

Frontier Learning Trust

Consolidated Annual Report and Financial Statements

Year to 31 August 2023

Company Limited by Guarantee
Registration Number
12935907 (England and Wales)

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Reference and administrative information

Members
Mr T Attwood
Prof M Dallman (Chair)
Mr P Green
Mr I Phillips
Ms Z Suka-Bill (appointed 30 January 2023)

Trustees
Ms S Alibhai
Prof R Craster
Mr P Green (Chair)
Ms L Harrison
Mrs L Horbye
Mr A Marrocco
Mr J Morago (appointed 1 September 2023)
Mr J Marshall (resigned 31 August 2023)
Mrs L McDowell
Miss L Needleman
Mrs H Pettifor OBE
Mr Z Shaikh
Ms E Smith
Mr A Tebbutt

**Clerk to the Trustees and
Company Secretary**
Miss B Holmes

Leadership Team
Ms S Alibhai (Principal of Woodhouse College and CEO of Frontier Learning Trust)
Ms A Christodoulou (Vice Principal of Woodhouse College)
Mr T Grundy (Deputy Headteacher of Imperial College London Mathematics School)
Mr I Hooper (Senior Vice Principal of Woodhouse College and Deputy CEO of Frontier Learning Trust)
Ms L Hussain (Assistant Principal, Student Services, of Woodhouse College and DSL of Frontier Learning Trust)
Mr D Lee (Headteacher of Imperial College London Mathematics School)
Ms C Mugridge (Assistant Principal, Finance, and CFO of Frontier Learning Trust)
Mr P Thompson (Assistant Principal, Curriculum, of Woodhouse College)

Registered address
Frontier Learning Trust

Woodhouse College
Woodhouse Road
North Finchley
London
N12 9EY

Reference and administrative information

Company registration number 12935907

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Internal Auditor Price Bailey
Causeway House
1 Dane Street
Bishop's Stortford
Herts
CM23 3DT

Bankers National Westminster Bank plc
786 High Road
London
N12 9QT

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Insignis Cash Solutions
Insignis Asset Management
St John's Innovation Centre
Cowley Road
Cambridge
CB4 0WS

Solicitors Eversheds Sutherland (International) LLP
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

The Trustees present their annual report together with the financial statements and auditor's report of Frontier Learning Trust (the Academy Trust) and the Group for the year from 1 September 2022 to 31 August 2023. The Group currently consists of Frontier Learning Trust (which includes Woodhouse College and from 1 September 2023, Imperial College London Mathematics School) and Woodhouse College Trading Limited. The annual report serves the purposes of both a trustees' report under charity law and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 33 to 38 of the attached financial statements and comply with the Academy's Articles of Association, applicable laws and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Chair's Introduction

These accounts report the second full year for Frontier Learning Trust ('FLT'), the multi-academy trust that includes Woodhouse College, Woodhouse College Trading Limited, and Imperial College London Mathematics School (which opened in September 2023). Whilst students were returning to a pre-pandemic type environment during the year, various Covid hangovers still provided serious challenges for our young people. The student services team at Woodhouse offers significant pastoral support to students and assists them on their Sixth Form journey. Against this backdrop, our students achieved remarkable results, especially when measured against the College's 2019 pre-pandemic results, which was the benchmark for the DfE.

A Level outcomes for Woodhouse College were:

- ◆ A*- B = 76.2% (2019 = 65%); and
- ◆ A*-A = 45.4% (2019 = 32.7%).

Woodhouse College has continued to thrive, with an increasing number of applicants per place (750 per year). The College continues to take students from across north London and the surrounding counties, with applications coming from over 200 schools. However, 75% or more are from the closest boroughs of Barnet, Enfield, and Haringey. Woodhouse's two local partner schools, Archer Academy and Friern Barnet provided the two largest groups of students to the College.

Capital projects for Woodhouse were a key focus during the year, with significant funds spent to upgrade the College estate, including multiple new sets of toilets, improved central social spaces and enhanced learning spaces. There is a rolling plan for continued improvement of buildings and facilities at Woodhouse.

The ICLMS project reached a crescendo during the year, with the new maths school opening its doors to an initial 44 students, starting on 1 September 2023. This project was initiated with Imperial College London in mid-2018 and so the realisation after 5 years of development was both exciting and rewarding. The ICLMS Headteacher, David Lee, has brought energy and enthusiasm to the maths school and its staff, ready to deliver an amazing experience for its new recruits. The intake will be ratcheted up over the next four years until there are 100 students joining in every cohort. The temporary accommodation has proven to be functional and acceptable for staff and students, and will be utilised until the permanent building is complete. Imperial College London has remained closely involved in every aspect of the school's development and has been pleased with the progress so far.

Trustees' report Year to 31 August 2023

Despite the inflationary economic environment and an increase in capital spending, the Trust's finances remain robust. Letting income has improved, assisted by a dedicated team who maintain letting arrangements at close to-full capacity throughout the year. Budgets are carefully developed and strictly maintained. The Finance team has worked very closely with the CEO and Senior Leadership Team to ensure value for money expenditure along with astute financial management throughout the year.

The Trust achieved a surplus of 6% for the period 1 September 2022 to 31 August 2023 (before actuarial gains/losses). This compares with a surplus of 8% for the 12 months to 31 August 2022.

Trustees continue to be sensitive to current financial headwinds: the cost-of-living crisis, elevated inflation and interest rates, and subdued economic growth. All factors which lead to constraints on government spending, which affect the amounts schools will receive across the sector. The Trust takes its lead from the Sixth Form College Association with regard to staff pay deals that have been negotiated with Government. FLT followed the 5% award for 2022/23 and will do the same with the 6.5% award for 2023/24.

Whilst the Trust was fortunate to have committed in prior years to a fixed-rate energy supply price until 2024, the costs of electricity and gas are likely to be significantly higher when the current deal expires. Budgets will be adjusted accordingly for the coming year.

The Trustee Board is satisfied that FLT is managed effectively, efficiently and prudently by its senior leaders and that it continues to be financially viable, with robust cash reserves. The CEO and CFO, together with their colleagues, will monitor closely all future expenditure, recognising the pressure points affecting the current budget and that the last two years of healthy surplus are not a regular occurrence. There is also the need to continue spending on capital projects to maintain the quality of the estate.

I would like to thank the staff and students of Woodhouse College as well as the staff of Imperial College London Mathematics School and Frontier Learning Trust for an excellent performance this year. I would also like to thank the Members and Trustees of FLT, the Governors of Woodhouse and ICLMS, and our colleagues at Imperial College London for their continued support and enthusiasm.

Peter Green - Chair of Trustees

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Frontier Learning Trust (FLT) 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 Academy Trust. The Trustees of Frontier Learning Trust are also directors of the charitable company for the purposes of company law. The charitable company operates as Frontier Learning Trust and Woodhouse College.

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

Responsibilities of Members, Trustees and Governors

The Members are the guardians of the constitution and charitable object of the Trust. The key roles of the Members are to:

- ◆ Appoint and remove Members and Trustees;
- ◆ Approve any changes to the Articles of Association; and
- ◆ Meet annually, hold Trustees to account and receive the annual report from the CEO and CFO of the Trust.

The Trust is governed by the Board of Trustees who have overall responsibility for the academic, financial, and operational performance of the Trust.

In order to support the effective operation of the Trust and its individual academies, the Board has established a number of committees to which it has delegated certain of its powers and functions. Under the Trust's Scheme of Delegation, respective terms of reference set out the constitution, membership, and proceedings of each of the committees. In summary, the Board has established the following committees:

- ◆ Trust Board committees:
 - ◇ Audit & Compliance: to maintain an oversight of the Trust's compliance with statutory and contractual obligations and to maintain an oversight of the governance, risk management, internal control, and value for money frameworks.
 - ◇ Search & Governance: to ensure that the governance structures are effective and that Trustees and Governors with appropriate skillsets are recruited and developed.
 - ◇ Remuneration: responsible for determining the remuneration of Senior Post Holders.
 - ◇ Finance & Operations: to scrutinise the management accounts, budgets, cashflow reports and balance sheet, before making recommendations to the Trust Board.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Responsibilities of Members, Trustees and Governors (continued)

- ◆ Local Governing Bodies ('LGBs') will focus upon student wellbeing, educational provision and performance, quality and standards, operational management, and community engagement at the academy school that it oversees. An LGB is collectively accountable to the Trustees for effective oversight of its academy school and is accountable for decisions that it makes under delegated authority from the Trust Board.

The Trust is operated on a day-to-day basis by the Trust's Senior Leadership Team which consists of:

- ◆ Principal of Woodhouse College / CEO of Frontier Learning Trust
- ◆ Senior Vice Principal of Woodhouse College / Deputy CEO of Frontier Learning Trust
- ◆ Vice Principal of Woodhouse College
- ◆ Assistant Principal, Curriculum, of Woodhouse College
- ◆ Assistant Principal, Student Services, of Woodhouse College and DSL for the Trust
- ◆ Assistant Principal, Finance, of Woodhouse College and CFO for the Trust
- ◆ Head of ICLMS
- ◆ Deputy Headteacher, ICLMS

The Principal is also the Accounting Officer.

Members' liability

Every member of the Academy Trust undertakes to contribute such amount as may be required (not exceeding £10) to the Academy Trust's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member.

Trustees' indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expenses to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of negligence, default or breach of duty of which they may be guilty in relation to the Academy Trust, provided that such insurance shall not extend to any claims arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty, and provided also that such insurance should not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Principal activities

Frontier Learning Trust is a multi-academy trust, which operated one 16-19 academy, Woodhouse College during the year. Woodhouse College is a sixth-form college providing A Level education and serving students across North London and south Hertfordshire.

Frontier Learning Trust opened a second academy, the Imperial College London Mathematics School ('ICLMS'), on 1 September 2023. ICLMS is a specialist Maths school for 16- to 19-year-olds working in partnership with Imperial College London.

The Trust also has a subsidiary company, Woodhouse College Trading Limited, (company number 10638738) which is 100% owned by the Trust. The principal activity is to let out certain parts of the premises of Woodhouse College for usage outside of school hours.

Trustees

The following Trustees were in office at the date of approval of these financial statements and served throughout the period except where shown.

Trustee	Appointed/Resigned	Appointing body
Ms S Alibhai	12 April 2021	Ex Officio
Prof R Craster	7 October 2020	Imperial College London
Mr P Green (Chair)	1 January 2021	Member Appointed
Ms L Harrison	1 January 2021	Member Appointed
Mrs L Horbye	1 January 2021	Member Appointed
Mr A Marrocco	1 January 2021	Member Appointed
Mr J Morago	1 September 2023	Member Appointed
Mr J Marshall	1 January 2021 (resigned 31 August 2023)	Member Appointed
Mrs L McDowell	30 May 2022	Member Appointed
Miss L Needleman	13 July 2022	Member Appointed
Mrs H Pettifor OBE	7 October 2021	Member Appointed
Mr Z Shaikh	1 January 2021	Member Appointed
Ms E Smith	7 October 2021	Imperial College London
Mr A Tebbutt	1 January 2021	Imperial College London

Method of recruitment and appointment or election of Trustees

Article 46 of the Articles of Association states that the Trust shall have up to ten Trustees appointed by ordinary resolution of the Members, up to three Trustees appointed by Imperial College London and the Chief Executive Officer as ex-officio. In addition to this, the Trust may also appoint Co-opted Trustees as set out in Article 58.

Policies and procedures adopted for the induction and training of Trustees

Trustees are issued with a number of key documents and policies on appointment, which includes the Scheme of Delegation, Conflict of Interest Policy, and Trustee Code of Conduct. Trustees are required to undertake training on safeguarding and finance and attend the Trust's Annual Strategy & Training Event.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

Decisions around the pay of Senior Post Holders (CEO/Principal Woodhouse, Deputy CEO/Senior Vice Principal Woodhouse, Vice Principal (Woodhouse), Headteacher (ICLMS)) and the Clerk/Company Secretary) are made by the Remuneration Committee. The Committee takes into account national pay awards and considers national and local benchmarking data provided by the SFCA.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 require the Trust to publish information on facility time arrangements for trade union officials at the College. In the academic year beginning in September 2022 the College had 112 FTE staff and one relevant union representative who worked on behalf of NEU members. The work done by this representative is in addition to their salaried work for the College, therefore both the actual number of salaried hours and the percentage of the pay bill spent on facility time was zero.

Connected organisations, including related party relationships

The Trust has entered into an agreement with Imperial College London in connection with the opening of Imperial College London Mathematics School ('ICLMS'), which opened in September 2023. As part of that agreement, three Trustees are appointed by Imperial College London ('ICL'). ICL does not exercise control or significant influence over the Trust's decisions and operations. The Trust ensures that all Related Party Transactions are carried out in accordance with the Academies Handbook. During the year the Trust paid Imperial College London £677 for student ambassadors who attended ICLMS events, Imperial College also provided other services to the Trust that they did not charge for.

Woodhouse College has a number of partner schools, one of these is The Archer Academy. The Headteacher of The Archer Academy serves as a Trustee.

OBJECTIVES AND ACTIVITIES

Objects and aims

During the 2021-2022 academic year the Trustees, with Senior Postholders, considered what the 5-year strategic priorities should be. These have been approved as:

Vision

Frontier Learning Trust staff inspire and empower ambitious young people from every background to advance and thrive in each step of their academic, professional and personal journey.

Mission

Frontier Learning Trust offers transformational opportunities to students and educational professionals, drawing upon the reputation, skills, and experience of leading institutions.

Priorities for 2022/23 - 2027/28 include:

- ◆ Attract diverse cohorts of high achieving, aspirational students who seek a transformative educational experience.

OBJECTIVES AND ACTIVITIES (continued)

Objects and aims (continued)

- ◆ Provide excellent teaching and relevant guidance in a supportive and safe environment, so that students have a fulfilling and enjoyable experience.
- ◆ Enable students to achieve the best possible grades and progress to the next step in their academic or professional journey.
- ◆ Attract, recruit and retain a high performing, diverse staff body who will collaborate to deliver the vision.
- ◆ Develop and support all staff to thrive in their careers.
- ◆ Build and sustain an organisational culture based around trust, respect and openness.
- ◆ Lead national innovation through sharing our educational expertise and influencing stakeholders.
- ◆ Provide opportunities by working collaboratively with our diverse local communities.
- ◆ Achieve organisational excellence and financial sustainability through resource planning and efficient estate management.

Public Benefit

In setting and reviewing the Trust's strategic objectives, the Corporation has had due regard for the Charity Commission's guidance on public benefit and particularly upon its supplementary guidance on the advancement of education. The guidance sets out the requirement that all organisations wishing to be recognised as charities must demonstrate, explicitly, that their aims are for the public benefit.

In delivering its mission, the Trust provides the following identifiable public benefits for the advancement of education:

- ◆ High-quality teaching
- ◆ Widening participation
- ◆ Strong student support systems
- ◆ Excellent record of employment for students
- ◆ Links with employers, industry and commerce

ACHIEVEMENTS AND PERFORMANCE

Key financial performance indicators

The financial aim of the Trust is to keep expenditure within the income received and to manage finances in general on a prudent basis. More specifically, the Trust's financial objectives are:

- ◆ To hold a minimum of 90 days' cash;
- ◆ Payroll as a proportion of total income not to exceed 80%;
- ◆ Operating Surplus to be at least 3% of total income; and
- ◆ Performance against these objectives is reported within the financial review below.

Student Numbers

In October 2022, Woodhouse College had 1,517 students. In October 2023, 1,503 students were enrolled against a target of 1,500 and ICLMS had 44 students against a target of 40.

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Group and Trust has adequate resources to continue in operational existence for the foreseeable future; in particular for a period of not less than one year from the date of approval of these financial statements. It has therefore adopted the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the principal accounting policies.

The continued provision of education is dependent on the ongoing funding by the Education and Skills Funding Agency (ESFA) of the Department for Education of which there is reasonable expectation of it continuing for the foreseeable future.

Financial review

Financial report for the period

The results for the year to 31 August 2023 show a surplus before other gains of £339k (2022: deficit before other gains of £210k).

As reconciled below, the Trust made an operational surplus for the year of £601k, (before LGPS adjustments and the movement on the restricted fixed asset fund) for the year to 31 August 2023, the comparable surplus was £731k.

ACHIEVEMENTS AND PERFORMANCE (continued)

Financial review (continued)

Financial report for the period (continued)

	2023	2022
	£'000	£'000
Overall net movement in funds	1,074	3,299
Add: net expenditure attributable to the fixed assets fund	314	355
Less: LGPS actuarial gain	(735)	(3,509)
Add: LGPS service cost adjustment	94	550
Add: LGPS interest cost adjustment	28	63
Operational surplus for the year excluding fixed asset purchases	775	758
Less: fixed asset purchases from revenue funds	(174)	(27)
Operational surplus for the year	601	731

At the end of the year ended 31 August 2023 the Trust had met its financial objectives. The results were:

- ◆ Cash reserves of £4.6m, equivalent to 186 days of expenditure.
- ◆ Payroll costs were 76.3% of total income.
- ◆ An operating surplus, before other gains and depreciation and LGPS adjustments of 6.2%.

Reserves policy

The Trustees review the reserve policy and the level of the Trust's reserves annually.

The Trustees have agreed that the minimum target for these reserves should be equal to at least two months' average payroll costs, being approximately £1m. This level of reserves is intended to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

At the 31 August 2023 the Trust had revenue reserves of £4.1m, consisting of £3.1m of general unrestricted funds and £1.0m of restricted General Annual Grant (GAG) reserves (31 August 2022: total revenue reserves of £3.5m, £2.7m unrestricted and £0.8m restricted reserves). This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees expect to see the revenue budget for the coming financial year to be balanced within that year's income and not to utilise any of the previous year's underspend in order to balance the budget.

Reserves in excess of the £1m target, may be utilised for one-off infrastructure projects, academy improvement, or for urgent health and safety matters. The Trustees plan to use the existing reserves to:

ACHIEVEMENTS AND PERFORMANCE (continued)

Financial review (continued)

Reserves policy (continued)

- ◆ Continue to support the repair and refurbishment of the existing Woodhouse College estate. Work started this year on a refurbishment programme. The College Senior Leadership Team are developing a 10-year plan to refurbish the entire estate.
- ◆ Support additional building construction for the Woodhouse College estate. The senior leaders within the Trust will consider new building requirements over the coming years and will share proposals for the use of reserves with Trustees for consideration.
- ◆ Support ICLMS, where required, until it reaches full capacity. The amounts of support required will be approved by Trustees if needed.

Investment policy

The Trust monitors its cashflow so that funds not required in the short term for day-to-day operations can be identified and placed in longer term notice deposit accounts with the Trust's bankers. The notice periods on these accounts are typically between one and twelve months.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trust had undertaken further work during the period to develop and embed the system of internal control, including financial, operational and risk management, which is designed to protect the Group and the Trust's assets and reputation.

Based on the strategic plan, the College's Senior Leadership Team ('SLT') undertook an annual review of the risks, including premises risks, to which the Group and Trust were exposed. SLT identified systems and implemented procedures, including specific actions which would mitigate any potential negative impact on the Group and Trust. In addition to this comprehensive review, SLT also considered any risks which could arise as a result of a new area of work being undertaken. All such risks are recorded in a risk register maintained at the Group and Trust level and reviewed by the Audit & Compliance Committee. Each academy also produces its own risk register that is reviewed by both the Local Governing Board and the Trust Audit & Compliance Committee. The risk registers identify the key risks, the likelihood of those risks occurring, their potential impact on the Group and the actions being taken to reduce and mitigate those risks. Risks were prioritised using a consistent scoring system. Reports on risks, including any updates, were reviewed and considered at Committee and Board meetings.

When setting the budget, Trustees prioritise works that are required to keep the estate safe. A Health & Safety report is reviewed at each Audit & Compliance Committee.

Outlined below is a description of the principal risk factors that could have affected the Group and Trust. Not all the factors were within the Group and Trust's control.

- ◆ Student enrolment significantly under target

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

- ◆ Student enrolment significantly over target in some courses
- ◆ Major safeguarding and/or radicalisation incident
- ◆ Premises disaster
- ◆ Failure of ICT services, InfoSec, and other IT risks
- ◆ Fraud or failure of financial systems
- ◆ Reduction in Ofsted grade
- ◆ Poor achievement & progression
- ◆ Shortage in recruitment of high calibre staff/trustees
- ◆ Loss of morale of staff
- ◆ Data breach/GDPR infraction
- ◆ Difficult economic conditions and inflationary pressures

Fundraising

The academy Trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Government funding

The Group and Trust had considerable reliance on continued government funding through the ESFA. In 2022/23, 95% (2021/22: 96%) of the Group's revenue was publicly funded and this level of requirement is expected to continue.

The Trust is aware of several issues which may impact on future funding, including:

- ◆ The effect of increasing competition in the local sixth form landscape;
- ◆ The impact of inflation and salary increases; and
- ◆ The constraints of accommodation on the ability to grow student numbers.

The Trust has discussed, in its 2022-27 strategic plan, how it will mitigate against the risks of inadequate funding in the future.

PLANS FOR FUTURE PERIODS

ICLMS will be expanding its student numbers over the coming years until it reaches its capacity of 200 students. The school will be moving to its new permanent building as soon as it is complete.

Trustees' report Year to 31 August 2023

AUDITOR

In so far as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by the Trustees, and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Peter Green', with a long horizontal flourish underneath.

Peter Green - Chair of Trustees

Date: 11th December 2023

Governance statement Year to 31 August 2023

Scope of responsibility

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

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

Governance

The Board of Trustees has formally met three times during the period. The Finance & Operations, Audit & Compliance and Search & Governance Committees each meet three times during the year. The Remuneration Committee met once. The Trustees maintain effective oversight of performance through the work of its committees and LGBs (Local Governing Bodies), as well as key Trustees receiving financial updates and reviewing management accounts throughout the year.

Attendance during the year at meetings of the Board of Trustees and attendance at the other committees is listed below.

Board of Trustees

Trustee	Meetings attended	Out of a possible
Ms S Alibhai	3	3
Prof R Craster	2	3
Mr P Green (Chair)	3	3
Ms L Harrison	3	3
Mrs L Horbye	3	3
Mr A Marrocco	3	3
Mr J Morago	0	0
Mr J Marshall	3	3
Mrs L McDowell	2	3
Miss L Needleman	2	3
Mrs H Pettifor OBE	3	3
Mr Z Shaikh	3	3
Ms E Smith	3	3
Mr A Tebbutt	3	3
Associate Members		
Ms D Cooke (Associate Member)	3	3
Mr M Macchitella (Associate Member)	1	3

Governance statement Year to 31 August 2023

Governance (continued)

Audit & Compliance Committee

Trustee	Meetings attended	Out of a possible
Mrs L Horbye	3	3
Miss L Needleman	3	3
Mr Z Shaikh (Chair)	3	3
Ms E Smith	2	3
Associate Members		
Ms F Esuola	1	2
Ms A Hille	1	1
Mr J Ruff	2	3

Search & Governance Committee

Trustee	Meetings attended	Out of a possible
Ms S Alibhai	3	3
Mr P Green (Chair)	3	3
Mr A Marrocco	3	3
Mrs H Pettifor OBE	2	3
Mr Z Shaikh	3	3
Mr A Tebbutt	3	3
Associate Members		
Ms D Cooke	3	3
Mr M Macchitella	2	3

Finance & Operations Committee

Trustee	Meetings attended	Out of a possible
Ms S Alibhai	3	3
Mr P Green	3	3
Ms L Harrison	3	3
Mr A Marrocco (Chair)	3	3
Mr J Marshall	3	3
Ms E Smith	3	3
Mr A Tebbutt	2	3
Associate Members		
Mr J Ruff	3	3

Remuneration Committee

Trustee	Meetings attended	Out of a possible
Mrs L Horbye	0	1
Mr A Marrocco	1	1
Mrs H Pettifor OBE	1	1
Ms E Smith	1	1

Governance (continued)

Conflicts of interest

The Trust manages potential conflicts of interest by requiring all Trustees and Governors to complete a register of interest form every year. The register is published on the Trust and College websites. Declaration of Interest is included as a standing item on all Trust and Governor meeting agendas, and parties are asked to withdraw from items where there is a conflict.

Governance review

The Trust conducted self-assessments for both the LGB Governors and the FLT Trustees. The feedback from these assessments was considered by the Search & Governance Committee and also formed the basis of the Annual Strategy & Training Event. The Search & Governance Committee has discussed undertaking an external review of governance which will take place in the 2023-24 academic year. Separately, the Chair of Trustees reports on governance matters to the Member Committee at its two meetings each year.

Review of Value for Money

As Accounting Officer, the CEO has responsibility for ensuring that the Academy 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 Academy Trust's use of its resources has provided good value for money during the academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered and improved value for money during the period by using the DfE procurement frameworks to ensure that it receives best value. These frameworks have been used to tender a new cleaning contractor and external auditors this year. Large capital projects are only carried out after reviewing quotes from at least three suppliers. The Trust has commissioned a survey of the estate this summer to assist the Trust with a long-term estate strategy.

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) using appropriate policies and procedures to achieve its aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the key risks; to evaluate the likelihood of those risks being realised and the impact should they be realised; and to manage them efficiently, effectively, and economically. The system of internal control has been in place at the Trust for the year ended 31 August 2023 and up to the date of approval of the annual report and financial statements. In accordance with revised requirements to deliver internal scrutiny in the way most appropriate to its circumstances, the Trustees use an outsourced internal audit service. This complies with the Financial Reporting Council's revised Ethical Standard. The firm providing internal audit services is different from the firm providing external audit services.

Capacity to handle risk

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

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- ◆ regular reviews by the Finance & Operations Committee of reports which show financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ regular reviews by the Audit & Compliance Committee of reports which illustrate risks facing the Trust and the way in which those risks are mitigated;
- ◆ the feedback from internal auditor visits (three times annually);
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ monthly management account reporting to Trustees;
- ◆ benchmarking against other similar sixth forms; and
- ◆ identification, management and mitigation of risks.

The Trustees considered the need for a specific internal audit function and appointed Price Bailey to undertake this role in the financial period. The internal auditor's role includes giving advice on financial and other systems. In particular, the checks carried out in the current period included:

- ◆ reviewing Governance and Regularity
- ◆ testing of income
- ◆ testing of payroll
- ◆ testing of fixed assets

The risk and control framework (continued)

- ◆ testing of cash management
- ◆ testing control accounts and accounting entries
- ◆ testing VAT
- ◆ reviewing Cyber/Data and Information Security

The internal auditor reports to the Board of Trustees, through the Audit & Compliance Committee, on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis, the internal auditor prepares a summary report to the committee outlining the areas reviewed, key findings, recommendations, and conclusions to help the Committee consider actions and assess year on year progress.

Review of effectiveness

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

- ◆ the internal assurance work of the internal auditor;
- ◆ the work of the external auditor;
- ◆ the financial management and governance self-assessment process; and
- ◆ the work of the Senior Leadership Team within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has advised the Audit & Compliance Committee of the implications arising from reviews of the system of internal control. Following the internal reviews by Price Bailey no significant control issues were identified. All recommendations for improved practice have been acted upon and are now in place.

Approved by order of the Trustees on 11th December and signed on their behalf by:



Peter Green
Chair of Trustees



Sugra Alibhai
Accounting Officer

Statement of regularity, propriety, and compliance 31 August 2023

As Accounting Officer of Frontier Learning Trust, I have considered my responsibility to notify the Board of Trustees and the Education and Skills Funding Agency of any material irregularity, impropriety, or non-compliance with ESFA terms and conditions of funding, including for estates safety and management under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2022 including responsibilities for estates safety and management.

I confirm that I and the Board of Trustees are able to identify any material irregular or improper use of 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 Academies Financial Handbook 2022.

I confirm that no instances of irregularity, impropriety or funding non-compliance were discovered.

A handwritten signature in blue ink, appearing to read 'Sugra Alibhai', with a horizontal line underneath.

Sugra Alibhai
Accounting Officer

Date: 11th December 2023

Statement of Trustees' responsibilities 31 August 2023

The Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued 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 period. 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 Academy Trust 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 in the Charities' SORP (FRS 102) and the Academies Accounts Direction 2022 to 2023;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Academy Trust will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust 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 Academy applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended. The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the Academy's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on 11th December 2023 and signed on their behalf by:



Peter Green - Chair of Trustees

Independent auditor's report to the Members of Frontier Learning Trust

Opinion

We have audited the financial statements of Frontier Learning Trust (the 'charitable parent company') and its subsidiary (the 'group') for the year ended 31 August 2023 which comprise the group statement of financial activities, the group and charitable parent company balance sheets, the group statement of cash flows, the principal accounting policies, and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), 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) (the Charities SORP 2019) and the Academies Accounts Direction 2022 to 2023.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 August 2023, and of the group's income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Conclusions relating to going concern (continued)

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' 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 by the group and the charitable parent company; or
- ◆ the charitable parent company financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the group's and the charitable parent company'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 Trustees either intend to liquidate the group or the charitable parent company or to cease operations, or have no realistic alternative but to do so.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities, and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the group through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the group and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2022 to 2023, the Academies Financial Handbook 2022, and the Academy Trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the group is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of Trustees' meetings and the subsidiary company directors' meetings and papers provided to the Trustees and directors.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety, and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of Trustees' meetings and subsidiary company directors' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety, and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

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 auditor's report.

Use of our report

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



18 December 2023

Peter Mackereth (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Independent reporting accountant's assurance report on regularity to Frontier Learning Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 26 July 2021 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 Frontier Learning Trust during the period from 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 Frontier Learning Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Frontier Learning Trust and the 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 Frontier Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Frontier Learning Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Frontier Learning Trust's funding agreement with the Secretary of State for Education and the Academies Financial 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 from 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.

Independent reporting accountant's report on regularity Year to 31 August 2023

Approach (continued)

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:

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 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.



18 December 2023

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Consolidated statement of financial activities Year to 31 August 2023
(including income and expenditure account)

	Notes	Restricted funds			2023 Total funds £'000	2022 Total funds £'000
		Unrestricted general funds £'000	General funds £'000	Fixed assets fund £'000		
Income from:						
Donations and capital grants	1	24	—	177	201	118
Charitable activities						
Funding for the Academy Trust's educational operations	2	30	9,271	—	9,301	8,453
Other trading activities	3	421	—	—	421	299
Investments	4	64	—	—	64	5
Total income		539	9,271	177	9,987	8,875
Expenditure on:						
Raising funds	5	130	—	—	130	17
Academy Trust's educational operations	5,6	—	9,027	491	9,518	9,068
Total expenditure	5	130	9,027	491	9,648	9,085
Net income (expenditure)	5	409	244	(314)	339	(210)
Transfers between funds	15	—	(174)	174	—	—
Other recognised gains						
Actuarial gains on defined benefit pension scheme	20	—	735	—	735	3,509
Net movement in funds		409	805	(140)	1,074	3,299
Reconciliation of funds						
Total fund balances brought forward at 1 September 2022		2,695	204	11,817	14,716	11,417
Total fund balances carried forward at 31 August 2023		3,104	1,009	11,677	15,790	14,716

All of the Academy Trust's activities derived from continuing operations during the above financial periods.

All recognised gains and losses are included in the statement of financial activities.

Balance sheets 31 August 2023

	Notes	2023		2022	
		Group £'000	Trust £'000	Group £'000	Trust £'000
Fixed assets					
Tangible fixed assets	12	11,677	11,677	11,817	11,817
Investments	11	—	—	—	—
		11,677	11,677	11,817	11,817
Current assets					
Debtors	13	232	528	245	443
Cash at bank and in hand		4,629	4,303	3,956	3,709
		4,861	4,831	4,201	4,152
Liabilities					
Creditors: amounts falling due within one year	14	(748)	(718)	(689)	(640)
Net current assets		4,113	4,113	3,512	3,512
Net assets excluding pension scheme liability					
		15,790	15,790	15,329	15,329
Pension scheme liability	20	—	—	(613)	(613)
Total net assets		15,790	15,790	14,716	14,716
Funds of the Academy Trust					
Restricted funds					
-Fixed assets fund		11,677	11,677	11,817	11,817
-Restricted income funds		1,009	1,009	817	817
-Pension reserve		—	—	(613)	(613)
Total restricted funds	15	12,686	12,686	12,021	12,021
Unrestricted income funds					
General fund		3,104	3,104	2,695	2,695
Total funds	15	15,790	15,790	14,716	14,716

The financial statements on page 29 to 55 were approved by the Trustees, and authorised for issue on 11th December 2023 and are signed on their behalf by:



Peter Green
Chair of Trustees

Frontier Learning Trust
Company Limited by Guarantee
Registration Number: 12935907 (England and Wales)

Consolidated statement of cash flows Year to 31 August 2023

		2023 £'000	2022 £'000
Cashflows from operating activities			
Net cash provided by operating activities	A	783	870
Cash flows from investing activities	B	(110)	(24)
Change in cash and cash equivalents		673	846
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September		3,956	3,110
Cash and cash equivalents at 31 August	C	4,629	3,956
A Reconciliation of net (expenditure) income to net cash flow from operating activities			
		2023 £'000	2022 £'000
Net income (expenditure) for the year (as per the statement of financial activities)		339	(210)
Adjusted for:			
Depreciation charges (note 12)		491	455
Capital grants from DfE and other capital income		(177)	(100)
Interest receivable (note 4)		(64)	(5)
Defined benefit pension scheme cost less contributions payable (note 20)		94	550
Defined benefit pension scheme finance cost (note 20)		28	63
Decrease in debtors		13	174
Increase (decrease) increase in creditors		59	(59)
Loss on disposal of fixed assets		—	2
Net cash provided by operating activities		783	870
B Cash flows from investing activities			
		2023 £'000	2022 £'000
Interest received		64	5
Purchase of tangible fixed assets		(351)	(129)
Capital grants from DfE/ESFA		177	100
Net cash used in investing activities		(110)	(24)
C Analysis of cash and cash equivalents			
		2023 £'000	2022 £'000
Cash at bank and in hand		4,629	3,956
Total cash and cash equivalents		4,629	3,956

Consolidated statement of cash flows Year to 31 August 2023

D Analysis of changes in net cash

	At 1 September 2022 £'000	Cash flows £'000	At 31 August 2023 £'000
Total Cash	3,956	673	4,629

Statement of accounting policies

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

Basis of preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their 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.

Frontier Learning Trust meets the definition of a public benefit entity under FRS 102.

Basis of consolidation

The consolidated statement of financial activities and group balance sheets consolidate the financial statements of the company and those of its subsidiary, Woodhouse College Trading Limited, made up at the balance sheet date. No separate statement of financial activities has been prepared for the Academy Trust, as permitted by section 408 of the Companies Act 2006 and Charities SORP (FRS 102).

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 company 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.

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.

Income (continued)

Grants (continued)

The General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised 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. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Donations

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

Other income

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

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.

Expenditure on raising funds

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

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 stated net of recoverable VAT.

Tangible fixed assets

Assets costing £2,500 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

◆ Freehold buildings	2% to 6.67% per annum
◆ Building improvements	5% to 20% per annum
◆ Fixtures, fittings, and equipment	20% per annum
◆ IT equipment	20% per annum

The condition of freehold buildings inherited by the Academy Trust were assessed upon receipt. They have been depreciated over their assessed useful economic life, which ranges from 15 to 50 years based on the condition of the building. Other assets inherited upon conversion have been received part way through their useful economic life. These assets are being depreciated using the above rates of depreciation, however they have been assessed as having a shorter remaining useful economic life at the date of receipt.

A full year's depreciation is charged in the period of acquisition. None is charged in the period of disposal.

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

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

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.

Leased assets

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

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 basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

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

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

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Pensions benefits

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.

Pensions benefits (continued)

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

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

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.

Designated funds represent resources that have been set aside by Trustees for specific future purposes.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education, or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency.

Restricted other funds comprise all other restricted funds received whereby the donor has imposed restrictions on the use of funds.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

- ◆ The useful economic lives of tangible fixed assets have been estimated in accordance with the policy.
- ◆ The present value of the Local Government Pension Scheme defined benefit asset/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 (income) for pensions include the discount rate. Any changes in these assumptions 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 Academy Trust has estimated the impact of the current economic environment on its future income and expenditure flows and on its short to medium term financial stability in assessing going concern.

Critical areas of judgement

There have been no judgements made in the preparation of these financial statements that are considered to have had a significant impact on the amounts recognised.

Notes to the consolidated financial statements Year to 31 August 2023

1 Donations and capital grants

	Unrestricted funds £'000	Restricted General funds £'000	Restricted fixed assets fund £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants	—	—	177	177	100
Other donations	24	—	—	24	18
	24	—	177	201	118

	Unrestrict ed funds £'000	Restrict ed General funds £'000	Restrict ed fixed assets fund £'000	2022 Total funds £'000
Capital grants	—	—	100	100
Other donations	18	—	—	18
	18	—	100	118

2 Funding for Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
DfE / ESFA Revenue grants				
General Annual Grant (GAG)	—	8,497	8,497	7,672
Start up funding – Maths School	—	170	170	126
Other DfE / ESFA grants	—	451	451	490
	—	9,118	9,118	8,288
COVID-19 additional funding				
DfE/ESFA COVID-19 funding				
– Covid Catch Up Tuition	—	42	42	34
Other Coronavirus funding	—	—	—	22
	—	42	42	56
Other government grants				
Local Authority grants	—	111	111	87
Other income from the Academy Trust's educational operations	30	—	30	22
2023 Total funds	30	9,271	9,301	8,453

Notes to the consolidated financial statements Year to 31 August 2023

2 Funding for Academy Trust's educational operations (continued)

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2022 Total funds £'000</i>
<i>DfE / ESFA Revenue grants</i>			
<i>General Annual Grant (GAG)</i>	—	7,672	7,672
<i>Start up funding – Maths School</i>	—	126	126
<i>Other DfE / ESFA grants</i>	—	490	490
	—	8,288	8,288
<i>COVID-19 additional funding</i>			
<i>DfE/ESFA COVID-19 funding</i>			
– <i>Covid Catch Up Tuition</i>	—	34	34
<i>Other Coronavirus funding</i>	—	22	22
	—	56	56
<i>Other government grants</i>			
<i>Local Authority grants</i>	—	87	87
<i>Other income from the Academy Trust's educational operations</i>	22	—	22
<i>2022 Total funds</i>	22	8,431	8,453

3 Other trading activities

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	2023 Total funds £'000	<i>2022 Total funds £'000</i>
Lettings income - trading subsidiary (note 11)	323	—	323	238
Miscellaneous income	28	—	28	21
Trip Income	70	—	70	40
	421	—	421	299

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2022 Total funds £'000</i>
<i>Lettings income - trading subsidiary (note 11)</i>	238	—	238
<i>Miscellaneous income</i>	21	—	21
<i>Trip Income</i>	40	—	40
	299	—	299

4 Investment income

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	2023 Total funds £'000	<i>2022 Total funds £'000</i>
Interest receivable	64	—	64	5

Notes to the consolidated financial statements Year to 31 August 2023

4 Investment income (continued)

	<i>Unrestricted funds £'000</i>	<i>Restricted funds £'000</i>	<i>2022 Total funds £'000</i>
<i>Interest receivable</i>	5	—	5

5 Expenditure

	<u>Non pay expenditure</u>				
	Staff costs £'000	Premises £'000	Other costs £'000	2023 £'000	2022 £'000
Expenditure on raising funds:					
- Direct costs	—	—	24	24	9
- Allocated support costs	103	2	1	106	8
Academy Trust's educational operations					
- Direct costs	6,032	491	527	7,050	6,117
- Allocated support costs	1,484	482	502	2,468	2,951
	<u>7,619</u>	<u>975</u>	<u>1,054</u>	<u>9,648</u>	<u>9,085</u>

	<u>Non pay expenditure</u>			
	<i>Staff costs £'000</i>	<i>Premises £'000</i>	<i>Other costs £'000</i>	<i>2023 £'000</i>
<i>Expenditure on raising funds:</i>				
- <i>Direct costs</i>	—	—	9	9
- <i>Allocated support costs</i>	5	3	—	8
<i>Academy Trust's educational operations</i>				
- <i>Direct costs</i>	5,200	457	460	6,117
- <i>Allocated support costs</i>	2,016	454	481	2,951
	<u>7,221</u>	<u>914</u>	<u>950</u>	<u>9,085</u>

	2023 £'000	2022 £'000
Net income (expenditure) for the period includes:		
Operating lease rentals	13	—
Depreciation	491	455
Fees payable to auditor		
- Audit	18	15
- Other services	11	10

6 Charitable activities – Academy Trust's educational operations

	2023 Total funds £'000	2022 Total funds £'000
Direct costs	7,050	6,117
Support costs	2,468	2,951
	9,518	9,068

Analysis of support costs	Raising funds £'000	Educational Operations £'000	2023 Total funds £'000	2022 Total funds £'000
Support staff costs	103	1,484	1,587	2,021
Technology costs	—	110	110	104
Premises costs	2	482	484	457
Legal costs	—	35	35	5
Other support costs	1	321	322	336
Governance costs	—	36	36	36
Total support costs	106	2,468	2,574	2,959

<i>Analysis of support costs</i>	<i>Raising funds £'000</i>	<i>Educational Operations £'000</i>	<i>2022 Total funds £'000</i>
<i>Support staff costs</i>	<i>5</i>	<i>2,016</i>	<i>2,021</i>
<i>Technology costs</i>	<i>—</i>	<i>104</i>	<i>104</i>
<i>Premises costs</i>	<i>3</i>	<i>454</i>	<i>457</i>
<i>Legal costs</i>	<i>—</i>	<i>5</i>	<i>5</i>
<i>Other support costs</i>	<i>—</i>	<i>336</i>	<i>336</i>
<i>Governance costs</i>	<i>—</i>	<i>36</i>	<i>36</i>
<i>Total support costs</i>	<i>8</i>	<i>2,951</i>	<i>2,959</i>

Notes to the consolidated financial statements Year to 31 August 2023

7 Comparative information

	Notes	Restricted funds		Year to 31 August 2022 Total funds £'000	
		Unrestricted general funds £'000	General funds £'000		Fixed assets fund £'000
Income from:					
Donations and capital grants	1	18	—	100	118
Charitable activities					
.- Funding for the Academy Trust's educational operations	2	22	8,431	—	8,453
Other trading activities	3	299	—	—	299
Investments	4	5	—	—	5
Total income		344	8,431	100	8,875
Expenditure on:					
Raising funds	5	17	—	—	17
Academy Trust's educational operations	5,6	—	8,613	455	9,068
Total expenditure	5	17	8,613	455	9,085
Net (expenditure)/ income	5	327	(182)	(355)	(210)
Transfers between funds	15	—	(27)	27	—
Other recognised gains					
Actuarial gains on defined benefit pension scheme	20	—	3,509	—	3,509
Net movement in funds		327	3,300	(328)	3,299
Reconciliation of funds					
Total fund balances brought forward at 1 September 2021		2,368	(3,096)	12,145	11,417
Total fund balances carried forward at 31 August 2022		2,695	204	11,817	14,716

8 Staff costs

(a) Staff costs

Staff costs during the year were:

	2023 Total funds £'000	2022 Total funds £'000
Wages and salaries	5,646	4,963
Social security costs	603	541
Pension costs (FRS 102 charge: £94,000; 2022 £550,000)	1,351	1,693
Apprentice Levy	13	—
	7,613	7,197
Supply staff costs	6	25
	7,619	7,222

8 Staff costs (continued)

(b) Severance payments

There were no non-statutory/non-contractual severance payments in the year to 31 August 2023 (2022: none).

(c) Staff numbers

The average number of persons (including the senior management team) employed by the Academy Trust during the year to 31 August 2023 was as follows:

Charitable activities	2023 No.	2022 No.
Teachers	79	80
Administration and support	53	49
Management	7	5
	139	134

(d) Higher paid staff

The number of employees whose emoluments fell within the following bands was as follows:

	2023 No.	2022 No.
£60,001 - £70,000	—	1
£70,001 - £80,000	3	2
£80,001 - £90,000	2	1
£110,001 - £120,000	—	1
£120,001 - £130,000	1	—

During the year to 31 August 2023 employer's pension contributions for these staff amounted to £124,000 (2022: £102,000).

(e) 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 employee pension and employers' national insurance contributions) received by key management personnel for their services to the Academy Trust was £782,000 (2022: £583,000). The increase is due to the increase in the number of people considered to be key management personnel.

9 Trustees' remuneration and expenses

The Trust CEO/Principal of Woodhouse College only receives remuneration in respect of services they provide undertaking the role of Trust CEO/Principal of Woodhouse College, and not in respect of their services as Trustee. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

	2023 £'000	2022 £'000
Sugra Alibhai, CEO/Principal and Trustee		
Remuneration	120 - 125	110 - 115
Employer's pension contributions	25 - 30	25 - 30

During the current and prior period, expenses were reimbursed to the above individual in their capacity as employee.

Subsistence expenses of £791 were reimbursed to and incurred on behalf of 12 Trustees in their capacity as Trustees (2022: £663 to 9 Trustees). Other related party transactions involving the Trustees are set out in note 21.

10 Trustees' and Officers' insurance

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on 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.

11 Commercial trading operations

The Academy Trust has one wholly owned subsidiary, Woodhouse College Trading Limited (Company Number 10638738). It was incorporated on 24 February 2017. Investments comprise of the holding of the entire 100 ordinary £1 shares in Woodhouse College Trading Limited.

Its operations are to let certain facilities on the premises of Woodhouse College. A summary of the trading results, as included within these financial statements is shown below.

11 Commercial trading operations (continued)

	2023 £'000	2022 £'000
Turnover	323	238
Cost of sales	(24)	(9)
Gross profit	299	229
Administrative expenses	—	—
Profit on ordinary activities	299	229
Retained profit at the beginning of the period		
Gift Aid to parent undertaking	(299)	(229)
Retained earnings at end of the period	—	—

The assets and liabilities of the trading subsidiary were:

	2023 £	2022 £
Current assets	347	274
Creditors: amounts falling due within one year	(347)	(274)
Total assets less current liabilities	—	—

12 Tangible fixed assets

Group and Trust	Freehold land and buildings £'000	Furniture and equipment £'000	IT equipment £'000	Total funds £'000
Cost/valuation				
At 1 September 2022	11,887	409	283	12,579
Additions	207	55	89	351
At 31 August 2023	12,094	464	372	12,930
Depreciation				
At 1 September 2022	525	128	109	762
Charge in year	324	89	78	491
At 31 August 2023	849	217	187	1,253
Net book value				
At 31 August 2023	11,245	247	185	11,677
At 1 September 2022	11,362	281	174	11,817

Freehold land and buildings include building improvements with a net book value of £861,000 (2022: £879,000).

Freehold Land and Buildings consists of the estate and grounds of Frontier Learning Trust, including the floodlit 3G Football Turf Pitch. A charge has been registered by the Football Foundation over this pitch as part of the conditions of the funding provided to Woodhouse College for the project. The charge prevents the sale or leasing of the premises without prior consent. The net book value of the asset at 31 August 2023 was £88,000 (2022: £95,000).

12 Tangible fixed assets (continued)

On 25 August 2023, the Trust signed a Deed of Variation to the Funding Agreement with the DfE. This agreement gives the DfE a legal charge over part of the Trust's land where the new permanent building for ICLMS will be built.

13 Debtors

	Group 2023 £'000	Trust 2023 £'000	Group 2022 £'000	Trust 2022 £'000
Trade debtors	40	19	36	10
VAT recoverable	92	92	61	61
Amounts due from subsidiary	—	317	—	224
Other debtors	1	1	6	6
Prepayments and accrued income	99	99	142	142
	232	528	245	443

14 Creditors: amounts falling due within one year

	Group 2023 £'000	Trust 2023 £'000	Group 2022 £'000	Trust 2022 £'000
Trade creditors	248	248	171	171
Taxation and social security	175	175	135	135
Other creditors	132	129	166	164
Accruals and deferred income	193	166	217	170
	748	718	689	640
Deferred income				
Deferred income at 1 September	127	79	131	131
Released during the period	(127)	(79)	(123)	(123)
Resources deferred in the period	108	81	119	71
Deferred income at 31 August	108	81	127	79

Deferred income relates to the ESFA maintenance capital grant for 23-24 income received in advance from students relating to school trips and other events and lettings income invoiced in advance.

Notes to the consolidated financial statements Year to 31 August 2023

15 Funds

Group	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
Restricted general funds					
General Annual Grant (GAG)	704	8,497	(8,137)	(174)	890
Start up funding – Maths School	113	170	(164)	—	119
Other DfE/ESFA COVID-19 funding	—	42	(42)	—	—
Other grants	—	562	(562)	—	—
Pension reserve	(613)	—	(122)	735	—
	204	9,271	(9,027)	561	1,009
Restricted fixed assets fund					
Transfer on conversion	11,452	—	(476)	—	10,976
DfE/ESFA capital grants	221	177	(9)	—	389
Capital expenditure from GAG	113	—	(5)	174	282
Other donated assets	31	—	(1)	—	30
	11,817	177	(491)	174	11,677
Total restricted funds	12,021	9,448	(9,518)	735	12,686
Unrestricted funds					
General funds	2,695	216	193	—	3,104
Trading subsidiary	—	323	(323)	—	—
Total unrestricted funds	2,695	539	(130)	—	3,104
Total funds	14,716	9,987	(9,648)	735	15,790

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

ESFA revenue grant fund and other restricted funds

General Annual Grant (GAG)

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

Fixed assets fund

These grants relate to capital funding to carry out works of a capital nature. The transfer between funds related to the purchase of capital items using ESFA restricted or unrestricted general funds. At 31 August 2023, the fund balance equated to the net book value of fixed assets held by the Trust.

Pension reserve

The pension reserve relates to the Academy Trust's share of the deficit of the Local Government Pension Scheme.

Notes to the consolidated financial statements Year to 31 August 2023

15 Funds (continued)

Group	Balance at 1 September 2021 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2022 £'000
<i>Restricted general funds</i>					
General Annual Grant (GAG)	383	7,672	(7,324)	(27)	704
Start up funding – Maths School	30	126	(43)	—	113
Other DfE/ESFA COVID-19 funding	—	56	(56)	—	—
Other grants	—	577	(577)	—	—
Pension reserve	(3,509)	—	(613)	3,509	(613)
	<u>(3,096)</u>	<u>8,431</u>	<u>(8,613)</u>	<u>3,482</u>	<u>204</u>
<i>Restricted fixed assets fund</i>					
Transfer on conversion	11,898	—	(446)	—	11,452
DfE/ESFA capital grants	126	100	(5)	—	221
Capital expenditure from GAG	89	—	(3)	27	113
Other donated assets	32	—	(1)	—	31
	<u>12,145</u>	<u>100</u>	<u>(455)</u>	<u>27</u>	<u>11,817</u>
Total restricted funds	9,049	8,531	(9,068)	3,509	12,021
<i>Unrestricted funds</i>					
General funds	2,368	106	221	—	2,695
Trading subsidiary	—	238	(238)	—	—
Total unrestricted funds	2,368	344	(17)	—	2,695
Total funds	11,417	8,875	(9,085)	3,509	14,716

16 Analysis of net assets between funds

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	Total 2023 £'000
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	—	—	11,677	11,677
Current assets	3,104	1,757	—	4,861
Current liabilities	—	(748)	—	(748)
Pension scheme liability	—	—	—	—
Total net assets	3,104	1,009	11,677	15,790

Group	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	Total 2022 £'000
<i>Fund balances at 31 August 2022 are represented by:</i>				
Tangible fixed assets	—	—	11,817	11,817
Current assets	2,695	1,506	—	4,201
Current liabilities	—	(689)	—	(689)
Pension scheme liability	—	(613)	—	(613)
Total net assets	2,695	204	11,817	14,716

16 Analysis of net assets between funds (continued)

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	Total 2023 £'000
Academy Trust				
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	—	—	11,677	11,677
Current assets	3,104	1,727	—	4,831
Current liabilities	—	(718)	—	(718)
Pension scheme liability	—	—	—	—
Total net assets	3,104	1,009	11,677	15,790

	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets fund £'000	Total 2022 £'000
Academy Trust				
Fund balances at 31 August 2022 are represented by:				
Tangible fixed assets	—	—	11,817	11,817
Current assets	2,695	1,457	—	4,152
Current liabilities	—	(640)	—	(640)
Pension scheme liability	—	(613)	—	(613)
Total net assets	2,695	204	11,817	14,716

17 Capital commitments

Group and Trust	2023 £'000	2022 £'000
Contracted for, but not provided in the financial statements	19	75

18 Commitments under operating leases

Operating leases

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

Group and Trust	2023 £'000	2022 £'000
Amounts due within one year	17	17
Amounts due between one and five years	17	35
	34	52

19 Members' liability

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

20 Pension and similar obligations

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

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2022.

No contributions were payable to the schemes at 31 August 2023 (2022: £nil).

The 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 teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS which applied during the year ended 31 August 2023 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; and
- ◆ 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. The 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%.

20 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024, from this date employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £1,184,000 (2022: £1,037,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pension Scheme website.

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

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year to 31 August 2023 was £535,000 (2022: £493,000) of which employer's contributions totalled £415,000 (2022: £386,000) and employee's contributions totalled £120,000 (2022: £107,000). The agreed contribution rates for future years are 23.8% for employers and between 5.5% and 12.5% for employees.

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

Principal Actuarial Assumptions	At 31 August 2023	At 31 August 2022
Rate of increase in salaries	4.00%	3.90%
Rate of increase for pensions in payment / inflation	3.00%	3.20%
Discount rate for scheme liabilities	5.20%	4.25%

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

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

	At 31 August 2023	At 31 August 2022
<i>Retiring today</i>		
Males	21.8	21.7
Females	22.5	24.3
<i>Retiring in 20 years</i>		
Males	22.2	23.1
Females	25.9	26.1

The sensitivities regarding the principal assumptions used to measure the scheme obligations are set out below:

	At 31 August 2023 £'000	At 31 August 2022 £'000
Discount rate +0.1%	120	128
Discount rate -0.1%	(120)	(128)
Mortality assumption – 1 year increase	243	242
Mortality assumption – 1 year decrease	(243)	(242)
Salary +0.1%	12	16
Salary -0.1%	(12)	(16)
Pension increase rate +0.1%	110	113
Pension increase rate -0.1%	(110)	(113)

The Academy Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Equities	3,725	3,758
Bonds	1,771	1,307
Property	367	327
Cash and other liquid assets	244	54
Total market value of assets	6,107	5,446
Adjustment to reduce net asset balance	(44)	—
	6,063	5,446
Present value of scheme		
Funded	6,063	(6,059)
(Deficit) in the scheme	—	(613)

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Amounts recognised in statement of financial activities	2023 £'000	2022 £'000
Current service cost	509	936
Net interest cost	28	63
Total amount recognised in the SOFA	537	999
Changes in the present value of defined benefit obligations were as follows:	2023 £'000	2022 £'000
At 1 September 2022	6,059	8,857
Current service cost	509	936
Interest cost	268	154
Employee contributions	120	107
Actuarial gain	(766)	(3,893)
Benefits paid	(127)	(102)
At 31 August 2023	6,063	6,059
Changes in the fair value of the Academy Trust's share of scheme assets:	2023 £'000	2022 £'000
At 1 September 2022	5,446	5,348
Interest income	240	91
Actuarial loss	(31)	(384)
Employer contributions	415	386
Employee contributions	120	107
Benefits paid	(127)	(102)
At 31 August 2023	6,063	5,446

21 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a member of the Trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.

The Trust has entered into an agreement with Imperial College London in connection with the opening of Imperial College London Mathematics School, which opened in September 2023. As part of that agreement, three trustees are appointed by Imperial College London. Imperial College London does not exercise control or significant influence over the Trust's decisions and operations. The Trust ensures that all Related Party Transactions are carried out in accordance with the Academies Handbook. During the year the Trust paid Imperial College London £677 (2022 - £nil) for student ambassadors who attended ICLMS events. Imperial College London also provided other services to the Trust that they did not charge for.

Notes to the consolidated financial statements Year to 31 August 2023

Woodhouse College has a number of partner schools, one of these is The Archer Academy. The Headteacher of The Archer Academy serves as a Trustee.

21 Related party transactions (continued)

Other than those described above, and certain Trustees' remuneration and expenses already disclosed in note 9, the Trust did not enter into any related party transactions in the period.