and the degree of challenge in the role, have been considered
- proportionality - pay is defensible relative to the public sector market
- documentation - the rationale behind the decision-making process, including whether the level of pay reflects value for money, is recorded and retained
- a basic presumption that non-teaching pay should not increase at a faster rate than that of teachers, in individual years and over the longer term
- understanding that inappropriate pay can be challenged by ESFA, particularly in any instance of poor financial management of the trust

The pay and contractual arrangements for the CEO has been considered and the salary set to reflect the changes in accordance with the Academy Trust Handbook executive pay paragraphs 2.30 - 2.31 and represent value for money given the skills, experience and national profile of the CEO and the specific context of the schools within the Trust. This is documented within the Trust's Pay Policy.

The pay and remuneration of the senior leadership/management team is reviewed annually by the Trust's Remuneration Committee. The committee ensures that any increments or performance related pay are evaluated against the individual's annual appraisal targets.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	4
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	4
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£000	
Total cost of facility time	-	
Total pay bill	9,354	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%

Structure, governance and management (continued)

Related parties and other connected charities and organisations

The Trust is conscious of the need for any person who is responsible for governance within the organisation, or who are part of the senior management team of the organisation, to declare any relevant business or pecuniary interests and this is particularly the case with related party transactions. To this end Trustees and Senior Management Team declare any such relationship or interest and remove themselves from any decisions pertaining to said connection. Further details are stated, in note 28 to the Financial Statements.

Engagement with employees (including disabled persons)

Extol Trust engages with its employees continuously and in a number of ways to suit their different working patterns. For the Senior Leadership Team this includes regular Trust Leadership meetings, Headteacher and line manager briefings. Engagement is also supported by onsite visits from discipline heads form the Central Service Team. For Teaching and support staff, each school issues an employee engagement survey and presents the results to the LGB. For all staff a minimum of five staff training days takes place each academic year, cross Trust networking meetings are embedded into our practice and communication is enhanced through a shared online portal.

Although in the early stages of drafting, employee engagement is an area of focus within the People & Culture Strategy. The aim will be to have a centralised and consistent survey issued to all staff to gain valuable insight on how they feel about working for the Trust and specific Schools. By doing this centrally, the results will be analysed and areas of improvement be identified, whether they are School specific or if there are areas Trust wide.

We actively promote good relations with our recognised trade unions and consult with regional representatives on a regular basis to discuss/consult on issues of mutual interest. Extol Trust seeks to ensure that every employee, without exception, is treated equally and fairly and that all employees are aware of their obligations under the Equality Act 2010. Our policies and procedures fully support those with disabilities. We encourage and support a wide diversity of applicants at the recruitment stage and all successful candidates undergo a health screening process to objectively advise line managers on workplace adjustments.

For those colleagues with existing disabilities or those who become disabled during their time with the Trust, we work with them and medical practitioners to make reasonable adjustments to working practices and/or environment in order to keep the employee safe, and effective. This includes support and training for line managers and colleagues to better understand the needs of those with disabilities.

The Trust has further invested in our engagement with all employees by appointing a full-time People and Culture Manager who is charged with enhancing employees' engagement and participation in the Trust's performance with an ethos of 'one Trust'

Structure, governance and management (continued)

Engagement with suppliers, customers and others in a business relationship with the trust

Business relationships with suppliers

Our procurement strategy priorities value for money and to achieve this, we develop and maintain strong relationships with our suppliers. We value all of our suppliers, including local providers of goods and services together with larger, national organisations. Regular payment runs ensure that all suppliers are paid within their specified payment terms.

Educational and Skills Funding Agency ESFA

The Trustees ensure that Extol Trust remains compliant in respect of ESFA governance and reporting requirements as evidenced in recent review. Annual updates of the Academies Trust Handbook are reviewed along with timely reviews of any Accounting Officer letters received during the year, with any required actions implemented.

Local Communities

All Extol Trust schools are at the heart of their communities and parental/stakeholder engagement is achieved through a number of mechanisms. Key to this, is the provision of "stand out education" in a welcoming, supportive and caring learning environment. In all our settings we employ dedicated Parental Support Officers to build strong relationships with our families.

All schools have parental communication apps, social media and websites to regularly communicate with their stakeholders. Parents/carers are regularly invited into schools to help them gain confidence in supporting the child's learning.

Extol Trust places great importance upon community engagement and the CEO sits on a number of different LA reference groups to ensure local views are considered and that Extol Trust can add value to its communities. This is further enhanced through strong working partnerships and collaborations within the three local authorities that the Trust operates within.

Objectives and activities

Objects and aims

The principal object and activity of Extol Trust is to advance for the public benefit education in the United Kingdom. Extol Trust was formed with this objective at its core, and the Trust is built on a strong principle of integrity and ethics; these are non-negotiable and shape the way Extol Trust works with our individual school communities, as well as how the Trust expects its schools to work together in partnership.

Our purpose is the why we exist, it is the "sum total" of the motivations that drive our organisation. It is at the heart of everything that we do and is verbalised as,

Advancing education and supporting our communities to enhance the life chances of pupils and families across the North East of England.

In accordance with our Articles of Association the charitable company, Extol Trust, has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specified, amongst other things, the basis for admitting students to the schools within the Trust, the catchment area from which the pupils are drawn, and that the schools' curriculums comply with the substance of the national curriculum.

Objectives and activities (continued)

Our Vision
Our core mission since the inception of the Extol Trust is and will continue to be focused on transforming children's lives and that of our communities through partnership and collaboration within the North East of England. We firmly believe that at this crucial period of political and societal change, education has the power to enhance life chances, to ensure our communities thrive. Our mission includes a commitment to staff, pupils and the communities we serve and is underpinned by six overarching aims.

1. Extol Trust aims to develops "stand out schools" who learn with and from each other
2. Extol Trust has fit for purpose Governance at all levels which is effective in supporting the work of the Trust and adds value in our individual schools
3. Extol Trust implements robust and purposeful management systems which inform its strategic development
4. Extol Trust ensures that every penny expended is used solely for the purpose of improving educational outcomes
5. Extol Trust invests in purposeful, relevant professional development for all staff to secure a highly professional and committed team, becoming an employer of choice
6. Extol Trust contributes to the wider led school system

Our ethos is characterised by a culture of authenticity, positive attitude, expectation and aspiration. These are reinforced by our key tenets of **Inspiration, Excellence and Partnership** and are embedded across our whole community by alignment to the ethos of;

- As a collective we can achieve much more
- Excellence underpins all that we do
- Everyone has a voice and will be listened to
- Everyone has the widest opportunities to achieve success
- Everyone will succeed, external factors are not a barrier to learning or success
- We invest in people, our school communities and the communities we serve.

Objectives, Strategies and Activities

Extol Trust works in partnership with its schools to ensure a bespoke and relevant curriculum underpins the quality of education. We have developed ambitious, challenging and creative curricula that enables all children to flourish socially, spiritually, culturally, emotionally and academically. All our school curriculums ensure that:
Intent:
- Our schools are able to articulate their curriculum design rationale
- Our schools are building 'cultural capital' through curriculum delivery
- Our schools offer a curriculum which is progressive and clearly maps out a breadth of study, for each year group and subject
- Our schools visualise end points of pupil success

Implementation:
- Our schools have utilised research from the learning sciences to guide implementation decisions
- Our schools use subject specific pedagogy (content pedagogical knowledge)
- Our schools develop and support the role of subject/aspect leaders

Impact:
- Our schools are clear about our assessment methodologies
- Our schools are confident in monitoring attainment by the application of purposeful and robust assessment procedures and strategies

As a partnership of schools, both mainstream and specialist provision, we are passionate about securing high academic attainment as we know it is vital for our children's life chances. However, we also believe in the importance of providing a rich experience of the arts, physical development and personal well-being. This is evidenced by the number of awards gained by individual schools.

Objectives and activities (continued)

Extol Trust remains committed to the very highest professional standards. We value individuality and promote and celebrate the unique ethos of each school, which we place firmly at the heart of their communities.

Through collaboration, we seek to build on the strengths that exist within each school so that our collective intellectual capital benefits the broader Extol Community.

Extol's family of schools are fully inclusive and committed to achieving high quality educational outcomes for all of our children. Through the provision of rich and meaningful curricula, which place a strong emphasis on aspiration, we develop a love of learning and the motivation to succeed. We know that school is just one element of our children's experience, and so we continue to work alongside our families and our school communities to foster a sense of moral and social responsibility.

Public benefit

Extol Trust's aims and achievements are set out within this report and have been undertaken to further its charitable purposes for public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission for England and Wales and the Trustees have considered this guidance in deciding what activities the Trust should undertake.

Individual schools within the Trust contribute directly to their own community through initiatives such as;

- the letting out of premises to community groups, i.e., hydro pool at Springwell School
- developing community involvement in each school
- Holiday Clubs offered in some of our schools
- Community access to a Forest School at Rossmere Academy

Strategic report

Achievements and performance

Extol Trust is pleased with the progress the Trust has made this year against its key strategic aims. The Trust has successfully grown and has improved its capacity to support further growth. The Trust is confident that the measures it has put in place around fiscal management has ensured our schools are well placed to absorb external uncertainties, i.e., pay awards, energy costs and thus in a good place to focus on continued school improvement.

Reflections on Trust aims set for the academic year:

Strategic report (continued)

Achievements and performance (continued)

	Aims:	Activities:	Impact:
Pupil Outcomes	Pupil attainment outcomes in combined subjects across all schools ensure the Trust averages are at least in line with the national average.	Trust has established a framework to improve teaching and learning. The Great Teaching Toolkit produced by EBE acts as golden thread across all schools. Termly Trust moderation/validation of teaching assessment. Standardised tests administered in mainstream school termly. External termly Improvement Adviser visits Classification of Schools is used to ensure bespoke, appropriate support for each individual school.	Teaching and Learning professional development across the Trust are evidence based. Assessment practice is consistent across Trust, with established data drops and scrutiny by Standards Committee Embedding of our School Improvement Framework, linked to tiered support programmes (Support and Challenge Protocol),this has had significant impact on identified schools. Trust has an accurate picture of its schools and is able to provide direct support where needed. Development of shared learning portal which allows colleagues to share planning, resources etc. impacting on workload. Successful implementation of a Trust wide PESSPA offer which has transformed our PE provision and enabled our schools to offer the richest and most varied extra-curricular programme possible. Y6 combined attainment above National in 2 schools, in line with National in others with significant improvement in attainment in Rossmere Academy.
	Rossmere Academy's outcomes improve significantly across KS2 which is reflected in improved published data	Collaborative review undertaken to support leaders identify priorities. Lead Practitioner supporting/coaching staff. Focused Schools Self Evaluation timetable in place.	Securing Improvement Group established. Documenting school's improvement journey. Quality of provision improved; curriculum revised. Improvement in core subject attainment/progress and significant improvement in combined outcomes. 39% to 52% which is more in line with National attainment.
	All schools contribute to a Trust strategy to ensure our disadvantaged pupils make rapid progress in their learning and any attainment gaps are quickly diminished	The CEO worked alongside Rossmere to establish a new three-year strategy. All schools have identified LGB members to scrutinise impact of PP grant and impact.	All schools share and publish Pupil Premium Strategy, based on educational research. Schools have identified Leader to drive forward strategy. Thorntree Academy attaining Inclusion Quality Mark Flagship Status Addressing gaps remains a priority for the Trust.

Strategic report (continued)

Achievements and performance (continued)

	All schools contribute to the implementation of Extol's aspirational curriculum offer and engage with Lyfta and Standing Ovation programmes	Lyfta workshop led by Lead at Eldon Grove. Lyfta threaded into curriculum offer in all mainstream schools. Subject enquiry undertaken by leads for Aspiration across Trust. All schools part of Power of Women programme. Ambassadors in all schools. Standing Ovation project delivered in all schools	Pupils survey outcomes positive regarding opportunities and curriculum offer. Development of curriculum to ensure challenge and aspirations to be continued to be developed.
	All schools continue to implement the early reading framework and we see improved phonic acquisition.	All staff are trained in the chosen scheme. Reading audits undertaken. Thorntree continues to have significant focus on implementation of early reading and addressing impact of Covid.	Chosen reading frameworks have now been established and embedded into practice. Improvement Adviser visit evaluated progress; schools have fidelity to scheme. Schools above or in line with National Phonic outcomes except Thorntree. However, we are seeing continued improvement and progress given pupils' attainment on entry. Rossmere and Thorntree accessing DfE reading programme 23/24 as part of Education Investment Area

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

Strategic report (continued)

Achievements and performance (continued)

Leadership	Leaders drive forward improved teaching. Staff in all schools have received a good standard of induction and professional development. A succession planning programme is established for key roles within schools and the Trust Central Team. Trust have undertaken a review of governance and act on any finding	Exec Leader meetings are held regularly with specific agendas. CEO undertakes appraisal of all Headteachers Subject/aspect networks well established. Subject enquiries undertaken termly by leads across the Trust. All mainstream schools' part of EDT peer review programme. ESFA Governance and Finance review July 23 Development of strategy to address successional planning	Great Teaching Toolkit embedded in mainstream; clear CPD evident, leadership questionnaire undertaken by schools. Improved subject leadership through knowledgeable and skilled leaders. Developed and enhanced school improvement capacity through identification of best practitioners. Middle and senior leaders upskilled in school evaluation strategies. Positive review from DfE. Two-year strategy published.
Efficiency	The Trust has an embedded effective and efficient operational structure, including defining roles and responsibilities across the Central Team. Development of a consistent approach to policies and implementation of contracts across the Trust. To include the harmonisation of Trust wide policies and contracts. Ensure all schools are able to set budgets with an agreed % carry forward surplus. Develop and embed a capital/asset management plan across the Trust	CFO worked with Heads to set detailed 3 year budgets. R2R in place for recruitment to all posts across the Trust. Appointment of substantive HR professional, envisaged HR policies will be aligned within the next academic year. 30 days of Safeguarding Partner commissioned to support DSL Leads and Attendance Leads . Estate Manager shared 3-year estate plan for individual schools.	Central Team developed: Senior Finance Officer and People and Culture Manager in post. Key safeguarding Policies agreed and in place. DSL network established. Attendance Policy aligned across Trust with associated toolkit. Estate Manger incorporating newly published Estate Management Framework into workstream.

Strategic report (continued)

Achievements and performance (continued)

Pupils Attainment

The table below details the outcomes and unvalidated performance data for 2023 (within our mainstream schools) which is the first published statutory data since 2019.

	EGA		NSAi		NSAJ		RA		TA	
GLD	80%		76%				71%		64%	
Phonics Y1	85%		78%				81%		59%	
Phonics Y2	86%		86%				93%		75%	
KS1 Y2 CRWM	63%	9%	60%	10%			44%	4%	54%	0%
Reading	67%	21%	69%	16%			73%	22%	64%	7%
Writing	65%	11%	66%	10%			44%	4%	54%	0%
Maths	72%	26%	74%	16%			80%	18%	64%	4%
Y4 Times tables	38%				60%		38%		5%	
KS2 Y6 CRWM	67%	14%			57%	5%	52%	0%	65%	0%
Reading	75%	33%			68%	25%	69%	15%	70%	27%
Writing	88%	21%			70%	11%	65%	0%	73%	7%
Maths	79%	30%			66%	25%	63%	6%	68%	2%
GPS	85%	32%			66%	18%	63%	10%	49%	10%
Progress reading KS1 – KS2	-0.3				-3.0		-0.6		-1.8	
Progress writing KS1 - KS2	1.7				-1.8		-1.3		-1.4	
Progress maths KS1 – KS2	-0.5				-0.4		-1.9		-4.1	

(For KS1 and KS2 attainment first column Age Related Expectation +, second column % of pupils attaining Greater Depth)

Over the past academic year, there have been no OFSTED inspections of our schools. However, across the Trust all of our schools will be within a potential OFSTED window. Overall, the Trust is realising its vision to achieve the best education for all its pupils, evidenced in the upward trajectory of the vast majority of key attainment outcomes.

It was also pleasing to note that Thorntree Academy's combined attainment has continued to improve since joining the Trust and for the first time is above National figures, Rossmere Academy has also made significant improvements and both their internal assessment data shows an upward trajectory.

Springwell School, which is specialist provision disapplies the vast majority of its pupils. Pupils are working below National Curriculum levels and are assessed using the Engagement Model. Thus, pupils follow bespoke pathways, however statutory testing report is highlighted below.

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

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

Strategic report (continued)

Achievements and performance (continued)

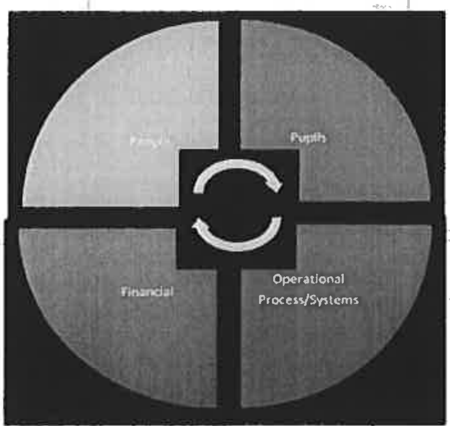
GLD	Y1 phonics 13 pupils	Y2 phonics 11 pupils	Year 2 End of Key Stage 11 pupils				Year 6 End of Key Stag 16 pupils, 1 pupil attained GDS			
			R	W	M	CRWM	R	W	M	CRWM
NA	disapplied	disapplied	All pre key stage standard				6%	6%	6%	6%

Key Performance Indicators
The Trust has 12 KPIs which Trustees monitor and evaluate on a termly basis.
Over the period of the report although dashboard outcomes look similar, we have seen some movement in individual indicators due to judgements reflecting new schools joining the Trust. This was around financial and compliance factors. However, as a direct impact of a Trust financial recovery plan and support, the indicator has returned to previous judgement.

KPI	July 2022	March 2023	July 2023
Number of green	4	3	4
Number of amber	8	9	8
Number of red	0	0	0

- Staffing compliment meets the needs of our schools
- Recruitment and Retention ; - All staff have their identified development needs met - Churn of staff within 5 - 10%
- Staff absence - days lost is below national average

- Floor standards are met and all published outcomes are at least inline with national figures
- Attendance at least 96%
- Published and hidden curriculum opportuniities enable pupils to develop personal resilience, empathy, tolerance and respect



- Trust and individiual school's fianancial reserve is within 7 - 10%
- Funding retained (top slice) delivers the critical service of Trust operation
- Robust 3 year financial planning is inplace at both Trust and individaul school level

- Compliance regulatory
- Growth strategy
- Delivery of outcomes • Ofsted grading •Governance

In addition the CFO shares financial KPIs which references our schools with School Resource Management metrics. Table below set on budget setting 23/24 information.

Strategic report (continued)

Achievements and performance (continued)

Key Performance Indicator	Eldon Grove Academy	New Silksworth Infant Academy	New Silksworth Junior Academy	Rossmere Academy	Springwell School	Thorntree Academy
FSM Category	Medium	Medium	High	High	N/A	High
Revenue Reserve as % of income	15.40%	19.60%	23.40%	4.60%	12.90%	16.30%
Senior Leader as % of workforce	9.40%	8.20%	15.90%	8.70%	6.00%	6.30%
Spend on Teaching Staff as % of expenditure	49.10%	42.30%	47.80%	48.40%	34.40%	48.10%
Average Teacher Cost	£57,620	£62,859	£61,661	£64,813	£73,979	£61,992
Spend on Education support staff	17.60%	20.40%	11.80%	21.30%	44.70%	16.80%
Average Class Size	26	23	26	25	N/A	21
Pupil to adult ratio	9.73	8.04	10.36	8.33	1.38	7.56
Premises Costs	4.30%	8.90%	8.20%	4.70%	4.20%	6.80%
Energy Costs	1.70%	3.00%	3.30%	2.40%	2.30%	3.20%

The Trustees use this information to target challenge and support to drive efficiencies at each of the schools.

Going concern

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

Strategic report (continued)

Achievements and performance (continued)

Promoting the success of the company

The Board of Trustees seeks to embed a culture within the Trust of the highest standards of conduct that matches our strategic objectives and in doing so delivers benefits to all our stakeholders including our members, employees and the local communities and families that we serve. Decisions taken by the Board of Trustees will consider any impact over the longer term with reference to each of these stakeholder groups and the need to act fairly and with integrity at all times. This will extend to ensuring we act as an employer of choice and maintain effective working relationships with key suppliers who work with the Trust. We will also evaluate the impact of our operations on the environment and seek to lead by example in reducing our carbon footprint. By acting in this way, we will ensure the success of Extol Trust is promoted throughout our communities, who will also then share in our success.

Strategic report (continued)

Achievements and performance (continued)

Financial review

Most of the Trust's income is obtained from the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

In addition, the schools within the Trust receive Early Years funding from the Local Authority on numbers based on numbers of pupils at each termly census. Each school receives SEND funding as a notional amount within their GAG allocation, in addition to this additional funding is provided by each Local Authority where it has been assessed that an individual pupil requires specialist support.

The Trust also receives grants for fixed assets from the DfE/ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned. During the year £146k was received in respect of Devolved Capital Formula Grants.

The Trust invested £317k to further improve the assets of the Trust. The projects included:

- New Touch Screens in all classrooms in Thorntree Academy
- Outdoor Early Years Refurb at New Silksworth Infant Academy
- Refurbishment of Nursery & Early Years area in Eldon Grove Academy
- Refurbishment of Corridor at New Silksworth Junior Academy
- New Fire Door works at Rossmere Academy

On 31 August 2023 the net book value of the fixed assets was £20,664,000 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of the Trust.

During the year ended 31 August 2023, total expenditure of £12,965,000 was in excess of recurrent grant funding from DfE/ ESFA together with other incoming resources. The excess of income over expenditure for the year (excluding pension reserve movements and restricted fixed asset funds) was £560,000.

The provisions of FRS 102 have been applied in full in respect of the LGPS, resulting in a deficit of £nil recognised on the Balance Sheet.

The Trust held fund balances on 31 August 2023 of £22,910,000, comprising £21,537,000 of restricted funding, including £nil deficit on pension reserves, and £1,373,000 of unrestricted funds. The total of restricted general funds, excluding pension reserves, plus unrestricted funds as of 31 August 2023 was £2,123,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Trust's objectives.

Strategic report (continued)

Achievements and performance (continued)

Reserves Policy

The level of reserves is reviewed by Trustees regularly throughout the year. The minimum level of reserves for the ongoing needs of the Trust is reviewed by the Trustees on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The purpose of carrying forward reserves is to ensure the stability of the schools' organisational operations, including the need for the Trust to manage unplanned one-off costs. Extol Trust also holds reserves to help support long term plans for capital investment projects and in the supporting of revenue budgets over the next 3 financial years given the uncertainty of future government funding over this period, rising energy costs and proposed public sector pay awards. The Trust is also mindful of the lagged funding arrangement operated in the national funding formula and how an increase in pupils does not lead to an immediate increase in funding for such.

As per the Trust's Reserves Policy the Trust's preferred level of reserves to be held by a school is between 7-10% of its most recent General Annual Grant Allocation or £50,000 whichever is greater.

As of 31 August 2023, such figures would be as follows:

Location	GAG 22/23	7%	10%	Comments
EGA	£ 1,923,515.00	£ 134,646.00	£ 192,352.00	
NIS	£ 731,113.00	£ 51,178.00	£ 73,111.00	
NJS	£ 1,014,435.00	£ 71,010.00	£ 101,444.00	
ROS	£ 1,656,557.00	£ 115,959.00	£ 165,656.00	
SPR	£ 1,904,124.00	£ 133,289.00	£ 190,412.00	Based on Place Funding & LA Top up funding only
THO	£ 1,388,820.00	£ 97,217.00	£ 138,882.00	
		£ 603,300.00	£ 861,856.00	

The Trustees are particularly mindful of the uncertainty in both revenue and capital funding in the future and consider it prudent to hold unrestricted reserves in the general fund in the form of free reserves (total funds less the amount held in the fixed assets and restricted funds) of one month's worth of salary expenditure. In August 2023 this equated to £771,000

Part of these unrestricted funds are held to cover:

- Possible future pay awards
- Possible increased employer pensions contribution rates
- Increased energy costs
- Increased costs to contracts and SLAs due to pay awards of our suppliers passed onto consumer
- Targeted support for school improvement

The Trust's current level of reserves, excluding the fixed asset funds and pension reserve is £2,123,000 and the

Strategic report (continued)

Achievements and performance (continued)

free reserves are £1,373,000. The Trust's current level of reserves is therefore not higher than the level of reserves required for the ongoing needs of the Trust. The Trustees continue to consider additional activities and projects related to the Trust's objectives to which the excess reserves may be applied.

Investment Policy

Extol Trust aims to manage its cash balance to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the Trust aims to invest surplus cash funds to optimise returns but ensures the investment instruments are such that there is no risk of the loss of these cash funds. The Trust operates an interest-bearing current account with a bank (Lloyds Bank) approved by the Board of Trustees. During the accounting period ending 31 August 2023 the Trust continued to hold an investment of £510,000 in a 95-day notice deposit account

Our aim is to spend the public monies with which we are entrusted for the direct education benefit of pupils as soon as is prudent. The Trust does not consider the investment of surplus funds as a primary activity, rather it is the result of good stewardship as and when circumstances allow. The policy dictates that any investment of funds requires Resource Committee approval on the basis of in-depth monitoring of cash flow forecasts.

Principal Risks and Uncertainties

The Trust is subject to a number of risks and uncertainties in common with other academies. The principal financial risks and uncertainties are centered on changes in the level of funding from DfE/ESFA. This year the Trust has encountered the pressures of having a special school within the Trust and associated limitations of the High Needs Block Funding. That being said the Trust have worked with the LA and secured a cost funded model for the special school, giving some certainty of funding.

One key area of concern with regard to funding remains pay rises for both teachers and non-teaching staff which may not fully funded by increases in the GAG funding or additional ESFA grant allocations. The Trust has in place procedures to identify and mitigate financial risks, this includes detailed three-year financial forward planning alongside robust projects for various grant receipts and pupil number projections.

The Trust is a also member of the Local Government Pension Scheme (LGPS), which results in the recognition of significant deficit on the Trust balance sheet.

In addition to the management of financial risk the Trustees continue to review and maintain their Risk Management Strategy and have a Risk Register which includes all operational risks, inclusive of all education and business functionalities including estate management. The Trust has been mindful of said associated risks and ensured the Trust estate is safe, well maintained and complies with all relevant legislation.

The Trust has also seen the Safeguarding agenda as high priority and has appointed a Trust Safeguarding Lead. The Trust has fully implemented the requirements of the Safe Recruitment procedures and all identified staff have received training in this area in addition to all staff and governance personnel receiving training on Safeguarding.

The Trustees both in the Full Board and Sub Committees review key risks which the Trust may be exposed to, together with controls that have been implemented to mitigate said risks. As a Trust we are proactive in mitigating identified risks and as such have an effective risk management strategy.

Fundraising

Extol Trust's fundraising is limited to local schools raising funds via the local community to help support additional curricular enhancement projects in individual schools. The funds raised are minimal whilst such fundraising is not part of the financial statements and operates in a separate bank account. The Trust confirms that no commercial participators have been used to assist with fundraising during the reporting period.

Streamlined energy and carbon reporting

Streamlined Energy and Carbon Reporting

UK Greenhouse gas emissions and energy use data for the period 1 September 2022 to 31 August 2023	Current Reporting Year - 2022/23
Energy Consumption used to calculate emissions (kWh)	2,013,385
Scope 1 emissions in metric tonnes CO2e	
•Gas Consumption	274.07
•Owned transport - mini- buses	1.49
Total Scope 1	275.56
Scope 2 emissions in metric tonnes C02e	
•Purchased electricity	102.29
Scope 3 emissions in metric tonnes C02e	
•Business travel in employee-owned vehicles	2.3
Total gross emissions in metric tonnes C02e	380.15
Intensity Ratio	
Tonnes C02e per pupil	0.24

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

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

Measures taken to improve energy efficiency
Using a combination or devolved capital and revenue contributions, the Trust continue to review and improve the energy performance of the building included within the Trust portfolio, reducing energy consumption where ever possible. During the last 12 months we have completed the following building works: Boiler replacement works, Heating plant control system upgrades, LED lighting upgrades and roofing works including insulation improvements.

Fundraising (continued)

The Trust continue to promote the use of virtual meeting platforms to further reduce the travel required between sites.

Plans for future periods

The Trust views itself as an "high quality Trust". It has used DfE's Commissioning High Quality Trusts document and associated annexes to plan for future development and growth. As part of this process Trustees and Executive Central Team worked with an external consultant to formulate our 2 year Strategic Plan. Our strategic intent was formed "To build a family of schools along the A19 corridor in a minimum of three geographical hubs, which operate with integrity and efficiency". To accomplish this Trustees agreed on seven critical success factors and twenty associated projects.

A number of positive conversations have taken place with local schools within Sunderland, Stockton and Hartlepool. Again the Trust is mindful of DfE's North East Trust Development Statement and are using this to formulate possible growth areas.

The Trust has developed highly effective links and partnership working arrangements with all three local authorities in which it currently works. It is exploring with Hartlepool Local Authority the possibility of commissioning more SEND places at Springwell to meet the current high demand. This could result in satellite provision being explored in an additional off-site building.

Core Priorities for 2023/24:

Implementation of first stages of Strategic Plan

The Trust will continue to work towards delivering the following core characteristics in all of its schools:

- Impactful leadership at all levels
- Outstanding teaching and learning
- A fully inclusive approach where all the children are of equal importance
- High aspirations for pupils and staff
- A wide range of enrichment activities for all to get involved
- A culture of no excuses for underachievement

Through robust analysis we have also identified key priorities that we will also be supporting our schools to attain:

- Refine and strengthen teaching and learning through the chosen model of the Great Teaching Toolkit
- Improve attendance of pupils and significantly reduce levels of Persistent Absence in identied schools
- Support identified schools accessing DfE reading programme to improve pupil's attainment
- Review SEND provision in schools ensuring exemplary practice is strengthened and shared and we effectively meet the needs of this significant group of pupils
- Develop a well co-ordinated strategic approach to our Trust wide digital strategy

Funds Held as Custodian Trustee on Behalf of Others

During the period covered by the report, Extol Trust has not held any funds as a custodian Trustee on behalf of others.

Auditors

Insofar as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2023 and signed on its behalf by:

J Butterworth
Chair

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Extol Trust has an effective and appropriate system of control, financial and otherwise. 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. We continually evaluate the impact of the Board and seek to enhance its breadth of knowledge and skills by recruitment of Trustees where needed. We have established better working practices by investing in a blended approach to attendance of meetings.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Extol 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 **five** 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
Steve Blake	5	5
Margaret Bousfield	4	5
Stephen Brownhill	5	5
Jackie Butterworth	3	5
Julie Deville	5	5
Danny Eason - Appointed 17 April 2023 (observer at one meeting)	2	2
Leo Gillen	4	5
Ian Hoult - Appointed 31 May 2023 (observer at one meeting)	2	2
M Ingram	1	1
D Richardson	3	5
R Stuart (resigned 29 November 2022)	0	2

Governance reviews:
As an established Academy Trust, the Board of Trustees have introduced the undertaking of annual reviews of each of its committees to ascertain the impact and effectiveness of our Board. Following a skills audit, Members appointed three new Trustees to further enhance the knowledge and skill set of the Board.

As such the membership of the Trust Sub-Committees were revised to provide an overview and high-level scrutiny of the prioritised risks.

The Trust Board Sub-Committees are:

- Educational Standards and Performance
- Resource; covering Finance, Estate and Human Resources
- Remuneration Committee for determining senior executive salaries and performance criteria. Senior executives include the CEO, Headteachers and any member of the Executive Team
- Audit & Risk Committee.

All Committees are authorised by the Trust Board to investigate any activity within its terms of reference. It is

Governance (continued)

authorised to seek any information it requires from any employee and all employees are directed to cooperate with any request made by the Committee.

Each Committee is authorised by the Trust Board to obtain outside legal or other independent professional advice and to secure the attendance of any person at any Committee meeting with relevant experience and expertise if it considers this necessary.

Resource Committee: The purpose of the Resources Committee is to ensure effective oversight of the financial and other resources of the Trust. During the course of 2022/23, its work has included review and recommendation of budgets, resource management self-assessment, overseeing procurement and tendering of contracts and providing challenge around actions to increase roll numbers at some schools.

Trustee	Meetings attended	Out of a possible
Stephen Brownhill	1	3
Julie Deville	2	3
Leo Gillen	3	3
Ian Hoult	1	1
Martyn Ingram	2	2
Derek Richardson	1	1

Audit and Risk Committee is also a sub-committee of the main Board of Trustees. The role of the Audit & Risk Committee is advisory and it maintains an effective oversight of the Academy Trust's financial, governance, risk management and internal control systems. During 2022/23, its work was mainly focused on the review of internal scrutiny reports and holding leaders to account for remedial actions. Chair of the Audit Committee has attended CST training regarding Risk Management and it is anticipated this will impact on honing of processes in 23/24.

The advice from the Committee will primarily be formed through a consideration of the work of the Trust's internal and external audit services.

Trustee	Meetings attended	Out of a possible
Steve Blake (Chair)	3	3
Margaret Bousfield (Following restructure moved from Audit Committee)	2	2
Jackie Butterworth	2	3
Julie Deville	3	3
Derek Richardson	2	2

Educational Standards and Performance Committee is also a sub-committee of the main Board of Trustees. The role of the Standards and Performance Committee is to ensure that the highest possible standards of attainment and quality of education are set and maintained across the Trust's schools. They ensure that effective processes are in place for the quality assurance of teaching and learning, the curriculum, inclusion and the sharing of good practice across the Trust. To this end, identified Trustees attend Securing Improvement Group meetings in schools which have been classified as needing support.

During 2022/23, its work continued to focus on monitoring and evaluating the impact of how the schools were utilising specific grants to address, i.e., Pupil Premium, Recovery Premium and use of National Tutoring programme. The Committee has also had a heightened focus on Safeguarding with the Chair undertaking specific training and ensuring there is a standard Safeguarding agenda item at both Board and LGB level.

Governance (continued)

This Committee is attended by Trust Safeguarding Partners and Lead Practitioner.

Trustee	Meetings attended	Out of a possible
Steve Blake (Attends Securing Improvement Group at Thorntree Academy)	3	3
Margaret Bousfield (Chair of Committee Attends Securing Improvement Group at Rossmere Academy)	3	3
Julie Deville	3	3
Danny Eason	2	2

Remuneration Committee is also a sub-committee of the main Board of Trustees. The Committee will be appointed by the Trust Board and will comprise of the Chair of the Board and Chairpersons of all other Committees.

Over 2022/23 it worked with external adviser to ensure decisions about executive pay (including salary and any other benefits) followed a robust evidence-based process and are a reasonable and defensible reflection of the individual's role and responsibilities. Alongside the two formal meetings Trustees also engaged in scoping workshop with external provider EPM. The Committee is also responsible for review of appraisal process and pay progression recommendations by CEO for Headteachers. The Board is confident that it meets the requirements of the Academies Handbook.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Steve Blake (Chair of Audit)	2	2
Jackie Butterworth (Chair)	1	2
Margaret Bousfield (Chair of Standards)	2	2
Leo Gillen (Chair of Resource)	2	2

Review of value for money

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

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

- Oversight of second year using the approved CCS Lot 2 framework to appoint a single teaching supply agency with associated efficiencies, safeguarding compliance, monitoring tools and quality assurance measures
- Zero based budgeting exercise undertaken at Rossmere Academy to allow the school confidence in its financial forward planning projections and to allow sustainability.
- Negotiating cost funding model with LA for Springwell School based on highly detailed expenditure values split into different pathways.
- Bulk buying in advance of price rises in terms of annual paper order across the Trust
- Re-tendering of various major contracts across the school estate with ensuring improved consistency of suppliers in various services such as grounds maintenance, PAT testing, health & safety, legionella, long term sickness insurance and energy management

Review of value for money (continued)

- Overseeing the Estates Manager/CFO putting in place a detailed 3 year costed estate plan
- Working with all relevant parties to ensure school estates are well maintained by use of Every system and reporting procedures
- Detailed analysis of energy bill usage across all Trust estate to allow scrutiny and efficiency over what the schools can control
- Use of public sector frameworks for the procurement of ICT hardware across school sites

The Trust is looking to continue demonstrating good value for money in future periods with continued use of public sector frameworks and in-depth assessments of the View My Financial Insights tool for each school. The Trust has also bought the ISBL ASOT (Advanced Strategic Optimisation Tool)

The purpose of the system of internal control

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

Capacity to Handle Risk

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

The Risk and Control Framework

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

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

The risk of ransomware and/or cyber-attacks, as highlighted specifically by the DfE during the period has been considered by the Trust and we are working towards planned actions to further mitigate this key risk. As a Trust we were part of a trial for Cyber Essentials and were awarded accreditation. However, RPA now cover this risk but we have ensured that we have evidence to compliance with conditions below:

a)Have offline backups.
b)Have completed NCSC Training for all Employees and Governors who have access to our IT system This was completed by the 31 May 2022.
c)Registered with Police CyberAlarm from 1 March 2022.
d)Have a cyber response plan in place.

The Board of Trustees has decided it prudent to continue with a specific internal audit function and appointment of Azets as internal auditor for the reporting period 31 August 2023.

The Risk and Control Framework (continued)

The internal auditor reports to the Board of Trustees, through the audit committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The internal auditor's role includes giving advice on financial and other matters and performing a range of checks on the Trust's financial and other systems. In particular the checks carried out in the current period included:

- Health & Safety including – policies & procedures/ Fire safety/ Legionella/ Governance Arrangements
- Website review – Rossmere & Springwell
- GAG Income – Springwell
- Non GAG Income – Springwell
- Other Income – Rossmere & Springwell
- Vat & Corporation Tax
- HR Recruitment & Selection

Review of effectiveness

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

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self assessment process and analysis of the outcomes of the SRMA assessment tool
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal audit framework
- correspondence from ESFA
- scrutiny by the Trust Audit Committee

Approved by order of the members of the Board of Trustees on 14 December 2023 and signed on their behalf by:

J Butterworth
Chair

J D Deville
Accounting Officer

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

J. D. Deville

J D Deville
Accounting Officer
Date: 14 December 2023

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

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

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

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

Jackie Butterworth

J Butterworth
Chair
Date: 14 December 2023

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXTOL ACADEMY TRUST

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXTOL ACADEMY TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXTOL ACADEMY TRUST (CONTINUED)

Use of our report

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

Clive Owen LLP

Kevin Shotton BA BFP FCA (Senior Statutory Auditor)

for and on behalf of
Clive Owen LLP

Chartered Accountants and Statutory Auditors

140 Coniscliffe Road

Darlington

County Durham

DL3 7RT

Date: 18/12/23

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF EXTOL ACADEMY TRUST (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Our audit must be alert to the risk of manipulation of the financial statements and seek to understand the incentives and opportunities for management to achieve this.

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the Trust. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of noncompliance throughout the audit. We determined the most significant of these to be the regulations set out by the DfE/ESFA. Our audit focuses on financial matters as set out in our regularity opinion. Other key laws and regulations included safeguarding, Health & Safety, GDPR and employment law
- Enquiry of trustees and management as to policies and procedures to ensure compliance and any known instances of non-compliance
- Review of board minutes and correspondence with regulators
- Enquiry of trustees and management as to areas of the financial statements susceptible to fraud and how these risks are managed
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. The further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

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

In accordance with the terms of our engagement letter dated 16 September 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Extol Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Extol Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Extol Academy Trust's funding agreement with the Secretary of State for Education dated 24 August 2016 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes a review of the design and implementation of the Trust's internal controls and review processes on regularity, supported by detailed tests on a sample of costs incurred by the Trust and on specific high risk transactions identified from our review.

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

Approach (continued)-

The work undertaken to draw to our conclusion includes:

- Review of Board of Trustees and committee minutes;
- Review of termly Internal Assurance reports;
- Completion of self assessment questionnaire by Accounting Officer;
- Review documentation provided to Trustees and Accounting Officer setting out responsibilities;
- Obtain formal letters of representation detailing the responsibilities of Directors;
- Review of payroll, purchase and expenses claims on a sample basis;
- Confirmation that the lines of delegation and limits set have been adhered to;
- Evaluation of internal control procedures and reporting lines;
- Review cash payment for unusual transactions;
- Review of credit card transactions;
- Review of registers of interests;
- Review related party transactions;
- Review of borrowing agreements;
- Review of land and building transactions;
- Review of potential and actual bad debts;
- Review an instance of gifts/hospitality to ensure in line with policy;
- Review whistleblowing procedures;
- Review pay policy and factors determining executive pay;
- Review of staff expenses;
- Review other income to ensure is in line with funding agreement;
- Review governance structure and number of.meetings held; and
- Review whether there is a risk register in place.

Conclusion

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

Clive Owen LLP

Reporting Accountant
Clive Owen LLP

Chartered Accountants and Statutory Auditors
140 Coniscliffe Road
Darlington
County Durham
DL3 7RT

Date: 18/12/23

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Income from:						
Donations and capital grants:	3					
Transfer from local authority on conversion		407	(123)	5,575	5,859	1,218
Other donations and capital grants		-	5	186	191	435
Other trading activities	5	267	-	-	267	208
Investments	6	10	-	-	10	1
Charitable activities		179	12,208	-	12,387	7,752
Total income		863	12,090	5,761	18,714	9,614
Expenditure on:						
Charitable activities	8	455	12,125	385	12,965	8,487
Total expenditure		455	12,125	385	12,965	8,487
Net income/(expenditure)		408	(35)	5,376	5,749	1,127
Transfers between funds	19	-	(161)	161	-	-
Net movement in funds before other recognised gains/(losses)		408	(196)	5,537	5,749	1,127
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	26	-	1,823	-	1,823	5,253
Asset ceiling		-	(1,129)	-	(1,129)	-
Net movement in funds		408	498	5,537	6,443	6,380
Reconciliation of funds:						
Total funds brought forward		965	252	15,250	16,467	10,087
Net movement in funds		408	498	5,537	6,443	6,380
Total funds carried forward		1,373	750	20,787	22,910	16,467

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)
REGISTERED NUMBER: 08561360

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £000		2022 £000
Fixed assets					
Tangible assets	16		20,664		15,191
			20,664		15,191
Current assets					
Debtors	17	1,399		1,302	
Cash at bank and in hand		1,542		868	
		2,941		2,170	
Creditors: amounts falling due within one year	18	(695)		(548)	
Net current assets			2,246		1,622
Total assets less current liabilities			22,910		16,813
Net assets excluding pension asset / liability			22,910		16,813
Defined benefit pension scheme asset / liability	26		-		(346)
Total net assets			22,910		16,467
Funds of the academy trust					
Restricted funds:					
Fixed asset funds	19	20,787		15,250	
Restricted income funds	19	750		598	
Restricted funds excluding pension asset	19	21,537		15,848	
Pension reserve	19	-		(346)	
Total restricted funds	19		21,537		15,502
Unrestricted income funds	19		1,373		965
Total funds			22,910		16,467

The financial statements on pages 39 to 76 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

Jackie Butterworth

J Butterworth
Chair
Date: 14 December 2023

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The notes on pages 43 to 76 form part of these financial statements.

EXTOL ACADEMY TRUST

(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash provided by operating activities	22	544	47
Cash flows from investing activities	23	130	(377)
Change in cash and cash equivalents in the year		674	(330)
Cash and cash equivalents at the beginning of the year		868	1,198
Cash and cash equivalents at the end of the year	24, 25	1,542	868

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

Extol Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

1.3 Income

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

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

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

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

- **Donations**
  Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

- **Other income**
  Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1. Accounting policies (continued)

1.3 Income (continued)

- **Transfer on conversion**

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

- **Donated fixed assets (excluding transfers on conversion or into the academy trust)**

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

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Intangible assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Computer software	-	3 years straight line

1.6 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the

1. Accounting policies (continued)

1.6 Tangible fixed assets (continued)

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:

The estimated useful lives are as follows:

Freehold property	- 125 years straight line
Long-term leasehold property	- 125 years straight line
Long term leasehold property improvements	- 10-50 years straight line
Furniture and fixtures	- 5 years straight line
Plant and equipment	- 10 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 7 years straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

1.7 Liabilities

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

1.8 Provisions

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

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

1. Accounting policies (continued)

1.9 Operating leases

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 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.

1.11 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.

1.12 Pensions

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

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

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

1. Accounting policies (continued)

1.12 Pensions (continued)

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.

1.13 Fund accounting

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

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.

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The 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 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

The original Local Government Pension scheme valuation showed an asset of £1,129,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of future service cost (£2,596,000) exceed the employer future service costs (£2,561,000) combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £Nil.

Goodwin
The case related to male spouse or civil partner of a female member is treated in the same way as a same-sex spouse or civil partner. Survivor benefits will be calculated using service from 1 April 1972, or 6 April 1978 if the marriage or civil partnership took place after the last day of pensionable service. This change will apply for deaths in respect of female members which occurred from 5 December 2005, which is the date that same-sex civil partnerships were introduced. This case was brought against the Teachers' Pension Scheme. Actuaries have estimated that the impact of Goodwin indexation to be less than 0.1% of total liabilities. Based on this estimate it would increase liabilities by £8,000 which has been assessed to

2. Critical accounting estimates and areas of judgement (continued)

be immaterial to the financial statements.

Depreciation and amortisation – Depreciation and amortisation are calculated so as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation and amortisation accounting policies. The value of depreciation and amortisation charge during the year was £385,000.

Critical areas of judgement:

Land - Land is held under a 125 year lease from Sunderland City Council and Hartlepool Brough Council. These assets are included on the balance sheet of the Trust due to the significant risks and rewards of ownership belonging to the Trust, the lease term being the major part of the economic life of the assets and the assets being of such a specialised nature that only the Trust could use them without major modification.

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations					
Transfer from Local Authority on conversion	407	(123)	5,575	5,859	1,218
Other donations	-	5	-	5	2
Donated fixed assets	-	-	40	40	412
Capital grants	-	-	146	146	21
	407	(118)	5,761	6,050	1,653
Total 2022	23	(943)	2,573	1,653	

4. Funding for the academy's educational operations

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
DfE/ESFA grants				
General Annual Grant (GAG)	-	7,654	7,654	5,483
Other DfE/ESFA grants				
Start Up Grants	-	-	-	50
Pupil Premium	-	1,024	1,024	727
PE and Sport Premium	-	109	109	73
UIFSM	-	146	146	119
Rates	-	27	27	23
Teachers' pay grant	-	7	7	7
Teachers' pension grant	-	19	19	21
Others	-	152	152	105
Supplementary grant	-	211	211	88
	-	9,349	9,349	6,696
Other Government grants				
SEN	-	1,849	1,849	143
Early Years Funding	-	735	735	579
Local Authority grants	-	71	71	76
Other Government grants	-	15	15	15
	-	2,670	2,670	813
Other income from the academy trust's educational operations	179	9	188	126
COVID-19 additional funding (DfE/ESFA)				
Other DfE/ESFA COVID-19 funding	-	180	180	117
	-	180	180	117
	179	12,208	12,387	7,752
	179	12,208	12,387	7,752
Total 2022	121	7,631	7,752	

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

5. Income from other trading activities

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	82	82	46
Non student catering income	18	18	-
Rental income	16	16	3
Receipts from supply teacher insurance claims	102	102	82
RPA claims	-	-	1
Other income	49	49	76
	267	267	208
Total 2022	208	208	

6. Investment income

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment income	10	10	1
Total 2022	1	1	

7. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other costs 2023 £000	Total 2023 £000	Total 2022 £000
Activities:					
Direct costs	8,565	-	759	9,324	6,046
Support costs	1,325	1,115	1,201	3,641	2,441
	9,890	1,115	1,960	12,965	8,487
Total 2022	6,353	630	1,504	8,487	

In 2023, of the total expenditure, £455,000 (2022 - £339,000) was to unrestricted funds, £385,000 (2022 - £226,000) was to restricted fixed asset funds and £12,125,000 (2022 - £7,922,000) was to restricted funds.

There were no individual transactions exceeding £5,000 for:
-Compensation payments
-Gifts made by the Trust
-Fixed asset losses
-Stock losses
-Unrecoverable debts
-Cash losses

There were total gifts made by the Trust of £363 (2022:£37).

There were no ex-gratia payments in the year.

8. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000	Total 2022 £000
Academy's educational operations	455	12,510	12,965	8,487
Total 2022	339	8,148	8,487	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Academy's educational operations	9,324	3,641	12,965	8,487
Total 2022	6,046	2,441	8,487	

Analysis of direct costs

	Total funds 2023 £000	Total funds 2022 £000
Staff costs	8,565	5,557
Educational supplies	605	382
Staff development	45	30
Technology costs	12	2
Staff expenses	9	4
Supply insurance	81	66
Other costs	7	5
	9,324	6,046

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £000	Total funds 2022 £000
Pension finance costs	21	76
Staff costs	1,325	796
Depreciation	385	226
Technology costs	106	93
Staff expenses	9	4
Maintenance of premises	144	85
Cleaning	276	187
Other premises costs	89	50
Energy	287	140
Rent and rates	27	23
Insurance	41	26
Operating lease rentals	24	19
Catering	492	372
Legal costs - conversion	-	17
Legal costs - other	1	2
Security	6	3
Other costs	377	301
Governance costs	31	21
	3,641	2,441

10. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023 £000	2022 £000
Operating lease rentals	24	19
Depreciation of tangible fixed assets	385	226
Fees paid to auditors for:		
- audit	15	12
- other services	1	1

11. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023 £000	2022 £000
Wages and salaries	7,198	4,221
Social security costs	708	441
Operating costs of defined benefit pension schemes	1,647	1,411
	9,553	6,073
Agency staff costs	337	270
Staff restructuring costs	-	10
	9,890	6,353

Included within the operating costs of defined benefit pension scheme is £204,000 (2022: £574,000) in respect of movement in the LGPS pension deficit.

Staff restructuring costs comprise:

	2023 £000	2022 £000
Severance payments	-	10
	-	10

b. Severance payments

The academy trust paid - severance payment in the year disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	-	1

c. Special staff severance payments

Included in staff restructuring costs are special severance payments totalling £Nil (2022: £9,672).

11. Staff (continued)

d. Staff numbers

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

	2023 No.	2022 No.
Teaching staff	93	71
Administration and support	184	96
Management	7	6
	284	173

e. 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	2	2
In the band £70,001 - £80,000	3	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	1
In the band £120,001 - £130,000	1	-

f. Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £757,000 (*2022*: £523,000).

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy 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
		£000	£000
Julie Deville, Chief Executive, Executive Headteacher	Remuneration	125 - 130	100 - 105
	Pension contributions paid	0 - 5	0 - 5

During the year, no Trustees received any benefits in kind (2022 - £NIL).

During the year ended 31 August 2023, travel and subsistence expenses totalling £882 were reimbursed or paid directly to 1 Trustee (2022 - £371 to 1 Trustee).

13. Central services

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

- Chief Executive Officer and the Lead Practioner for teaching and learning
- Finance and administrative staff – inclusive of full accounts payable function
- Full time Estates Manager
- External Audit Fees
- Internal Audit Fees
- Accountancy Fees (relating to consolidation of accounts – monthly & annual)
- Trust Level Benchmarking Service
- Every compliance software fees (including contracts register)
- Every E-learning modules
- Annual actuary valuation fees
- PS Financials Licence costs
- Financial Forward Planning Licence costs
- School Improvement Advisor
- HR Bespoke service
- Data Protection Officer Service (GDPR)

The academy trust charges for these services on the following basis:

These services are paid for by each academy in the Trust based on a recharge of 6.5% of general annual grant income.

The actual amounts charged during the year were as follows:

	2023 £000	2022 £000
Eldon Grove Academy	144	160
New Silksworth Academy Infant	61	66
New Silksworth Academy Junior	69	77
Thorntree Academy	99	111
Rossmere Academy	128	65
Springwell Academy	54	-
Total	555	479

14. Trustees' and Officers' insurance

The academy 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 academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership.

15. Intangible assets

	Computer software £000
Cost	
At 1 September 2022	10
At 31 August 2023	10
Amortisation	
At 1 September 2022	10
At 31 August 2023	10
Net book value	
At 31 August 2023	-
At 31 August 2022	-

16. Tangible fixed assets

	Free hold property £000	Long-term lease hold property £000	Assets under construction £000	Plant and machinery £000	Furniture and equipment £000	Computer equipment £000	Long term leasehold improvement £000	Motor vehicles £000	Total £000
Cost									
At 1 September 2022	4,274	9,063	408	446	173	325	1,651	21	16,361
Additions	-	655	-	5	127	40	145	-	972
Acquired on conversion	-	4,869	-	-	-	-	-	17	4,886
Transfers between classes	-	-	(408)	-	-	-	408	-	-
At 31 August 2023	4,274	14,587	-	451	300	365	2,204	38	22,219
Depreciation									
At 1 September 2022	82	459	-	51	95	269	213	1	1,170
Charge for the year	34	193	-	13	19	42	78	6	385
At 31 August 2023	116	652	-	64	114	311	291	7	1,555
Net book value									
At 31 August 2023	4,158	13,935	-	387	186	54	1,913	31	20,664
At 31 August 2022	4,192	8,604	408	395	78	56	1,438	20	15,191

17. Debtors

	2023 £000	2022 £000
Due within one year		
Trade debtors	114	24
VAT repayable	88	231
Short term investments	510	500
Prepayments & accrued income	668	528
Other debtors	19	19
	1,399	1,302

18. Creditors: Amounts falling due within one year

	2023 £000	2022 £000
Trade creditors	35	-
Accruals and deferred income	660	548
	695	548

	2023 £000	2022 £000
Deferred income at 1 September 2022	200	75
Resources deferred during the year	146	200
Amounts released from previous periods	(200)	(75)
Deferred income at 31 August 2023	146	200

At the balance sheet date the Trust was holding funds received in advance relating to grant funding for universal infant free school meals and trip income which straddle the financial year end.

19. Statement of funds

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Unrestricted funds						
General Funds - all funds	965	863	(455)	-	-	1,373
Restricted general funds						
General Annual Grant	474	7,654	(7,224)	(161)	-	743
Pupil Premium	-	1,024	(1,024)	-	-	-
Other DFE/EFSA Grants	99	672	(764)	-	-	7
SEN	-	1,849	(1,849)	-	-	-
Other Government Grants	-	820	(820)	-	-	-
Start up grant	3	-	(3)	-	-	-
Other COVID-19 funding	22	180	(202)	-	-	-
Donation	-	5	(5)	-	-	-
Other Income	-	9	(9)	-	-	-
Pension reserve	(346)	(123)	(225)	-	694	-
	252	12,090	(12,125)	(161)	694	750
Restricted fixed asset funds						
Legacy assets	12,820	5,541	(237)	-	-	18,124
Other capital grants	188	-	(5)	-	-	183
Capital expenditure from GAG	457	-	(52)	161	-	566
Sponsorship funding	64	-	(11)	-	-	53
Donation	5	-	-	-	-	5
ESFA donation	38	-	(27)	-	-	11
Devolved Formula Capital	174	146	(19)	-	-	301

19. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Condition Improvement Fund	1,092	-	(26)	-	-	1,066
Local authority donation	412	40	(6)	-	-	446
LA Capital fund on Conversion	-	34	(2)	-	-	32
	15,250	5,761	(385)	161	-	20,787
Total Restricted funds	15,502	17,851	(12,510)	-	694	21,537
Total funds	16,467	18,714	(12,965)	-	694	22,910

19. Statement of funds (continued)

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

General Annual Grant - this is the money provided to the Trust for normal school running costs including salaries and related costs, overheads, repairs and maintenance, and insurance.

The Pupil Premium is paid based upon the number of pupils with service parents or who are entitled to free school meals. The finding has paid for support assistants within classrooms.

Universal Infant Free School Meals (included within Other DfE/ESFA Grants) is funding to provide a free school lunch to all pupils in reception, year 1 and year 2.

Trust Capacity Funding (included within Other DfE/ESFA Grants) in funding supplied for help with the costs of conversion and improvement of a second academy when one is added to the Trust.

Other DfE/ESFA Grants also includes the PE and sport premium grant, rates relief, teachers' pay grant, teachers' pension grant, Supplementary grant and Mainstream Additional Schools Grant.

Recovery premium is used to fund specific activities to support the pupils' education recovery.

Other COVID-19 funding from DfE/ESFA relates to the School-led tutoring grant which is used to support disadvantanged pupils in catch up learning.

Other COVID-19 funding relates to funding received from the local authority for the purchase of free school meal vouchers.

The SEN funding has been used to pay for classroom assistants.

Other Goverment grants are received from Hartlepool Borough Council, Middlesbrough Council and Sunderland City Council to cover nursery funding and teaching assistants.

Other Grant funding consists of the Teach First Mentoring grant in payment of the Trust personnel supporting the constructing and delivery of Early Careers Framework..

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme. Futher details are shown in note 26.

The restricted fixed asset funds represent monies received to purchase fixed assets. Depreciation is charged against each fund over the useful life of the associated assets.

Unrestricted funds include the income from lettings, catering and other sundry income streams with the relevant costs allocated accordingly.

A transfer of £161,000 has been made to capital expenditure from GAG to relect those items included within fixed assets which have been purchased using GAG monies.

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

19. Statement of funds (continued)

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Unrestricted funds						
Unrestricted funds	951	353	(339)	-	-	965
Restricted general funds						
General Annual Grant	443	5,483	(5,226)	(226)	-	474
Pupil Premium	-	727	(727)	-	-	-
Other DFE/EFSA Grants	11	436	(348)	-	-	99
SEN	-	143	(143)	-	-	-
Other Government Grants	-	670	(670)	-	-	-
Start up grant	-	50	(47)	-	-	3
Catch-up premium	11	-	(11)	-	-	-
Other COVID-19 funding	-	117	(95)	-	-	22
Donation	-	5	(5)	-	-	-
Pension reserve	(4,006)	(943)	(650)	-	5,253	(346)
	(3,541)	6,688	(7,922)	(226)	5,253	252
Restricted fixed asset funds						
Legacy assets	10,789	2,140	(109)	-	-	12,820
Other capital grants	196	-	(8)	-	-	188
Capital expenditure from GAG	269	-	(38)	226	-	457
Sponsorship funding	76	-	(12)	-	-	64
Donation	6	-	(1)	-	-	5
ESFA donation	65	-	(27)	-	-	38

19. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
Devolved Formula Capital	154	38	(18)	-	-	174
Condition Improvement Fund	1,122	(17)	(13)	-	-	1,092
Local authority donation	-	412	-	-	-	412
	12,677	2,573	(226)	226	-	15,250
Total Restricted funds	9,136	9,261	(8,148)	-	5,253	15,502
Total funds	10,087	9,614	(8,487)	-	5,253	16,467

19. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Eldon Grove Academy	494	413
New Silksworth Academy Infant	273	226
New Silksworth Academy Junior	375	306
Thorntree Academy	359	357
Rossmere Academy	61	18
Springwell Academy	412	-
Trust	149	243
Total before fixed asset funds and pension reserve	2,123	1,563
Restricted fixed asset fund	20,787	15,250
Pension reserve	-	(346)
Total	22,910	16,467

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Eldon Grove Academy	1,727	193	181	399	2,500	2,354
New Silksworth Academy Infant	695	158	34	238	1,125	1,069
New Silksworth Academy Junior	747	93	91	253	1,184	1,122
Thorntree Academy	1,186	120	104	397	1,807	1,778
Rossmere Academy	1,859	124	130	392	2,505	775
Springwell	2,093	140	53	253	2,539	-
Trust	289	462	12	157	920	1,163
Academy trust	8,596	1,290	605	2,089	12,580	8,261

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	20,664	20,664
Current assets	1,394	1,341	206	2,941
Creditors due within one year	(21)	(591)	(83)	(695)
Total	1,373	750	20,787	22,910

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	15,191	15,191
Current assets	977	981	212	2,170
Creditors due within one year	(12)	(383)	(153)	(548)
Provisions for liabilities and charges	-	(346)	-	(346)
Total	965	252	15,250	16,467

21. Conversion to an academy trust

On 1 September 2022 Springwell Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Extol Academy Trust from Hartlepool Borough Council for £NIL consideration.

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

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities.

	Unrestricted funds £000	Restricted funds £000	Restricted fixed asset funds £000	Total funds £000
Tangible fixed assets				
Leasehold land and buildings	-	-	4,885	4,885
Other tangible fixed assets	-	-	17	17
Current assets				
Cash - representing budget surplus on LA funds	407	-	34	441
Non-current liabilities				
LGPS pension surplus/(deficit)	-	(123)	-	(123)
Net assets/(liabilities)	407	(123)	4,936	5,220

In addition to the above, also included within the Transfer on conversion from Local Authority in note 3 is income of £654,000 in respect of Rossmere Academy land and buildings.

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

	2023 £000	2022 £000
Net income for the year (as per Statement of Financial Activities)	5,749	1,127
Adjustments for:		
Depreciation	385	226
Defined benefit pension scheme obligation inherited	123	943
Defined benefit pension scheme cost less contributions payable	204	574
Defined benefit pension scheme finance cost	21	76
Increase in debtors	(97)	(475)
Increase in creditors	147	149
Capital grants from DfE and other capital income	(407)	(21)
Transfer of assets on acquisition	(5,541)	(2,140)
Donated fixed assets	(40)	(412)
Net cash provided by operating activities	544	47

23. Cash flows from investing activities

	2023 £000	2022 £000
Purchase of tangible fixed assets	(277)	(808)
Capital grants from DfE Group	407	431
Net cash provided by/(used in) investing activities	130	(377)

24. Analysis of cash and cash equivalents

	2023 £000	2022 £000
Cash in hand and at bank	1,542	868
Total cash and cash equivalents	1,542	868

25. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	868	674	1,542
	868	674	1,542

26. 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 Hartlepool Borough Council, Middlesbrough Council and Sunderland County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022.

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

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.

26. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £914,000 (2022 - £571,000).

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

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

26. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £682,000 (2022 - £353,000), of which employer's contributions totalled £511,000 (2022 - £266,000) and employees' contributions totalled £ 171,000 (2022 - £87,000). The agreed contribution rates for future years are 17.5% and 18.8% for employers and 5.5% - 12.5% for employees.

As described in note 21 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

The original Local Government Pension scheme valuation showed an asset of £1,129,000. That asset valuation is highly dependent on a number of assumptions and does not represent the future value of benefits to the trust. As a result, the Trustees have considered the potential benefits to the trust. On the basis that the future value of employer contributions in respect of future service cost (£2,596,000) exceed the employer future service costs (£2,561,000) combined with the fact that the last Local Government Scheme actuarial review set the contribution rates from 1 April 2023 and that these will not be revised until April 2026 the Trustees have decided to include the pension asset at £NIL.

Principal actuarial assumptions

Teesside Pension Fund

	2023 %	2022 %
Rate of increase in salaries	3.95	4.05
Rate of increase for pensions in payment/inflation	2.95	3.05
Discount rate for scheme liabilities	5.20	4.25
Inflation assumption (CPI)	2.95	3.05
Commutation of pensions to lump sums	80.00	80.00

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

	2023 Years	2022 Years
Retiring today		
Males	20.5	21.7
Females	23.5	23.5
Retiring in 20 years		
Males	21.3	22.9
Females	25.0	25.3

26. Pension commitments (continued)

Tyne and Wear Pension Fund

	2023 %	2022 %
Rate of increase in salaries	4.10	4.20
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.00	4.00
Inflation assumption (CPI)	2.60	2.70
Commutation of pensions to lump sums	75.00	75.00

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

	2023 Years	2022 Years
Retiring today		
Males	21.0	21.8
Females	24.1	25.0
Retiring in 20 years		
Males	22.2	23.5
Females	25.5	26.7

Sensitivity analysis

	2023 £000	2022 £000
Discount rate +0.1%	(194)	(184)
Discount rate -0.1%	194	184
Mortality assumption - 1 year increase	(289)	(249)
Mortality assumption - 1 year decrease	289	249
CPI rate +0.1%	171	161
CPI rate -0.1%	(171)	(161)

Share of scheme assets

26. Pension commitments (continued)

The academy trust's share of the assets in the scheme was:

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	6,162	4,149
Government bonds	22	27
Corporate bonds	321	312
Property	1,841	1,045
Cash and other liquid assets	319	698
Other	199	146
Multi asset credit	78	74
Total market value of assets	8,942	6,451

The actual return on scheme assets was £117,000 (2022 - £215,000).

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

	2023 £000	2022 £000
Current service cost	(715)	(829)
Interest income	352	92
Interest cost	(373)	(168)
Total amount recognised in the Statement of Financial Activities	(736)	(905)

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

	2023 £000	2022 £000
At 1 September	6,797	8,956
Conversion of academy trusts	1,740	1,938
Current service cost	715	829
Interest cost	373	168
Employee contributions	171	87
Actuarial gains	(1,950)	(5,130)
Benefits paid	(33)	(51)
Asset ceiling restriction	1,129	-
At 31 August	8,942	6,797

26. Pension commitments (continued)

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

	2023 £000	2022 £000
At 1 September	6,451	4,950
Conversion of academy trusts	1,617	995
Expected return on schemes' assets	352	92
Actuarial (losses)/gains	(127)	123
Employer contributions	511	255
Employee contributions	171	87
Benefits paid	(33)	(51)
At 31 August	8,942	6,451

27. Operating lease commitments

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

	2023 £000	2022 £000
Within 1 year	18	17
Between 1 and 5 years	36	16
	54	33

28. Related party transactions

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

Expenditure Related Party Transactions

Emmerson Marketing Limited - a company owned by a close family member of L Gillen, a Trustee

- The academy trust purchased educational supplies from Emmerson Marketing Limited totalling £Nil (2022: £5,000) during the period. There were no amounts outstanding at 31 August 2023.
- The academy trust made the purchase at arms' length following a competitve tendering exercise in accordance with its financial regulations, which L Gillen neither participated in, nor influenced.
- In entering into the transaction the academy trust has complied with the requirements of the Academy Trust Handbook 2022.

A Blake, the daughter of A S Blake, a Trustee, is employed within the academy trust as a teacher. A Blake's appointment was made prior to conversion in open competition and the Trustee was not involved in the decision making process regarding appointment. A Blake is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

K Fuller, the partner of S A Brownhill, a Trustee, is employed within the academy trust as a teacher. K Fuller's appointment was made prior to conversion in open competition and the Trustee was not involved in the decision making process regarding appointment. K Fuller is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a Trustee.

Richardson Travel, a business owned by the brother of the Trustee Derek Richardson, was brought on to provide transport for a school trip. The Trustee was not involved in the decision making process regarding this appointment. Payment relates to the provision of the service and is at a reasonable market rate.