



**Forward Education Trust
(A Company Limited by Guarantee)
Annual Report and Financial Statements
Year ended 31 August 2023**

**Company Registration Number:
10680422 (England and Wales)**

Period of account
1 September 2022 - 31 August 2023

Contents

Item	Page
Reference and Administrative Details	1
Trustees' Report	2
Governance Statement	27
Statement on Regularity, Propriety and Compliance	32
Statement of Trustees' Responsibilities	33
Independent Auditor's Report on the Financial Statements	34
Independent Reporting Accountant's Report on Regularity	38
Statement of Financial Activities incorporating Income & Expenditure Account	40
Balance Sheet	42
Statement of Cash Flows	43
Notes to the Financial Statements	44

Reference and administrative details For the year ended 31 August 2023

Members:

Mrs Constance Henry
Mr Simon Topman (Chair)
Mr Patrick Ricketts
Mr Gregg Barton
Mr Navdeep Kainth

Trustees:

Mrs Helen Redican
Ms Catherine Canty (Chair from 16/12/22)
Mr Brensley Taylor
Mrs Maria Earl
Mr David Lane (Chair to 15/12/22)
Mr Patrick Ricketts
Mr Paul Roberts
Mrs Susan Casey (from 01/09/22)
Mr John Yapp (from 01/02/23 to 19/05/23)
Mr Ian Tuddenham (from 01/02/23)
Mr Mark Morgan (from 01/02/23)

Executive Leadership Team:

Chief Executive Officer – Mr Simon Dilkes
Director of Education and Deputy CEO – (to 31/12/22) Ms Sarah Kelly, (from 1/1/23) Dr Debbie Bailey
Director of Operations – (to 29/11/22) Mr Stuart Hough, (from 1/11/22) Ms Wendy Mercer
Director of Governance and Development – Ms Emma Arnott
Finance Director – Mrs Claire Pooni (to 30/6/23)

Bankers:

Lloyds Bank
1098 Warwick Road
Acocks Green
Birmingham
B27 6BJ

Solicitors:

Anthony Collins Solicitors
134 Edmund Street
Birmingham
B3 2ES

Independent Auditor:

Crowe U.K. LLP
Black Country House
Rounds Green Road
Oldbury
West Midlands
B69 2DG

Chief Executive Officer:

Simon Dilkes

Company Secretary:

Ms Emma Arnott

Company Name and Registered Office:

Forward Education Trust
Leycroft Avenue
Tile Cross
Birmingham
West Midlands

Company Registration Number: 10680422

Trustees' report

For the year ended 31 August 2023

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

The Multi-Academy Trust (or the "Trust") operated 6 special schools in Birmingham and Sandwell during 2022-23 and opened a 7th School in Solihull on 1 September 2023. In 2022-2023 the Trust had 3 primary schools for children 2-11 years (Brays School, The Bridge School and Leycroft Academy), one school for Primary and Key Stage 3 boys (Lea Hall Academy), one secondary school (High Point Academy) and one all through school for children 4-19 years (Hallmoor School). During 2022-23 the Trust had a combined pupil capacity of 797 and had a roll of 759 in the school census of October 2022.

As at the year-end, the Trust was preparing to open The Heights Academy (a free school) in September 2023. This is a 7–16 years special school for pupils with autism and associated behavioural diagnosis. The Trust was aware that the building completion would not be achieved in time for opening on 1 September 2023, so contingency plans for educating children were put in place in conjunction with Solihull Council. An off-site provision was agreed at Sans Souci, Shirley at no cost to the Trust. This worked successfully, children occupied the new school building from 23rd October and an official opening of the school was held on 27th November.

Structure, Governance and Management

a. Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Trust. The Trustees of Forward Education Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Forward Education Trust. Details of the Trustees who served during the year are included in the Reference and Administrative Details on page 1.

b. Members' Liability

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

c. Trustees' Indemnities

A Trustee may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of the Trustees which by virtue of any rule of Law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. This is provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was breach of trust or breach of duty or not and provided that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as directors of the Trust.

Trustees' report

For the year ended 31 August 2023

The Trustees have liability insurance through the DfE Academies Risk Protection Arrangement (RPA) scheme. There is a limit of indemnity of £10,000,000 (no excess) per case or per annum.

d. Method of Recruitment and Appointment or Election of Trustees

Mr David Lane was re-elected as Chair of the Board of Trustees in September 2022 for the period of one term. He resigned with effect from 15 December 2022, and Ms Catherine Canty (previously Vice-chair) was elected as Chair of the Board from that point.

The Articles of Association states that there shall be a minimum of 3 trustees and that up to 9 trustees may be appointed by the Members. The Trust Board may additionally co-opt trustees above this number, and co-opted trustees have the same powers as those appointed by Members.

In the event that there is no parent representation on local governing bodies there is a requirement for two parent trustees but there are currently local governing bodies (Local Academy Councils) with parent representation. For this Trust, Local Academy Councils form part of the governance structure and parent representation is on Local Academy Councils, so there is no requirement for parent representation on the Trust Board.

Trustees serve for a term of 4 years and may stand for re-election if eligible.

The CEO may act as a trustee appointed by resolution of the Members for the duration of their office. However, it has been agreed that the CEO should no longer be appointed as a trustee, therefore, the current CEO is not a trustee, but no permanent change to the Articles is considered necessary.

As of 31 August 2022, the Board had two vacancies and the Chair had been tasked by Members and the Board to identify and propose new Trustees for recruitment to the Board. In recognition of the need to reach a wider pool of potential applicants than that available through personal and professional contacts, the Board explored a number of specialist recruitment organisations and, in September 2022, engaged Nurole to support with Trustee recruitment.

The recruitment process comprised:

- Review of skills audits and Board profile to identify skills gaps and focus for recruitment.
- Initial advertising and approaching potential candidates in their network by Nurole, leading to the presentation of a longlist of candidates.
- Shortlisting, by the Chair and Vice-Chair of the Trust Board, CEO and Director of Governance and Development.
- Online checks and requests for references for all shortlisted candidates.
- Informal interview and recommendation to the Members for approval.

As a result, two new trustees were appointed by the Members, and an additional Trustee was co-opted by the Board to provide additional capacity and as part of the succession planning strategy.

As of 31 August 2023, the Board had no vacancies. Subsequently, one Trustee has resigned for personal reasons and another Trustee has resigned due to other commitments (but has remained as a Member). The Trust Board will pursue recruitment of new Trustees, with the right skill, qualification and experience.

The Members' Board is at full complement.

Trustees' report

For the year ended 31 August 2023

e. Policies and Procedures Adopted for the Induction and Training of Trustees

Upon appointment, all new Trustees and Local Academy Council (LAC) members were provided with documents relating to their role, including an Induction Handbook, and attended an induction training session. This included information relating to the schools and services within The Trust as well as documentation relating to the safeguarding of children in line with the Keeping Children Safe in Education requirements. Since September 2022, the Trust has used two online platforms: TES Develop and Flick Learning for Trustees and LAC members to complete the required safeguarding, Prevent, cyber-security and GDPR training at the point of induction and on an annual basis thereafter. Both platforms contain a wide range of training and development sessions on various topics, and Trustees and LAC members are encouraged to access these – for example, a number of trustees completed the safer recruitment training provided by Flick Learning.

All Members and Trustees received the link to the Academy Trust Handbook, the calendar for submissions to ESFA and the up-to-date Governance Handbook issued by the DfE. All Members, Trustees and those on schools' Local Academy Councils were required to complete a declaration of business and pecuniary interests, and to declare any related party transactions. This information was recorded in the Trust register of interest and published on the Trust and schools' websites in line with Academy Trust Handbook regulations.

All Trustees and Local Academy Council members completed an annual skills audit, the outcomes of which were analysed and used to inform training and development opportunities. Members of the schools' Local Academy Councils and several Trustees took part in two Trust-specific training sessions, covering a range of topics including finance, the Ofsted Inspection process, providing appropriate challenge and protocols for school visits – topics identified through analysis of the skills audits and consultation with LAC members.

The Trust has MAT membership of the National Governance Association (NGA), which provides Trustees and Local Academy Council members with access to a wealth of information, resources, updates, training and networking opportunities. In addition, all Members and Trustees received electronic updates from key agencies to keep The Trust compliant and working efficiently and effectively.

f. Organisational structure

Members appoint Trustees, delegate policies and procedure to the Board of Trustees, undertake the duties for Financial responsibility as described in the Academy Trust Handbook, review the Articles of Association to ensure regularity within the Academy Trust, approve the appointment of external auditors and receive The Annual Accounts return and the Audited Financial Statements.

Trustees have defined roles as described in the Statement of Trustee responsibilities, see page 33.

At school level, each school is supported and challenged by a Local Academy Council (LAC). LACs are approved and appointed by the Board of Trustees, and their delegated responsibilities are set out in the scheme of delegation. Parent and staff representation is sought for the LACs along with other members with appropriate skills, knowledge and experience. LACs meet five times per academic year, with quorum as 50% of the LAC membership, rounded down.

The following roles are not Members or Trustees but rather paid employees:

The Chief Executive Officer is appointed as The Accounting Officer in the Multi Academy Trust and is a paid employee. The Chief Executive Officer attends all Board and Sub-Committees.

Deputy Chief Executive and Director of Education – attends Board and Education Committee.

Trustees' report

For the year ended 31 August 2023

The Finance Director (who was in post until 30/6/23) - attended Board and ARF Committees
Interim Finance Consultant (who took up post on 01/07/23 and undertakes the duties of the Chief Financial Officer) – attends Board and ARF Committee.
Director of Operations – attends Board and ARF Committee.
Director of Governance and Development - attends Board, ARF and Education Committees

The Trust has in place a Scheme of Delegation, in addition to which financial procedures exist detailing financial decision-making processes.

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

No Trustees and Members are remunerated for their work within the Trust. Members and Trustees are entitled to receive reimbursements for return journeys to and from Trustee and Board meetings and any school visits at an agreed rate of 45p per mile subject to the submission of an approved claim form and receipt for any parking fees. Subsistence allowance is not paid by the Trust. Expenses incurred on Trust business are reimbursed subject to appropriate receipts.

On behalf of the Trust Board, The Chair and Vice-Chair of the Board set the pay of the Chief Executive Officer.

As part of the performance management and objectives setting between the CEO and the Chair of the Trust and Chair of HR & Pay Committee, consideration has been given to the Chief Executive Officer content framework published by the Department for Education as part of his leadership development.

Trustees must be on appointment panels for any appointments to headship roles (along with the LAC Chair or their representative) and the appointments of Executive Team reporting to the CEO. Trustees recognise due to operational constraints and availability this might not always be possible and in order not to delay appointment processes, agreement was given to waive this requirement in exceptional circumstances.

The pay for each school leadership team is reviewed by the CEO, with recommendations made to the HR & Pay Committee (under their Terms of Reference) at least annually. The individual salary ranges of each post for Head Teachers and their Senior Leadership Teams are set by the Trust and is in line with the school group size as calculated by the National Pay and Conditions Policy for teachers. Each pay range must be approved by the delegated sub-committee, according to the agreed Terms of Reference.

The Trust has continued to adopt the national pay policy for teachers in accordance with STPCD, recognising the recommendations to Government by the STRB. The Trust sets remuneration for support staff in line with Forward Education Trust custom scales introduced in September 2021. These custom scales take account of pay policies across the local authorities the Trust draws from. The Trust considers the economic climate, the long-term financial position and any other relevant factors, and in year 2022-23 has kept in line with national recommendations around pay rises and inflation awards. The Trust continues to track the local pay markets to ensure that we continue to attract these staff.

The Trust agreed that where performance is good a single point pay progression is available to staff and exceptional performance could attract the maximum of a two point pay increment. This must be evidenced robustly and in line with good or better school performance.

The Trust does not engage in any bonus or share schemes or any other additional remuneration or benefits other than salary for any of its school employees.

Trustees' report For the year ended 31 August 2023

All parties within the Trust are indemnified against Public and Employers liability claims through a policy procured at a cost to the Trust.

h. Trade Union Facilities Time

We make the following disclosures in accordance with the provisions of the Trade Union (Facility Time Publication Requirements) Regulation 2017:

Relevant union officials

Number of employees who were relevant unions officials during the year	Full-time equivalent number
2	0.4

Percentage of time spent on facilities time

Percentage of time	Number of employees
0%	-
1% to 50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facilities time

	£000's
Total cost of facilities time	£20
Total pay bill	£9,789
Percentage of total pay bill spent on facilities time	0%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: <i>(total hours spent on paid trade union activities by relevant union officials during relevant period / total paid facility time hours) x 100</i>	0%
---	----

During the year, the Trust moved forward to establish a JCNC (Joint Consultative & Negotiating Committee), with representatives of trade unions for teaching staff and support staff. A Recognition Agreement was committed to in March 2023. The Trust has a desire to work actively with trade unions on a range of matters including policy and terms & conditions. The Trust meets regularly with the JCNC to update on their plans and developments for the future.

Trustees' report

For the year ended 31 August 2023

The Trust also pays into "Facilities Time" via each of the Local Authorities in which it operates including Birmingham, Sandwell and Solihull.

i. Related Parties and other Connected Charities and Organisations

There are no related parties transactions to note and no other connected charities or organisations.

j. Engagement with employees (including with disabled persons)

The Trust respects and values the opinions of staff. In February 2022 the Trust launched its first staff well-being survey, in conjunction with the external partner Edurio. The confidential survey was answered extensively, results were analysed at Executive and Trust Board level and discussed with school staff teams. Action plans were developed and implemented and further shorter "pulse" surveys have been undertaken (in October 2022 and March 2023) to assess progress made. The Trust believes this is an essential tool for measuring how things are in the organisation and to monitor progress, with a further full survey having been conducted in November/December 2023.

The Trust also appreciates the importance of effectively providing information to staff colleagues on matters of concern to them. In September 2022 an annual Trust Conference was held for the first time for many years and a similar Conference took place in September 2023. These are opportunities for the Trust to share with all staff information about the vision & values of the Trust and key priorities. Workshops were included to share best practice and enhance knowledge and staff awards were given to recognise contributions aligned to the key values and objectives of the Trust.

The Trust continues to develop its approach to equality of employment for all individuals, whatever their race, colour, religion, sex, age, national origin and physical or mental disability. The Trust aims to continue to actively develop its approach to equality, diversity & inclusion, in conjunction with trade unions and employees.

The principles of equality, diversity and inclusion are at the heart of this Trust and school life, and Forward Education Trust expects all employees, pupils, parents/carers and members of the wider school community to be treated equitably and with respect.

The Trust is developing its approach, by creating policy, the aims of which are:

- to promote equal treatment within the Trust for all members of the Trust community;
- to communicate the commitment of the Trust to the promotion of equal opportunities;
- to create and maintain an open and supportive environment which is free from discrimination;
- to foster mutual tolerance and positive attitudes so that everyone can feel valued within the Trust; and
- to actively promote and safeguard the welfare of children, staff and others who come into contact with the Trust.

As a result of this policy the Trust will:

- Include on recruitment adverts that we welcome applications from disabled persons;
- Ensure that arrangements for interview are accessible and that each of our schools positively supports access for employment for disabled persons;
- Ensure that staff training promotes a tolerance and mutual respect for disabled persons or for current employees who become disabled;

Trustees' report

For the year ended 31 August 2023

- Ensure that career development, promotion and professional learning is accessible to disabled persons or existing employees who become disabled.

The principles are already at play, but the Trust intends to formalise this approach through Policy and to have a commitment to raising awareness across the organisation.

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

The trust actively seeks to foster good relationships with suppliers, customers and others. Trustees and executive leaders act in ways in which they consider, in good faith, are most likely to promote the success of the trust for the benefit of pupils, parents, staff and other stakeholders as a whole. We actively engage with our customers and other stakeholders to understand issues which they may be facing against the backdrop of the economic climate in the country. The trust holds review meetings to ensure effective relationships are maintained.

Objectives and activities

a. Objects and aims

The Trust's objective is to advance, for the public benefit, education for children with special educational needs aged 2-19, by establishing and maintaining schools which offer a broad and balanced curriculum.

The mission of the Trust is to provide a good education for all members of our schools' communities. Our aim is to ensure that children with high level of special educational needs are able to thrive and learn in a safe and secure environment and leave school and be able to play an active part in their local community.

The Vision and Values statements were reviewed in this reporting year and no changes were made. The Scheme of Delegation was also reviewed in-year.

b. Our Vision, Ethos and values

Our Vision

Forward Education Trust's purpose is to ensure the children in our schools receive the best possible education, care and life chances by being the West Midlands bespoke provider of choice for children with high levels of special educational needs.

Our Ethos

Moving forward together, striving for and achieving opportunities to improve outcomes and provide stability and success for all.

Our values

- We are Forward Thinking: Always looking to move things forward and embrace change to provide the best outcomes for all.
- We are Ambitious: Always working to the best of our ability. Instilling a 'can do' culture by encouraging others to share knowledge, skills and expertise.
- We are Principled: Always looking to do the right thing, being conscientious, polite and friendly, speaking out and challenging accepted thinking for the greater good.

Trustees' report

For the year ended 31 August 2023

- We are Motivated: Always looking to overcome obstacles and move forward to ensure educational excellence.
- We are Trustworthy: Always being honest, open and consistent in our approach to any issues we face. Being steadfast in our desire to improve outcomes for all.
- We are nurturers of talent: Our vision, ethos and values are not achievable without a great workforce, and their personal development, contentment and enjoyment in working for Forward Education Trust really matters to our Trust.

Leadership Behaviours

The Trust developed a model of leadership behaviours which has been rolled out to all staff. Our Trust behaviours are the way that all who work for Forward Education Trust demonstrate that they are living out our ethos, vision and values. We call them our **Forward Focus on Five**:

1. Collaboration
<ul style="list-style-type: none"> • Champion success: engender a climate of possibility and celebrate success • Build great relationships: foster trust and teamwork at all levels • Share practice: foster an environment that encourages co-construction, openness and learning from each other
2. Inclusivity
<ul style="list-style-type: none"> • Broaden horizons: make connections beyond your role and context; create partnerships across and outside of the Trust • Bring people together: build inclusive teams that embrace diversity and celebrate differences • Treat others with respect
3. Commitment
<ul style="list-style-type: none"> • Demonstrate empathy and understanding to our staff, pupils and the communities we serve • Hold service before self: act with selflessness, solely in the public interest • Demonstrate fairness and impartiality: make ethical decisions based on merit not on personal self-interest • Demonstrate commitment and moral purpose: support the Trust, schools and all with whom we work
4. Accountability
<ul style="list-style-type: none"> • Be proactive: identify and be willing to tackle issues, including underperformance; take ownership for outcomes and follow through to completion with resilience • Empower People: encourage others to take personal responsibility and enhance their personal potential • Grow yourself: take responsibility for your own growth and development by pushing yourself to do your best • Be authentic: role model desired behaviours and act with integrity and transparency
5. Ambition
<ul style="list-style-type: none"> • Raise standards: go above and beyond expectations; focus on improvements and high standards of excellence, ensuring consistent and high-quality outcomes for all • Challenge with humility: engage in constructive debate about ideas in a solution-focussed way • Lead with a spirit of progress: be knowledgeable in your field and embrace lifelong learning • Inspire others: communicate with passion and purpose in a timely and consistent manner

During the year, the Trust Executive Team worked with the Trust Board to develop their thinking about the future of the Trust. Reference was made to documents including “Building Strong Trusts” (Confederation of School Trust), “Trust Quality Descriptions” (Department for Education) and “Thriving Trusts: Think Pieces” (Forum Strategy). In May 2023, an off-site day was facilitated by an external

Trustees' report

For the year ended 31 August 2023

consultant, on the theme of a thriving and sustainable organisation. This included a self-evaluation framework which the Trust Board and Executive Team continue to work on.

During this period of self-evaluation, the Trust also considered a paper entitled "A Good Life", co-written by The Confederation of School Trusts and the Ambition Institute. This helped to develop thinking towards a greater dignity for people with learning and physical disabilities.

c. Objectives, Strategies and Activities

Leadership & Management

- Ensure that governance in all of our schools is effective and that Local Academy Councils have a real and accurate self-evaluation of their schools and act to address any areas for development. Work on this has been successful but is ongoing. The Trust has successfully worked with an external partner to recruit several well-qualified Local Academy Council Chairs, who will receive induction and training support as they develop in their roles.
- Recruit, induct, support and develop the Headteachers within the Trust. The Trust has worked effectively with an external recruitment partner to recruit good Headteachers to schools. The Trust has found the recruitment market challenging at all levels but has continued to be able to attract new people to the organisation.
- Support the recruitment, induction and retention of high-quality staff at all levels. The country is affected by challenges nationally in recruiting teachers and this is even more acute in special needs education. Retaining support staff has been difficult, but the Trust has concentrated on the culture and environment in the Trust, as well as offering attractive well-being benefits in order to support the recruitment & retention strategy.
- Support all staff through a robust CPD and appraisal programme to ensure that they can meet the needs of the pupils. This is a work-in-progress, but significant improvements have been made. A mixture of online training coupled with peer-to-peer support and external training has proved to be beneficial. This has included specialist training, relevant to the needs of our children.
- To maintain the effectiveness of the Trust by keeping the curriculum and organisational structure under review. Enhancing our HR capability has been key to enabling progress in this area, the Trust is aware of the need to share best practice, to reach out to other Trusts for ideas and to continue to innovate.
- To conduct the Trust business in accordance with the highest standards of integrity, probity and openness.

Pupil Progress and Teaching and Learning

- Ensure that the progress of our pupils in all of our schools is above median quartile and that the majority is at upper quartile against our reporting and analysis system for pupils with special educational needs. During the year, the Trust has worked to identify a new assessment system, which will support our approach in this area. A new system will be launched in Autumn 2023.
- Operate a robust quality assurance calendar which monitors the quality of teaching and learning and includes work scrutiny. The Trust is looking at ways to enhance its capabilities in this area, through peer-to-peer support in schools and across our network.
- Ensure that the best practice is shared across the schools. Collaborative Networks are set up across specialisms, phases and staff groups. The Trust sees this as critical to its future development.

Trustees' report

For the year ended 31 August 2023

- Develop pathways for pupils to leave school ready for the world. The Trust recognises that academic achievement cannot be the only measure for our children, there are many other important skills and qualities for our children to acquire so that they can take their place as a valued member of society.
- Provide a series of visits to the Trust schools by school improvement professionals to scrutinise, challenge and validate educational standards.

d. Public Benefit

The Trustees consider that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. The Trustees consider that the Trust's aims and objectives demonstrate that it acts to the benefit of the public. The Academy Trust refers to the Charity Commission public benefit guidance in setting its objectives and aims in planning future activities for the coming year.

The Trust meets these objectives by

- Providing value for money for the funds expended.
- Conducting the Trust's business in accordance with the highest standards of probity, integrity and openness.
- Ensuring that the standards are continually raised by the Trust and the Local Academy Councils.

The Trust recognises that equal opportunities should be an integral part of good practice within the workplace. They do this by creating an environment where contributions by all stakeholders are fully valued.

Trustees' report For the year ended 31 August 2023

Strategic Report

Achievements and Performance (including key performance indicators)

Brays School 2022 – 2023	
Context	<p>104 primary aged pupils (EYFS – Year 6) with complex physical and learning difficulties.</p> <p>Brays is one of Birmingham’s oldest special schools and the original building was built in the 1960s. Pupils have access to outside playground space that has been adapted to suit their physical needs.</p> <p>Most of Brays pupils are funded by Birmingham LA.</p>
Curriculum	<p>One class group follows a formal curriculum and are working around 2-3 years below age-related expectations.</p> <p>There are several classes within our semi-formal curriculum pathway where pupils are working within age-related expectations for EYFS, year 1 and 2.</p> <p>The remainder of the class groups are working at a pre-formal curriculum level, where supporting their physical needs is a key part of learning.</p> <p>Pupils have access to an immersive drama space and a hydrotherapy pool.</p> <p>The school is supported by a team of NHS school nurses, physiotherapists and other professionals.</p>
Highlights	<p>Trips to off-site activities were a highlight for this year, including a residential trip to Beaudesert Residential Centre. Pupils have also visited local religious buildings and contributed to religious services.</p> <p>The appointment of a Family Support Worker has helped to develop relationships with our parents and families.</p> <p>The creative space within school is an integral part of the curriculum and personal development for children.</p> <p>During the year, the soft play area of school was refurbished. The main hall and all toilets were fitted with power-assisted doors to enable children to have access to these areas unaided. The EYFS classroom and nursery unit were subject to a full internal refurbishment, to enhance the mobility of children throughout that area. Some classrooms received a technology upgrade and there was investment in assistive technology, to improve the learning experience for children.</p>
Developments for 2023 - 2024	<p>We need to find ways to support our pupils to attend school more regularly, the school will participate in a Trust-wide framework to improve pupil attendance.</p> <p>We are developing our curriculum to ensure that it is meeting the needs of all of our pupils.</p> <p>A new Headteacher starts at the school in January 2024 and will lead the Brays team through its next stages of development.</p>

Trustees' report

For the year ended 31 August 2023

The Bridge 2022 - 2023	
Context	<p>The Bridge School is a primary special school in Sutton Coldfield. We have a PAN (Pupil Admission Number) of 90. There are 9 classes and we have children with a wide and varied range of additional needs, all of whom have an EHCP. Ages range from EYFS to Year 6 and whilst we always try not to mix phases in our classes, due to our size and the needs of our pupils, this is sometimes unavoidable. Our children may have profound and multiple learning difficulties, or severe learning difficulties and all have additional communication needs. Our children may also experience physical difficulties, sensory issues (visual and/or hearing impairment), have medical needs, sensory processing difficulties and some have behaviour that challenges.</p> <p>Our children come from across Birmingham and a few from bordering local authorities. Most are funded by Birmingham LA and are transported to and from school on LA guided transport e.g. minibus, but more and more parents are making the decision to bring their child themselves or are not being awarded transport.</p> <p>Our school is housed in an older school building and there are on-going discussions with the Local Authority about creating some extra classrooms.</p> <p>Pupils at the Bridge have access to a range of accessible outdoor playgrounds and a playing field. Plans are in place to enhance the soft play area in school. The school benefits from a hydrotherapy pool which is an integral part of the care of children.</p>
Curriculum	<p>There are 3 learning pathways at The Bridge School: pre-formal, semi-formal and formal. More pupils follow the semi-formal pathway than the pre-formal and formal and we expect this to continue. We have a growing cohort of pupils with a diagnosis of autism across all 3 learning pathways.</p> <p>In the year 2022-2023: 2 classes were in the main pre-formal, 2 formal and 5 semi-formal.</p> <p>We have a thematic curriculum. EYFS, key stage 1 and key stage 2 pupils follow topic cycles that are all linked by an overarching theme. This is then further subdivided into the learning pathway. This means that if you are e.g. a KS1 pupil following the semi-formal pathway learning about Space, your learning will look very different to a KS1 pupil learning about Space in the formal pathway.</p> <p>Our aim is for our thematic curriculum to be underpinned by a communication and movement curriculum.</p> <p>We are proud of our calendar of immersive learning experiences, where sensory tents are established in the school hall. These link to the curriculum and help pupils to extend their understanding.</p>
Highlights	<p>The interim Headteacher was appointed to the post on a permanent basis in November 2022 and a new Deputy Headteacher joined the school in April 2023.</p>

Trustees’ report
For the year ended 31 August 2023

The Bridge (continued) 2022 - 2023	
Developments for 2023 - 2024	<p>We need to find ways to support our pupils to attend school more regularly, the school will participate in a Trust-wide framework to improve pupil attendance.</p> <p>We are continually adapting our curriculum to ensure that it is meeting the needs of all of our pupils which includes building in more off-site educational visits.</p>

Hallmoor School 2022 - 2023	
Context	<p>Hallmoor School has 270 pupils from EYFS to post 16. Hallmoor pupils have a range of learning difficulties and there is a trend of pupils with more complex needs being admitted to the school.</p> <p>Hallmoor’s building was opened in 2015.</p> <p>Pupils have access to outdoor playgrounds, including some grassed areas. The school has plans to install an outdoor classroom as an additional learning area.</p> <p>Most of Hallmoor’s pupils are funded by Birmingham LA.</p>
Curriculum	<p>Pupils follow a primary style curriculum and are based with their class teacher for most lessons. Pupils in KS4 and Post 16 have opportunities to study with specialist teachers for some vocational areas. These students now enjoy a range of options for four afternoons per week.</p> <p>The curriculum is designed to develop independence for all pupils.</p>
Highlights	<p>Hallmoor was inspected by Ofsted in December 2023 and the school is now a “good” school. Some of the factors which contributed to this are:</p> <ul style="list-style-type: none"> • Attendance is improving and is currently above the national average for special schools. • Relationships with parents and carers is exceptionally strong. • Parents and carers trust the school and would recommend Hallmoor to other families. • Relationships between adults and pupils is very strong. • A more holistic approach is being used to understand behaviour and well-being encouraged by Thrive training which has been provided for several staff in each area of the school. • Pupils contribute ideas to student council with confidence and the representatives take the role very seriously. • Pupils are well mannered and polite, they are proud of their school. • Positive progress is being made towards inclusive practice. • Bikeability is being introduced to all areas of the school. • Sixth form students are being introduced to an independent travel programme to be provided by external trainers. • Safeguarding systems are robust and demonstrate impact. • We continue to make available an effective CPD programme both inside and outside of directed time. • Staff are becoming reflective practitioners. • Staff are keen to learn and develop together. • The curriculum task force groups have a clear purpose and contribute to the staff understanding and developing key elements of the curriculum. • The EHCP reviews are carried out effectively throughout the year with the full involvement of parents and carers. • The school has effective support in place for the early careers teachers (ECTs). • Careers and work experience are being developed in a cohesive strategy at the school.

Trustees' report For the year ended 31 August 2023

Hallmoor School 2022 - 2023	
Highlights (continued)	<ul style="list-style-type: none"> The school works effectively with other agencies and effectively meets identified need.
Developments for 2023 - 2024	<ul style="list-style-type: none"> Support for English as an Additional Language groups (using pupil premium fund to buy in support for translation). Further develop community awareness amongst our pupils. To continue to develop an understanding of the expectations and responsibilities of adulthood. The need to increase capacity of supported Internships for post 16. Create a rigorous quality assurance and standardisation model for functional skills. Pupils need more effective preparation for post-school destinations.

High Point Academy 2022 - 2023	
Context	<p>High Point opened in September 2021 and currently has 74 pupils in years 7-10. All pupils have a diagnosis of ASD (Autism Spectrum Disorder). The building is well resourced and pupils have access to outdoor playgrounds and some grassed areas, including a Forest Schools area. Most of High Point's pupils are from Sandwell LA.</p>
Curriculum	<p>The school caters for two pathways of learners:</p> <ul style="list-style-type: none"> Connector Pathway pupils (Around ARE-2 years below ARE) Developer Pathways pupils (Around year 2 ability upon entry in year 7)
Highlights	<ul style="list-style-type: none"> All year 10 pupils who were entered from Entry Level English and Maths obtained a qualification in both subjects. Implementation of interventions across the school with themed rooms to support with pupils' self-regulation has impacted positively on pupils' self-regulation Pupils making at least expected progress in English and Maths (84%- 63 pupils) Pupils making at least expected progress in all subjects (73%-55 Pupils) Work has continued to develop the outdoor learning environment as well as internal spaces that meet the curriculum and personal needs of children.
Developments for 2023 - 2024	<ul style="list-style-type: none"> To plan for the KS4 offer for our developer pathway in preparation for September 2024. To map the curriculum cross-curricular opportunities throughout all subject areas and identify appropriateness of delivery (why here, why now). To further develop the attendance reward system for pupils who achieve 90-100% To develop an effective attendance tracking system for early identification of pupils who are not meeting attendance expectations, and work closely with the LA, Families and others agencies to ensure attendance improves. The school will participate in a Trust-wide framework to improve pupil attendance.

Trustees’ report

For the year ended 31 August 2023

Lea Hall Academy 2022 - 2023	
Context	84 pupils in years 1 – year 9 who have been identified as having social, emotional and behavioural difficulties (SEMH) The building was constructed in 2021, with minimal playground space. Access to outdoor playgrounds is limited and is an area we seeking to address with support from Birmingham City Council. Most of Lea Hall’s pupils are funded by Birmingham LA.
Curriculum	Pupils are grouped according to age and their social ability. Pupils in KS1/2 follow a primary curriculum and work with their class teacher for the whole week. Pupils in KS3 have access to more specialist teachers.
Highlights	The curriculum was supplemented by additional activities including Judo, team building with CJ’s (formerly known as Commando Joe), swimming lessons, and individualised music teaching. An Interim Headteacher joined the school in April 2023 and the Trust Director of Education took on the role of Executive Headteacher to provide additional support.
Developments for 2023 - 2024	The school was judged as Inadequate by Ofsted in July 2023 and is focused on demonstrating improvements in a number of different areas.

Leycroft Academy 2022 - 2023	
Context	Leycroft school is a special school for primary-aged children aged 4-11 years, situated in East Birmingham. The school opened in September 2021. It was previously a satellite provision of Brays School, known as Brays, Tile Cross. There are 170 pupils on roll. All pupils have a diagnosis of autism spectrum disorder and an EHCP. 59% of pupils are eligible for free school meals, which is higher than the national average. The school building is an old secondary school that was originally Tile Cross High School. Tile Cross moved to a new purpose-built high school adjacent to the school. The building was designed for secondary mainstream pupils so some aspects of the building have been improved over several years. This includes two outside playground areas and internally two movement rooms and one sensory room, and communication pathway signage to support pupils’ movement and transition around the building. In addition, work is scheduled to make improvements to the provision for pupils’ personal and intimate care needs.
Curriculum	A deliberate decision has been made to move away from age related expectations to stages, as these are based on expectations for neuro typical learners. With this in mind, the curriculum content has been organised into sequenced stages. This allows for a provision that is respectful of neurodiversity and encourages learning opportunities that are bespoke to individual needs. Leycroft caters for a range of learners who are all at different points of their individual learning journey. Children at Leycroft will either be at a stage where: <ul style="list-style-type: none"> • They acquire knowledge and skills through explorational opportunities. • They acquire knowledge and skills through a more formal approach, where acquired knowledge is applied in new contexts to deepen understanding and develop competency.

Trustees' report

For the year ended 31 August 2023

Leycroft Academy (continued) 2022 - 2023	
Curriculum (continued)	<p>Explorers Explorers are at the early stages of development and are developing skills of engagement using a range of motivating activities. Communication and interaction form a key part of the curriculum and learning is fun, active and multi-sensory. Making choices, taking turns, eye-contact and sustained attention are key at this stage of development. Explorers will access opportunities to develop learning behaviours. These enable them to access a range of activities with adult support, including early English and Maths tasks.</p> <p>Connectors Connectors follow a more formal style of learning. Although some learning may look traditional in nature, the approach to the curriculum is still highly tailored to meet individual needs. Pupils in Connectors have acquired sufficient skills to be able to process and remember new information and have a sufficient working memory to be able to connect it to stored information. Connectors may demonstrate early signs of applying known information to new contexts and combining it with other information to problem-solve. Connectors will have some functional communication and will be developing their known vocabulary. This curriculum pathway has a specific focus on reading for information and for pleasure.</p>
Highlights 2022-2023	<p>A new Headteacher joined the school in February 2023. A new Deputy Head teacher joined in September 2023. Playgrounds and internal corridors were refurbished. The appointment of a new Family Support Worker helped to develop relationships with parents and families.</p>
Developments for 2023 - 2024	<p>Embed new curriculum, provide access to training for all staff to equip them with the relevant skills and knowledge to implement the curriculum effectively.</p>

The Heights Academy (opened 2023)	
Context	<p>The opening cohort will be a maximum of 48 children across KS2 and KS3 with a diagnosis of ASD. Pupils may have other communication difficulties. The Heights is a new build free school, developed by Solihull Council in conjunction with DfE.</p>
Curriculum	<p>The curriculum is under-development. The school successfully completed its pre-opening Ofsted inspection on the basis of a compelling Education Strategy and the Trust is confident that from the point of opening, education suitable for the needs of the children is being delivered. The school has also completed its post-opening education expert visit, the outcome of which is awaited but is expected to be successful.</p>
Developments for 2023 - 2024	<p>Continued curriculum development, bespoke to the needs of children. Development of the internal and external facilities and resources. Recruitment of staff as the cohort of children steadily builds over the first 5 years of the life of the school.</p>

Trustees' report

For the year ended 31 August 2023

b. Going Concern

As is outlined further in the financial review section (1.2, page 44 - going concern) and our review of principal risks and uncertainties the economic impact of below inflation increases in funding rates together with national cost of living pay increases and staffing and recruitment challenges, there are budgetary challenges ahead.

Following a review of the Trust's cash and free reserves forecasts, the Trustees are satisfied that there should be sufficient reserves and cash flows to meet those budgetary challenges in the near future and to justify preparation of the financial statements on a going concern basis.

Notwithstanding this conclusion, there remains significant financial uncertainty for the Trust without either significant additional funding and/or cost savings on staffing and non-staff cost budget lines..

Trustees are seeking to work with local authorities to increase funding, either through the high needs block, per pupil funding based on needs or via investment relating to current or future place plans.

Trustees are also actively reviewing staffing structures in schools and central services, in order to ensure an affordable balance between funds available and staffing needed to meet the educational and care needs of each child. Non-staff cost lines are actively being reviewed and, where possible, further Trust-wide procurement may be deployed to extract cost savings in ensuring value-for-money contracts and services. The Trust will also search for synergy savings across the schools as well as looking at how technology investments might generate new ways of working in a lower cost format.

Trustees will ask management to engage with staff and trade unions in a collaborative way to identify and engineer solutions, with ideas garnered from the wider education system which will be affected by similar pressures over coming years.

c. Promoting the success of the company

Under section 172 of the Companies Act 2006 the Trust ensures that any decisions made in line with its daily operations or regarding furthering its strategic aims and objectives have due regard to:

- The likely consequences of any decision in the long-term.
- The interests of the Trust's employees.
- The need to foster the Trust's business relationships with suppliers, customers and other stakeholders.
- The impact of the Trust's operations on the community and the environment.
- The desirability of the Trust maintaining a reputation for the highest standards of business conduct.
- The need to act fairly as between members of the Trust.

The strategic objectives of the Trust are agreed by the Board of Trustees, to ensure that the areas of focus are considered and their implications across the wider Trust for pupils and staff are assessed. The Trust Board engaged with the Executive Team to agree a strategic plan for the Trust with key elements including:

- Education – to develop high-quality teaching, to enable pupils to reach their full potential, through an engaging curriculum, developed through sharing of best practice, in an environment where children felt safe.
- People – aiming to staff schools fully with high calibre staff, with effective management of performance, retaining good people through career development and professional learning strategies and positive well-being programmes.

Trustees' report

For the year ended 31 August 2023

- Governance – responsible governance at all levels, with the right people around the table and an effective succession plan in place.
- Finance – able to demonstrate best value for money, long-term financial sustainability, meeting regulatory compliance deadlines.
- Estates & Facilities – safe, warm & dry, with a co-ordinated maintenance plan and regulatory compliance.

Financial Review

The Trust's primary source of income is from central government funding mainly comprising of the General Annual Grant ("GAG") received directly from the DfE which is funded from the Education and Skills Funding Agency ("ESFA") and is received monthly. Local Authorities in which our schools are located (currently Birmingham, Sandwell and Solihull) also commission places within our schools through an annual commissioning conversation which generate monthly funding allocations (which we refer to as Top-up Funding) from the Local Authority High Needs Block, to support children with special educational needs. Where pupils join us from Local Authorities other than the Authority in which the school is located, agreed financial arrangements are in place to claim funding in-year for those pupils. In addition, for Birmingham Schools only, there is a mechanism to apply for ESN (Exceptional Special Needs) funding which can relate to a pupil transitioning for one setting to another, or could relate to the specific needs of that child, such that an additional funding allocation is warranted.

Use of this funding is restricted to a particular purpose. The grants received from these sources during the year ended 31 August 2023 and the associated expenditure are shown as Restricted General funds in the Statement of Financial Activities.

During the year, following an external financial review, Trustees identified that funds stated in prior year accounts did not accurately reflect funds classifications. This prompted a wider review predominantly related to fixed asset funds, resulting in changes to depreciation policy (noted in 1.5 of the financial statements) and some adjustments (noted in 17 of the financial statements).

The net movement in funds on the Income and Expenditure (excluding the Restricted Fixed Asset fund and impact of the pension reserve movements) for the year ended 31 August 2023 is a deficit of £1,892,138. (2022: after adjustment of prior year adjustments, a surplus of £514,469).

The following movements are of note:

Pre-opening costs were incurred for The Heights Academy and funding was received from Solihull Council in respect of pupil funding and an additional contribution to capital investment.

The Trust reduced costs relating to additional cleaning and other resources which were required during the Covid-19 pandemic. Covid-19 has still affected the Trust's operations, through sickness absence of both children and staff and the long-term impact on childrens' education is still to be understood.

The Trust continued to invest in schools, either via School Condition Allocation (SCA) funding, or from retained reserves. This included:

- Projects at Brays School to upgrade the school's fire alarm system. For children, we invested in the soft play area, an internal refurbishment of the Nursery, installation of power-assisted doors internally and investment in classroom and assistive technology.
- Projects at Hallmoor School, to replace and upgrade the school's wi-fi network, to support teaching & learning and administration. This is an acknowledgement of the need to adapt the school environment to support the increased use of devices as part of childrens' learning.

Trustees' report

For the year ended 31 August 2023

- Projects at The Bridge School to enhance the soft play area and to remediate fire risk issues identified as part of our annual assessment. We also upgraded classroom technology.
- Projects at High Point Academy to continue to develop the therapy and play resources available for the individual cohort of children, to enhance the over learning experience.
- Projects for the Trust Central Team to provide suitable working accommodation for the team, as well as provide meeting and training rooms, for the whole Trust to use at a convenient location, which better utilises the expansive accommodation at Leycroft Academy which could not be used for educating primary children with autism. The previous Trust accommodation was repurposed for use by the school.
- Projects at Leycroft to enhance the sensory environment in school as part of the long-term development plan for Leycroft, to transform what was a secondary mainstream school, into a more suitable environment with challenging sensory and behaviour needs.

The Trust continues to seek external advice, including from Condition Surveys, to appraise the needs of each school on balance, to prioritise projects based on the grounds of risk, health & safety, condition and the needs of children and staff. The Trust is aware of unspent capital funds designated for energy projects, which it is working towards procuring projects for investment during the next year.

During the year, the Trust reviewed key supply contracts including for catering and cleaning. External tender support was used, to ensure robustness of our assessment of service and value for money. The Trust procured and implemented a change of payroll provider, coupled with a new HR Management Information System. This project was successfully implemented and further stages of development are planned. A small investment was made in an online system for the SCR (Single Central Record), which enables safeguarding records to be kept up-to-date more easily. This system has been subject to internal and external inspection and has been seen as a positive investment.

Like consumers and businesses across the country, the Trust was subject to upward price movements for energy contracts, which has had the impact of increasing costs of operations. The Trust actively manages energy contracts via external framework providers, in order to manage the impact of price fluctuations. The Trust sees a more favourable outlook, but this is impacted upon by world events.

The Trust is impacted upon by the cost-of-living pressures being experienced across the country. It recognises the need for staff to maintain the family budgets, as part of our valuing the contribution that our staff teams make to the education & welfare of our pupils. The Department for Education does not fully fund all pay increases, in particular for a Trust with a high number of support staff, so these pressures add a further dynamic to the Trust's financial position, which Executive Leaders are actively managing with the support of Trustees.

Staffing costs was one of the most significant costs for the year and in particular the need for agency staff to cover unfulfilled vacancies and staff absences. Recruitment and retention of staff is a challenge across the education sector and particularly in special schools.

During the year, Trustees re-tendered for external audit services, following the resignation of the previous audit firm. A robust process was conducted within the ESFA guidelines and we are pleased to have appointed Crowe U.K. LLP as the Trust moves forward.

a. Reserves Policy

Trustees review the level of reserves at least annually. The policy of the Trustees is to maintain a level of reserves that will be adequate to provide a stable base for the continuing operations of the Trust, whilst ensuring that excessive funds are not accumulated. The Trustees always try to closely match

Trustees' report

For the year ended 31 August 2023

income with expenditure in the current year by setting a balanced budget, but where they consider that investment in resources and the curriculum is justified, they may set an in-year deficit budget, whilst maintaining an overall net positive position on reserves overall.

The total funds held at the balance sheet were £38,773,702 of which £38,213,729 was represented by fixed assets, leaving a residual reserve of £3,339,307 excluding the defined pension scheme liability of £2,779,334. This reserve of £3,339,307 is represented by an unspent capital reserve of £329,976 and £3,009,331 of further funds (as per note 18 of the financial statements). The unrestricted funds of the Trust total £1,667,458.

The minimum reserve level (restricted and unrestricted funds) agreed by Trustees currently is approximated to one months' total salary costs which is c. £1.2m at present. Trustees keep the Reserve Policy under active consideration to take account of the changing financial position of the Trust, in the context of the educational and other objectives.

A surplus or deficit position on defined pension scheme would generally result in a cash flow effect for the Trust in the form of increased or decreased employer pension contributions over a period of years but is not likely to be repayable in full.

b. Investment policy

The Trust does not make investments per se. The Trustees have agreed that surplus cash funds can be placed on deposit with Lloyds Bank on terms agreed by the Chief Executive Officer which might range between notice and no longer than 1-year fixed. Funds placed on deposit are notified to Audit, Risk and Finance and are included in the financial reports received by that sub-committee.

Day-to-day management of cashflow rests within the Executive Team.

c. Principal Risks and Uncertainties

The Trust's Risk Register is reviewed between the Trust Executive Team and the Board (via sub-committee) on a regular basis, to ensure the assessment of risk remains relevant. The Risk Register is very much a working document. The Trust has assessed its priority risks as:

- Long-term financial sustainability. In an environment when income is relatively flat (in fact it is being eroded by inflation) and costs are rising (through non-staff costs inflationary pressure and nationally agreed cost-of-living pay settlements), the Trust is regularly evaluating the resources which can be deployed in pursuit of core aims and objectives. This Trust is experiencing pressures which are common across the education sector, but Trustees believe the Trust has the capability of responding to and managing these pressures in an effective way.
- Quality of education. Providing education that ensures good outcomes for children is at the core of our purpose. Having gone through a rapid period of change in 2021 with now 3 recently opened schools, the Trust is aware of the need to ensure that the curriculum, teaching & learning is fit for purpose for the wide variety of needs of our children. The adverse Ofsted outcome at Lea Hall was a disappointment for everyone. Via regular contact with Headteachers and discussions about school accountability, the Trust is developing quality assurance frameworks to ensure that Trustees are aware of where schools are in their stage of development.
- School improvement capacity. Within the Trust Central Team and our school leadership more widely, the Trust is identifying where capacity is needed and where capacity can be given. There is a lot of talent which is already being shared across the Trust, to support common areas of the curriculum in each of our schools. For example, there is clear evidence as we work

Trustees' report

For the year ended 31 August 2023

towards opening The Heights Academy that we have brought all of the learning from the previous two new openings (High Point Academy and Lea Hall Academy) to ensure we capture all of the positives that make an opening successful. There is also sharing of good practice across areas such as EYFS, assessment, leader-level networking and many other areas, with more developments in the pipeline.

- Staff attendance at work. The picture nationally, whether in education or other public service, shows concerning levels of absence, due to many factors both outside of and within the control of the Trust. The Trust schools have a supportive approach to all employees, some of whom experience health and other related issues which affect their ability to attend work. In all instances, the supportive approach is coupled with a clear Policy that is fairly and equitably applied. The new Management of Attendance Policy being launched in January 2024 has been consulted on with trade unions via the JCNC and the Trust believes this will have a positive impact, when coupled with the strategy around employee well-being which is in place and which will see further developments in future.
- Staffing (teaching and non-teaching). Across the sector, attracting and retaining staff is challenging. This Trust has developed new initiatives to ensure it is well-placed to attract the right staff at every level. The Trust also looks at how it can creatively deploy resources between schools where pressures are being experienced.

Fundraising

Fundraising is limited due to the nature of the organisation. Some fundraising occurs which is donated to charities for a specific purpose such as Children in Need. The Trust does not use any external fundraisers. Any fundraising activity is notified to Trustees. There were no complaints received related to fundraising. A team from the Trust has entered the Royal Sutton Fun Run, raising funds for play equipment in schools. Monies relating to this come into the Trust bank account and are made available to schools to decide how they wish to spend the money. Fundraising took place via a Just Giving page, advertised through social media and via school communications. Contributions were requested on an entirely voluntary basis and the Trustees believe that, in this respect, suitable measures were in place to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches and/or undue pressure to donate.

Streamlined Energy and Carbon Reporting (SECR)

UK energy use and associated greenhouse gas emissions

Annual energy usage and associated annual greenhouse gas ("GHG") emissions are reported pursuant to the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 ("the 2018 Regulations") that came into force 1 April 2019.

Organisational boundary

In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those assets owned or operated within the UK only as defined by the operational control boundary. This includes all 6 schools controlled during the reporting period and minibuses along with the mandatory inclusion of scope 3 business travel in employee-owned or hire vehicles (grey fleet).

Trustees' report

For the year ended 31 August 2023

Reporting period

The annual reporting period is 1 September to 31 August each year and the energy and carbon emissions are aligned to this period.

Quantification and reporting methodology

The 2019 UK Government Environmental Reporting Guidelines and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) were followed. The 2022 UK Government GHG Conversion Factors for Company Reporting were used in emission calculations. The report has been reviewed independently by Briar Consulting Engineers Limited.

The electricity, gas, biomass and minibus diesel consumption were compiled from invoice records. claims were used to calculate energy use and emissions associated with grey fleet and the direct comparison technique was used for the year 2021/2022. On site renewable solar photovoltaic electricity is provided for free by a third party so is included within scope 2 and excludes exported energy. Exported energy is not measured but estimated to be 50%. Generally gross calorific values were used except for grey fleet mileage energy calculations as per Government GHG Conversion Factors.

The associated emissions are divided into mandatory and voluntary emissions according to the 2018 Regulations, then further divided into the direct combustion of fuels and the operation of facilities (scope 1), indirect emissions from purchased electricity (scope 2) and further indirect emissions that occur because of Trust activities but occur from sources not owned or controlled by the organisation (scope 3).

Breakdown of energy consumption used to calculate emissions (kWh):

Energy type	2022/23	2021/22
Mandatory requirements:		
Gas	2,673,642	2,668,306
Purchased electricity from the grid	1,076,385	938,688
Transport fuel	12,723	9,403
Total energy (mandatory)	3,762,750	3,616,397

NOTE: Figures may not sum due to rounding

Intensity ratio

Intensity ratios are reported showing emissions (tCO₂e) per pupil and per square meter floor area. Emissions per pupil is the recommended ratio for the sector for consistency and comparability and pupil numbers are based on the Autumn 2022 Census.

Trustees' report

For the year ended 31 August 2023

Energy efficiency action during current financial year

The Trust is committed to reducing emissions and this year has seen the implementation of the following energy efficiency measures:

- Building Management Systems (BMS): Actively monitored in Hallmoor, Lea Hall, and High Point School for optimised energy control.
- Leycroft Academy: Entire site's windows upgraded in 2020/21 through CIF funding, enhancing insulation and reducing heat loss.
- LED Installation: Exploration underway for implementing energy-efficient LED lighting systems across these schools.
- Future Consideration: Plans in progress for potential installation of solar photovoltaic (PV) systems to harness renewable energy sources.

Breakdown of emissions associated with the reported energy use (tCO₂e):

Emission source	2022/23	2021/22
Mandatory requirements:		
<u>Scope 1</u>		
Natural gas	489.1	487.1
Company owned vehicles (minibuses)	2.2	1.3
<u>Scope 2</u>		
Purchased electricity (location-based)	222.9	181.5
<u>Scope 3</u>		
Business travel in employee-owned vehicles	1.0	1.0
Total gross emissions (mandatory)	715.1	670.9
<u>Intensity ratios (mandatory emissions only)</u>		
Tonnes of CO ₂ e per pupil	0.942	0.957

NOTE: Figures may not sum due to rounding

Plans for future periods

When the Trust Board met with the Executive Team during the year to review the Vision & Values and objectives, it was considered that the Vision & Values remained relevant to the Trust at this time and for the immediate future.

Trustees' report

For the year ended 31 August 2023

Work continues on looking at the concept of Thriving Trusts, but the core values remain unchanged. In readiness for the Trust's Conference on 4 September 2023, some key aims for the coming year were identified:

For pupils:

- To have a focus on improving attendance, in particular on persistent absence, in line with national expectations. The Trust has started to deliver an engagement programme based on a 5 Foundations Framework, which the Trust anticipates will have a positive impact on attendance of pupils.
- School improvement, with a focus on a common understanding across the Trust on what good teaching & learning looks like, to contribute to improved outcomes for children with a consequent positive impact on their life chances.
- Supporting each other, as a network of schools, collaborating on good practice with pupils to share strengths and have a consistent approach to improvement when needed.
- A richer understanding on what positive outcomes for our children actually means. For children with special educational needs and in particular the wide variety of needs of our children and their families, outcomes relate to lifelong opportunity for a good life, which is not limited to academic achievement.

For staff:

- A positive impact on management of attendance at staff at work, creating a culture & environment which enables us to match our ambitions for children coming to school, with staff who are keen to engage in childrens' learning and care.
- A continued focus on recruiting, inducting, training and retaining the right staff with the right skills for the needs of our children.
- A continued focus on the well-being of all of our staff. The Trust has keenly developed ideas and interventions and is now embedding these and ensuring that engagement, for the benefit of all staff, is as high as it possibly can be.

Forward Education Trust strongly advocates that our principal purpose (for students and staff) is to help them to be the very best version of themselves that they possibly can be. We recognise, value and celebrate the unique talents and expertise within our community and aim to create a culture of dignity, inclusivity, respect and ambition, where everyone can thrive.

Funds held as custodian trustee on behalf of others

There are no funds held.

Reporting relating public bodies use of money

The Trust Board is aware of the requirements laid out in the Academy Trust Handbook, relating to use of public funds. It is aware of the limits set, beyond which approval must be obtained from ESFA. The Trust's Scheme of Delegation and Financial Procedures ensure compliance with the requirements of the ATH.

Trustees' report

For the year ended 31 August 2023

Good estate management in schools

The Trust is aware of the guidance published by the Department for Education around good estate management for schools. This includes a responsibility for health & safety, on which the Trust receives support from a qualified health & safety adviser (Workplace Risk Management). Additional advice around fire safety is received via the facilities management contract with Bellrock FM, which supports the Trust generally to ensure compliance with statutory testing & maintenance.

In 2022 the Trust undertook external condition surveys for all schools with Barker Associates. This data is referred to when making decisions around estate management to ensure proactive management is balanced with reactive requests which arise from time to time. Currently the Trust is investigating projects around LED lighting and Solar PV, as well as general energy saving & efficiency measures as part of its good estate management strategy. The Trust uses external advice to support appraisal of the needs of each school on balance, to prioritise projects based on the grounds of risk, health & safety, condition and the needs of children and staff. For the unspent capital funds designated for energy projects, the Trust is working towards procuring projects for investment during the next year.

During the year, the Trust sought assurance that none of the buildings were affected by RAAC (reinforced autoclaved aerated concrete) and this was confirmed by external independent intrusive investigations.

Disclosure of information to auditor

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees on 23 January 2024 and signed on the Trustees' behalf by:

A handwritten signature in black ink, appearing to read "C. Canty", with a small dot at the end.

Catherine Canty
Chair of Trustees

Governance statement For the year ended 31 August 2023

Scope of responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities.

Attendance during the year at meetings of the board of Trustees and sub-committees was as follows:

Forward Education Trust Trustee Meetings Attended 2022-23		Trust Board meetings (TB)								Education Committee (EC)						Audit: Risk and Finance Committee (A:RF)					HR and Pay Committee			Total	
Name of Director	Type	21/9/22	14/12/22	15/2/23	22/3/23	17/5/23	12/7/23	30/08/23	31/08/23	14/10/22	25/11/22	27/1/23	10/3/23	5/5/23	23/6/23	18/10/22	6/12/22	7/2/23	29/3/23	9/5/23	5/7/23	18/11/22	31/3/23	30/6/23	
Helen Redican	Director (Chair of Education Committee)	Y	Y	Y	Y	Y	Y	AP	AP	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	Y	Y	Y	15/17
Maria Earl	Director (Chair of HR & Pay and ARF Committees)	Y	Y	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	Y	Y	Y	Y	Y	Y	Y	Y	Y	17/17
Bren Taylor	Director	Y	Y	Y	Y	Y	AP	AP	AP	Y	Y	AP	Y	Y	Y	Y	Y	Y	AP	Y	AP	NA	NA	NA	14/20
Kate Canty	Director (Chair of Trust Board)	Y	Y	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	Y	Y	Y	Y	Y	Y	NA	NA	NA	14/14
Sue Casey	Director	Y	Y	Y	Y	Y	Y	Y	Y	AP	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	Y	Y	Y	16/17
Patrick Ricketts	Director / Member	Y	Y	Y	Y	Y	Y	Y	Y	Y	AP	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	Y	NA	NA	14/15
Paul Roberts	Director	AP	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	AP	NA	NA	NA	NA	NA	NA	NA	NA	NA	12/14
John Yapp (Resigned June 2023)	Director	NA	NA	Y	Y	Y	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	NA	NA	NA	NA	5/5
Mark Morgan	Director	NA	NA	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	Y	NA	NA	NA	9/9
Ian Tuddenham	Director	NA	NA	Y	Y	Y	Y	Y	Y	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	8/8
David Lane (Resigned Dec 2022)	Director	Y	Y	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	Y	Y	NA	NA	NA	NA	NA	NA	NA	NA	4/4

Key: Y – Attended AP – Apologies DNA – Did not attend NA – No longer a Trustee / not on committee

The Board of Trustees has met formally 8 times during the year. The Audit, Risk and Finance committee and the Education Committee have both met 6 times during the year. The HR and Pay committee met 3 times during the year.

The Trust maintains an up-to-date register on interests to support positive process to manage potential conflicts of interests. A standing agenda item at all Board and committee meetings checks that there have been no changes to the register of interests since the Board start-up meeting held in September annually and that there are no additional items of potential conflict relating to items on each meeting

Governance statement

For the year ended 31 August 2023

agenda. The information on the register is maintained by our Clerks and overseen within the Trust governance function.

The Trust conducts a review via self-assessment annually at Board and Local Academy Council levels. An external review by the National Governance Association was conducted in the year 2021/22 and the Trust Board will consider in the next financial year whether a further wide programme of external evaluation or improvement is required. The Trust Board believes the external review conducted has enabled it to effectively regenerate the Local Academy Council tier of governance, as effective advocates for each individual school. The Trust has been able to recruit well-qualified individuals to be Chairs of Local Academy Councils and representation from staff & parents has improved significantly. The Trust Executive Team will continue to offer nurture and support to continuously improve the role that governance plays in holding school and Trust leaders to account.

During the year, the Trust Board and Executive team reviewed and implemented a revised Scheme of Delegation, which remains a working, active document.

Review of Value for Money

As Accounting Officer, the Chief Executive Officer 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 effective estates safety and management being achieved in return for the taxpayer resources received.

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

- Continuing to develop strategies to raise education outcomes through collaboration, by sharing skills and expertise across the Trust and extending partnership working.
- Ongoing alignment of contracted services, and collective purchasing to provide the schools better value on existing services and enable more accurate budget monitoring and forecasting.
- Introduction of new online systems to improve efficiency. The Trust continued to develop online training through Flick training. Via the Health & Safety partner Workplace Risk Management (WRM) use of their WRMOnline platform was developed. Work to synchronise use of CPOMS (Child Protection Online Management System) was developed. A new HR MIS (iTrent) and Payroll system (from Neo People) was procured following an external tender. In addition, an Online SCR (Single Central Record) system was introduced, to improve safeguarding & vetting checks management in each school and across the Trust.
- Proactive procurement of energy contracts and review of energy saving options including reducing usage continued to take place, making use of Crown Commercial Services frameworks, as well as competitive procurement via national framework supplier Powerful Allies.
- Ensuring that the Trust's financial procedures have been implemented and embedded throughout the Trust ensuring that the schools are all appropriating value for money strategies.
- Maintaining correct staffing levels throughout the Trust to ensure staffing is appropriate to each school and not as a result of legacy, monitoring natural wastage and ensuring the Head Teachers are replacing staff appropriately.
- Ensuring appropriate levels of centrally agreed staffing establishments via the finance team, with oversight of recruitment processes in conjunction with the larger HR team capacity.
- Providing continued support to the Head Teachers and Local Academy Councils and building on Trust development plans to achieve the benefits of sharing and pooling resources.

Governance statement

For the year ended 31 August 2023

- Maintenance of agency supplier framework agreements (supported by the Crown Commercial Services supplier framework) to manage pressures on day rates and avoid temp to perm costs. The schools and the Trust Central Team work together effectively to ensure regular, accurate reporting of agency spend.
- Effective management of large contracts, including utilising dynamic procurement tender mechanisms and frameworks approved by DfE and other recognised bodies such as CPC (Crescent Purchasing Consortium) and others. During the year the Trust used Tenet (part of CPC) to tender the catering service (existing supplier retained) and cleaning service (new contractor appointed).
- Engagement with external advisory organisations and memberships, to research and implement strategic efficiencies, which may present an opportunity to benchmark decisions against other MATs and SEND schools. The Trust has particularly valued the access to resources from Forum Strategy and the Confederation of School Trust. The Trust CEO has participated in MAT CEO meetings for Birmingham schools as part of the Birmingham Education Partnership, as well as being mindful to develop relationships in Sandwell and Solihull.
- The Trust took out a membership with the Greater Birmingham Chambers of Commerce (Birmingham, Solihull and Sutton Coldfield) to widen its stakeholder and community engagement in areas that it operates.

The Trust has supported operations and the HR function by developing standardised systems, policies and processes across the Trust.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. A system of effective internal control has been in place in Forward Education Trust for the year ended 31 August 2023, although Trustees instructed for an external review, to ensure continued effectiveness as a growing multi-academy Trust.

During the year, the Trust sought to widen the scope of consideration for internal control to include all areas of responsibility. Work had already started on a major review of local governance following an external review in spring/summer 2022. Significant progress has been made, but further work lies ahead. A review of the Trust's requirements around HR was undertaken by an external party, recommendations were taken up by the Board, with a new staffing structure agreed and put in place.

Capacity to Handle Risk

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

Forward Education Trust

Governance statement

For the year ended 31 August 2023

The Risk and Control Framework

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

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

The Board of Trustees appointed Bishop Fleming from January 2022 as the Trust's internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial, governance, compliance and risk management systems. In particular the checks carried out in the current period included:

- Bank and petty cash.
- Budgets and financial monitoring.
- Expenditure (supplier payments), credit cards and procurement.
- Fixed Assets and depreciation.
- Income.
- Payroll, including employee contracts and DBS checks.
- Regularity & compliance, including payment authorisation.
- Prior year recommendations.

On a termly basis, the internal auditor reports to the Board of Trustees, through the Audit, Risk & Finance 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 reviews, key findings, recommendations and conclusions to the help the committee consider actions and assess year-on-year progress.

During the year, Trustees recognised the need to ensure that a growing, more complex Trust should ensure that the expertise of external partners appropriately matches the needs of the Trust and, via a tender process, chose to appoint a new external audit partner.

Also, Trustees chose to seek an alternative partner for internal audit, new arrangements are now in place, which Trustees believe will enable them to manage and mitigate risks effectively going forward

Review of Effectiveness

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

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

Governance statement For the year ended 31 August 2023

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

Approved by order of the members of the Board of Trustees on 23 January 2024 and signed on its behalf by:



Catherine Canty
Chair of Trustees



Simon Dilkes
Accounting Officer

Statement of Regularity, Propriety and Compliance For the year ended 31 August 2023

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

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

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

- The Trust has identified that Hallmoor School is in technical breach of their Funding Agreement clause 2F. This breach has been notified to ESFA. While not denying the actual breach, The Trust believes that circumstances are different for special schools, such that places are commissioned by Local Authorities and there has been demand for places from the period when the breach occurred to date. The Trust believes it can work effectively with the ESFA in order to seek agreement from the Secretary of State for place numbers to be formally adjusted to accommodate the future demand for places, with a suitable modification to Pupil Numbers in the Funding Agreement.
- Management accounts relating to sections 2.18, 2.19 and 2.21 of the Academy Trust Handbook 2022 - the Trust has put in place processes and systems to move towards full compliance with the ATH on all matters relating to management accounts.
- Submission of returns relating to section 2.15 of the Academy Trust Handbook 2022 - the Trust has submitted the BFR (Budget Forecast Return) and will comply with all the requirements of the ATH going forward.

A handwritten signature in black ink, appearing to read "S Dilkes".

Simon Dilkes
Accounting Officer

Date: 23 January 2024

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

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

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

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

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

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

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

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



Catherine Canry
(Chair of Trustees)
Date: 23 January 2024

FORWARD EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FORWARD EDUCATION TRUST**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Material uncertainty related to going concern

We draw attention to note 1.2 in the financial statements which addresses the trustees assessment of going concern. Whilst in the short term, the trustees have satisfied themselves that it is appropriate to prepare the financial statements on a going concern basis, the trustees have identified that based on current funding models and rates, and in the current climate of cost increases and challenges in recruitment and retention of staff, there remains a significant uncertainty over the financial sustainability of the Trust in the next 18 to 36 months.

As stated in note 1.2 these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Trust's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FORWARD EDUCATION TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FORWARD EDUCATION TRUST (CONTINUED)**

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:

Extent to which the audit was considered capable of detecting irregularities, including fraud.

Irregularities, including fraud, are instances of non compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Charities Act 2011 together with the Charities SORP (FRS 102), Companies Act 2006, Academies Accounts Direction, the Academy Trust Handbook and Tax legislation. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The key laws and regulations we considered in this context were General Data Protection Regulation, health and safety legislation, Ofsted and employee legislation.

Auditing standards limit the required audit procedures to identify non compliance with these laws and regulations to enquire of the Trustees and other management and inspection of regulatory and legal correspondence, if any. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing and completeness of income recognition and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Board about their own identification and assessment of the risks of irregularities, sample testing on income and the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the ESFA, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing noncompliance and cannot be expected to detect non compliance with all laws and regulations.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
FORWARD EDUCATION TRUST (CONTINUED)**

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

Use of our report

This report is made solely to the Academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy'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 Academy and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Blundell

Helen Blundell (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 30 January 2024

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated [enter date here] 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 Forward Education Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

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

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

Approach

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

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

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

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

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

Conclusion

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

Matter 1 – Breach of funding agreement re Hallmoor School

The current pupil roll at Hallmoor School exceeds the pupil capacity stated in the funding agreement and the Trust has not sought prior approval from the Secretary of State. This is in breach of clause 2F of the school's funding agreement which requires that they notify the ESFA and seek approval from the Secretary of State where they consider there is a need to increase the planned number of places stated in the funding agreement.

Matter 2 – Management accounts

During the year the Academy Trust failed to comply with sections 2.18 and 2.19 of the Academy Trust Handbook 2022 in respect of the preparation and distribution of management accounts. Monthly management accounts were not prepared and distributed every month throughout the year ended 31 August 2023 and until June 2023 did not include all required components.

Matter 3 – Submission of budget forecast return

During the year the Academy Trust failed to comply with section 2.15 of the Academy Trust Handbook 2022 in respect of submission of the budget forecast return by the specified deadline. The return has since been submitted.

Crowe UK LLP

Reporting Accountant
Crowe U.K. LLP

Date: 30 January 2024

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>As restated Total funds 2022 £</i>	
Note						
Income from:						
Donations and capital grants	3	2,754	-	849,829	852,583	25,641,543
Other trading activities		2,101	-	-	2,101	168,000
Investments	6	20,438	-	-	20,438	-
Charitable activities		67,165	19,489,570	-	19,556,735	16,994,513
Total income		92,458	19,489,570	849,829	20,431,857	42,804,056
Expenditure on:						
Charitable activities		-	21,876,237	808,409	22,684,646	19,302,402
Total expenditure		-	21,876,237	808,409	22,684,646	19,302,402
Net income/(expenditure)		92,458	(2,386,667)	41,420	(2,252,789)	23,501,654
Transfers between funds	18	-	15,737	(15,737)	-	-
Net movement in funds before other recognised gains/(losses)		92,458	(2,370,930)	25,683	(2,252,789)	23,501,654
Other recognised gains/(losses):						
Actuarial gains on defined benefit pension schemes	21	-	3,289,000	-	3,289,000	12,218,000
Net movement in funds		92,458	918,070	25,683	1,036,211	35,719,654

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £	<i>As restated</i> Total funds 2022 £
Note					
Reconciliation of funds:					
Total funds brought forward as previously stated	2,252,000	(1,244,988)	38,776,000	39,783,012	2,765,012
Prior year adjustment 17	(677,000)	(1,110,543)	(257,978)	(2,045,521)	(747,175)
Total funds brought forward as restated	<u>1,575,000</u>	<u>(2,355,531)</u>	<u>38,518,022</u>	<u>37,737,491</u>	2,017,837
Net movement in funds	92,458	918,070	25,683	1,036,211	35,719,654
Total funds carried forward	<u><u>1,667,458</u></u>	<u><u>(1,437,461)</u></u>	<u><u>38,543,705</u></u>	<u><u>38,773,702</u></u>	<u><u>37,737,491</u></u>

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

The notes on pages 44 to 74 form part of these financial statements.

FORWARD EDUCATION TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10680422

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	As restated 2022 £
Fixed assets			
Tangible assets	14	38,213,729	38,335,423
Current assets			
Debtors	15	381,052	843,000
Cash at bank and in hand		4,591,426	5,516,000
		<u>4,972,478</u>	<u>6,359,000</u>
Creditors: amounts falling due within one year	16	(1,633,171)	(1,274,932)
Net current assets		3,339,307	5,084,068
Total assets less current liabilities		41,553,036	43,419,491
Defined benefit pension scheme liability	21	(2,779,334)	(5,682,000)
Total net assets		38,773,702	37,737,491
 Funds of the Academy			
Restricted funds:			
Fixed asset funds	18	38,543,705	38,518,022
Restricted income funds	18	1,341,873	3,326,469
		<u>39,885,578</u>	<u>41,844,491</u>
Restricted funds excluding pension asset	18	39,885,578	41,844,491
Pension reserve	18	(2,779,334)	(5,682,000)
Total restricted funds	18	37,106,244	36,162,491
Unrestricted income funds	18	1,667,458	1,575,000
Total funds		38,773,702	37,737,491

The financial statements on pages 40 to 74 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



Catherine Canty
(Chair of Trustees)
Date: 23 January 2024

The notes on pages 44 to 74 form part of these financial statements.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £	<i>As restated</i> 2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities		(763,785)	1,477,000
Cash flows from investing activities		(160,789)	(312,000)
Change in cash and cash equivalents in the year		(924,574)	1,165,000
Cash and cash equivalents at the beginning of the year		5,516,000	4,351,000
Cash and cash equivalents at the end of the year		4,591,426	5,516,000

The notes on pages 44 to 74 form part of these financial statements

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements.

The three year budget forecast returns submitted to the ESFA showed in year deficits for each of the three years and negative reserves going into year three of the forecasts. These deficits have arisen due to a combination of factors including: ongoing under funding of special schools and funding increases at a below inflation rates, increases in national pay rates outside of the control of the Trust, challenges with unfilled staff vacancies which, due to the nature of the schools, then requires use of agency staff in order to safely operate, current cost of living challenges in the wider cost base for the Trust.

The Trustees and management are satisfied from their review of budgets and forecasts that reserves and cash flows are sufficient for a period of at least one year from the date of the authorisation for issue of the financial statements such that it remains appropriate to prepare the financial statements on a going concern basis however without either significant additional funding and/or cost savings on staffing and non-staff cost budget lines, there remains a significant uncertainty over the financial sustainability of the Trust in the next 18 to 36 months. They continue to work on plans to reduce the deficits by a series of targeted actions and are in dialogue with the ESFA to address the issues.

1.3 Income

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

• **Grants**

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

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.3 Income (continued)

- **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.

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.5 Tangible fixed assets (continued)

Depreciation is provided on the following bases:

Freehold land	- Not depreciated
Long-term leasehold property	- 50-125 years
Freehold property	- 50 years
Furniture and equipment	- 3-10 years
Computer equipment	- 3-10 years

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.

A change has been made to the accounting policy for fixed assets and depreciation of property in order to align the policy with best practice in the academy sector. The change was to revert to a policy of recognition at cost less depreciation and impairment for all fixed assets and to revise the depreciation rate for long leasehold assets. These changes have been effected by way of a prior year adjustment and details are provided in note 17 to the accounts

1.6 Debtors

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

1.7 Cash at bank and in hand

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

1.8 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 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.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.9 Financial instruments

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

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

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.10 Pensions

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

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

The LGPS is a funded multi-employer scheme, and the assets are held separately from those of the Academy 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.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

1. Accounting policies (continued)

1.11 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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.

Where a scheme is in a surplus according to the accounting valuation the associated asset has not been recognised on the basis that it is not likely to be recoverable either through future reductions in contributions rates or future repayments. Further details of pension assets not recognised can be found with the pensions note to the financial statements.

Up until 2021/22, two of the schools operated as a single school with two sites. At the beginning of the 2021/22 accounting period, the school was de-amalgamated to become two separate schools. The reserves brought forward had to be split between the two schools and an estimate was made based on the proportion of pupil numbers, split of income and split of expenditure between the two schools. The brought forward reserves were allocated on a 40:60 basis between The Brays and Leycroft

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

3. Income from donations and capital grants

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Donations	2,754	-	-	2,754
Capital Grants	-	-	849,829	849,829
	<u>2,754</u>	<u>-</u>	<u>849,829</u>	<u>852,583</u>
		<i>Restricted funds 2022 £</i>	<i>Restricted fixed asset funds 2022 £</i>	<i>Total funds 2022 £</i>
Transfer on conversion		(657,000)	23,685,000	23,028,000
Capital Grants		-	2,613,543	2,613,543
		<u>(657,000)</u>	<u>26,298,543</u>	<u>25,641,543</u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

4. Funding for the Academy's charitable activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Educational Operation			
DfE/ESFA grants			
General Annual Grant	-	7,536,666	7,536,666
Other DfE/ESFA grants			
Start-up grants	-	185,427	185,427
Pupil premium	-	736,635	736,635
Teachers Pay Grant	-	170,755	170,755
16-19 Element 1 funding	-	560,000	560,000
Others	-	47,892	47,892
	-	9,237,375	9,237,375
Other Government grants			
Local Authority grants	-	10,252,195	10,252,195
	-	10,252,195	10,252,195
Other income from the Academy's educational operation	67,165	-	67,165
	67,165	19,489,570	19,556,735
	67,165	19,489,570	19,556,735

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

4. Funding for the Academy's charitable activities (continued)

	<i>Restricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Educational Operation		
DfE/ESFA grants		
General Annual Grant	7,509,000	7,509,000
Other DfE/ESFA grants		
Start-up grants	243,056	243,056
Pupil premium	807,000	807,000
	8,559,056	8,559,056
Other Government grants		
Local authority grants	8,435,457	8,435,457
	8,435,457	8,435,457
	16,994,513	16,994,513
	16,994,513	16,994,513

5. Income from other trading activities

	Unrestricted funds 2023 £	Total funds 2023 £
Educational trips	1,586	1,586
Other income	515	515
	2,101	2,101
	2,101	2,101

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

5. Income from other trading activities (continued)

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Educational trips	162,000	162,000
Other income	6,000	6,000
	<u>168,000</u>	<u>168,000</u>

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment income - bank interest	20,438	20,438	-
	<u>20,438</u>	<u>20,438</u>	<u>-</u>

7. Expenditure

	Staff Costs* 2023 £	Premises 2023 £	Other 2023 £	Total 2023 £
Educational Operation:				
Direct costs	6,938,626	-	1,076,437	8,015,063
Allocated support costs	10,167,281	1,717,412	2,784,890	14,669,583
	<u>17,105,907</u>	<u>1,717,412</u>	<u>3,861,327</u>	<u>22,684,646</u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

7. Expenditure (continued)

	<i>Staff Costs</i> 2022 £	<i>Premises</i> 2022 £	<i>Other</i> 2022 £	<i>Total</i> 2022 £
Educational Operation:				
Direct costs	4,932,000	297,000	1,972,000	7,201,000
Allocated support costs	6,093,000	1,270,000	4,738,402	12,101,402
	<u>11,025,000</u>	<u>1,567,000</u>	<u>6,710,402</u>	<u>19,302,402</u>

Due to a clarification in the Academy Accounts Direction 2022-23, teaching assistant salary costs are now reflected in support costs rather than in direct costs.

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Educational Operation	<u>8,015,063</u>	<u>14,669,583</u>	<u>22,684,646</u>

	<i>Activities undertaken directly 2022 £</i>	<i>Support costs 2022 £</i>	<i>Total funds 2022 £</i>
Educational Operation	<u>7,201,000</u>	<u>12,101,402</u>	<u>19,302,402</u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Educational Operation 2023 £	Total funds 2023 £
Staff costs	10,167,281	10,167,281
Depreciation	808,409	808,409
Technology costs	306,291	306,291
Other support costs	1,077,265	1,077,265
Premises expenses	1,717,412	1,717,412
Legal and professional	592,925	592,925
	14,669,583	14,669,583
	14,669,583	14,669,583
	<i>Educational Operation 2022 £</i>	<i>Total funds 2022 £</i>
Staff costs	6,093,000	6,093,000
Depreciation	821,402	821,402
Other support costs	3,891,000	3,891,000
Premises expenses	1,009,000	1,009,000
Legal and professional	287,000	287,000
	12,101,402	12,101,402
	12,101,402	12,101,402

Included within legal and professional fees are governance costs that the trust incurred, which includes costs in relation to the statutory audit fees and professional fees.

See note 10 for further detail on Staff costs.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£	£
Operating lease rentals	16,272	12,000
Depreciation of tangible fixed assets	808,409	821,402
Fees paid to auditor for:		
- audit	30,000	18,000
- other services	5,000	5,000
	<u> </u>	<u> </u>

10. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£	£
Wages and salaries	9,786,896	5,685,000
Social security costs	905,917	675,000
Pension costs	2,454,220	1,986,000
	<u>13,147,033</u>	<u>8,346,000</u>
Agency staff costs	3,830,331	2,679,000
Staff restructuring costs	128,543	-
	<u>17,105,907</u>	<u>11,025,000</u>

Staff restructuring costs comprise:

	2023	2022
	£	£
Severance payments	128,543	-
	<u>128,543</u>	<u>-</u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

10. Staff (continued)

b. Severance payments

The Academy paid 5 severance payments in the year (2022 - None), disclosed in the following bands:

	2023	<i>2022</i>
	No.	<i>No.</i>
£0 - £25,000	4	-
£50,001 - £100,000	1	-
	<u>4</u>	<u>-</u>

Included in staff restructuring costs are special severance payments totalling £59,832 (2022 £nil). Individually the payments were £26,003, £20,596 and £13,233.

c. Staff numbers

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

	2023	<i>2022</i>
	No.	<i>No.</i>
Teachers	91	73
Administration and support	316	273
Management	11	11
	<u>418</u>	<u>357</u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

10. Staff (continued)

d. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	6	2
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	4
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	2	-
In the band £110,001 - £120,000	-	1
	<u> </u>	<u> </u>

e. Key management personnel

The key management personnel of the Academy comprise the Trustees and the senior management team as listed on page 33. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy was £579,470 (2022 - £720,000).

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

11. Central services

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

- human resources
- financial services
- legal services
- educational support services; or
- others as arising

The Academy charges for these services on the following basis:

The Trust recharged budgeted central costs across schools, allocated via a range of percentages based on affordability. Account was taken of GAG (General Annual Grant), Top-up income from local authorities as well as other core funding. The contribution from schools has moved in line with the level of additional costs in central services represented by staff costs and non-staff contractual costs, relating to operation of the trust or bought-in services procured centrally on behalf of the schools.

The actual amounts charged during the year were as follows:

	2023 £	2022 £
Brays School	151,195	96,000
Hallmoor School	500,182	390,000
The Bridge School	143,809	97,000
Leycroft Academy	370,336	233,000
High Point Academy	101,072	53,000
Lea Hall Academy	170,137	126,000
Total	1,436,731	995,000

12. Trustees' remuneration and expenses

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

		2023 £	2022 £
J Edgerton	Remuneration	£Nil	£110,001 - £120,000
	Pension contributions paid	£Nil	5,000 - 10,000

During the year ended 31 August 2023, expenses totalling £946 were reimbursed or paid directly to 5 Trustees (2022 - £891 to 4 Trustees). Expenses related to the reimbursement of travel costs.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2023.

14. Tangible fixed assets

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 September 2022 (as previously stated)	9,568,847	31,253,103	37,627	360,611	41,220,188
Prior Year Adjustment	-	(859,000)	-	-	(859,000)
At 1 September 2022 (as restated)	9,568,847	30,394,103	37,627	360,611	40,361,188
Additions	-	263,911	310,667	112,137	686,715
At 31 August 2023	9,568,847	30,658,014	348,294	472,748	41,047,903
Depreciation					
At 1 September 2022 (as previously stated)	-	454,000	4,000	138,188	596,188
Prior Year Adjustment	164,677	1,264,900	-	-	1,429,577
At 1 September 2022 (as restated)	164,677	1,718,900	4,000	138,188	2,025,765
Charge for the year	164,677	577,726	14,522	51,484	808,409
At 31 August 2023	329,354	2,296,626	18,522	189,672	2,834,174
Net book value					
At 31 August 2023	9,239,493	28,361,388	329,772	283,076	38,213,729
At 31 August 2022 (as restated)	9,404,170	28,675,203	33,627	222,423	38,335,423

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

14. Tangible fixed assets (continued)

The trust leases the land it occupies from Birmingham City Council on long leases of 125 years. The land associated with this lease has been accounted for on the same basis as the other long term leases in order to properly reflect the substance of the arrangement.

15. Debtors

	2023 £	2022 £
Due within one year		
Trade debtors	87,980	34,000
Other debtors	96,778	180,000
Prepayments and accrued income	196,294	629,000
	<u>381,052</u>	<u>843,000</u>

16. Creditors: Amounts falling due within one year

	2023 £	<i>As restated</i> 2022 £
Trade creditors	317,466	170,000
Other creditors	596,853	181,000
Accruals and deferred income	718,852	923,932
	<u>1,633,171</u>	<u>1,274,932</u>

	2023 £	<i>As restated</i> 2022 £
Deferred Income Breakdown		
Deferred income at 1 September 2022	15,000	594,000
Resources deferred during the year	-	15,000
Amounts released from previous periods	(15,000)	(594,000)
	<u>-</u>	<u>15,000</u>

At the balance sheet date, the Trust was holding funds received in advance for Universal Infant Free School Meals for the Autumn term 2023 of £Nil (2022: £14,560)

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

17. Prior year adjustments

During the year the following adjustments have been identified to correct errors and/or amend accounting policies which have been reflected as prior year adjustments:

During the year the Trust made a prior year adjustment in relation to correcting the Value of Fixed Assets. In line with the accounting policy, the Trust has made an adjustment to recognise the value property at cost less any impairment. An adjustment was made to the prior period accounts for an amount of £2,641,000, which reduced the carrying value of Fixed Assets and reduced Restricted Fixed Asset funds by the same amount.

The Trust also made a prior year adjustment in relation to correcting depreciation charges on Land and Property to be in line with the 125 year lease term. The impact of the adjustment reduced the carrying value of Fixed assets by £1,307,577 and reduced Restricted Fixed Asset funds by the same amount.

To correct the classification of capital transactions which should have been recorded in the Restricted Fixed Asset fund but had been incorrectly reflected in the Unrestricted fund and Restricted fund. The adjustments saw a reduction in the Unrestricted fund of £677,000 in respect of fixed assets and a reduction in the Restricted fund of £1,306,543 in respect of capital grants and increase of £135,794 in respect of depreciation, with a resulting net increase in the Restricted fixed asset funds by the aggregate of these amounts.

To recognise the donation in kind of the land value related to the Lea Hall Academy estimated at a deemed cost of £1,660,000 not previously reflected in the financial statements.

To reduce deferred income by £243,000 and to increase Restricted income by £60,000 and Restricted fixed assets income by £185,000 in respect of grants which were unspent at 31 August 2022 but for which the income recognition criteria had been met.

The net impact of the adjustments described above is:

2021

Reduction in fixed assets and Restricted Fixed Asset Fund	£747,175
---	----------

2022

Net reduction in Unrestricted Fund	£677,000
------------------------------------	----------

Net reduction in Restricted Fund	£1,110,543
----------------------------------	------------

Net reduction in Restricted Fixed Asset Fund	£257,978
--	----------

Net reduction in fixed assets	£2,288,577
-------------------------------	------------

Net reduction in liabilities	£243,000
------------------------------	----------

Net reduction in surplus for the year	£1,298,402
---------------------------------------	------------

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

18. Statement of funds

	As restated Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
General Funds	1,575,000	92,458	-	-	-	1,667,458
Restricted general funds						
General Annual Grant (GAG)	1,467,956	7,123,294	(9,933,170)	2,683,793	-	1,341,873
Other DfE/EFA grants	557,056	336,553	(658,083)	(235,526)	-	-
Local authority grants	1,180,457	10,252,195	(9,121,122)	(2,311,530)	-	-
Other trading activities	71,000	-	-	(71,000)	-	-
School fund	50,000	-	-	(50,000)	-	-
Start-up grants	-	265,427	(265,427)	-	-	-
Pupil premium	-	736,635	(736,635)	-	-	-
UIFSM	-	44,711	(44,711)	-	-	-
Teachers pay grant	-	170,755	(170,755)	-	-	-
16-19 Element funding	-	560,000	(560,000)	-	-	-
Pension reserve	(5,682,000)	-	(386,334)	-	3,289,000	(2,779,334)
	(2,355,531)	19,489,570	(21,876,237)	15,737	3,289,000	(1,437,461)

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

	As restated Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Restricted fixed asset funds						
Fixed assets	38,335,423	-	(808,409)	686,715	-	38,213,729
DfE/EFA capital grants	182,599	849,829	-	(702,452)	-	329,976
	<u>38,518,022</u>	<u>849,829</u>	<u>(808,409)</u>	<u>(15,737)</u>	<u>-</u>	<u>38,543,705</u>
Total Restricted funds	<u>36,162,491</u>	<u>20,339,399</u>	<u>(22,684,646)</u>	<u>-</u>	<u>3,289,000</u>	<u>37,106,244</u>
Total funds	<u><u>37,737,491</u></u>	<u><u>20,431,857</u></u>	<u><u>(22,684,646)</u></u>	<u><u>-</u></u>	<u><u>3,289,000</u></u>	<u><u>38,773,702</u></u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

Restricted General funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and local authorities.

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.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objectives of the academy trust at the discretion of the trustees.

Restricted Fixed Asset Funds

These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency and local authorities, where the asset acquired or created is held for a specific purpose. These funds also include unspent amounts of capital grants also subject to restrictions imposed by The Education and Skills Funding Agency and local authorities.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

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

	<i>Balance at 1 September 2021 £</i>	<i>As restated Income £</i>	<i>As restated Expenditure £</i>	<i>As restated Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>As restated Balance at 31 August 2022 £</i>
Unrestricted funds						
Unrestricted Funds	2,136,000	162,000	(46,000)	(677,000)	-	1,575,000
Restricted general funds						
General Annual Grant	2,189,000	6,385,000	(8,116,000)	1,009,956	-	1,467,956
Other DfE/EFA grants	-	867,056	(310,000)	-	-	557,056
Local authority grants	(53,000)	9,742,457	(8,509,000)	-	-	1,180,457
Other trading activities	67,000	4,000	-	-	-	71,000
School fund	48,000	2,000	-	-	-	50,000
Pension reserve	(15,743,000)	(657,000)	(1,500,000)	-	12,218,000	(5,682,000)
	<u>(13,492,000)</u>	<u>16,343,513</u>	<u>(18,435,000)</u>	<u>1,009,956</u>	<u>12,218,000</u>	<u>(2,355,531)</u>
Restricted fixed asset funds						
Fixed assets	13,097,837	24,806,000	(821,402)	1,252,988	-	38,335,423
DfE/EFA capital grants	276,000	1,492,543	-	(1,585,944)	-	182,599
	<u>13,373,837</u>	<u>26,298,543</u>	<u>(821,402)</u>	<u>(332,956)</u>	<u>-</u>	<u>38,518,022</u>
Total Restricted funds	<u>(118,163)</u>	<u>42,642,056</u>	<u>(19,256,402)</u>	<u>677,000</u>	<u>12,218,000</u>	<u>36,162,491</u>
Total funds	<u><u>2,017,837</u></u>	<u><u>42,804,056</u></u>	<u><u>(19,302,402)</u></u>	<u><u>-</u></u>	<u><u>12,218,000</u></u>	<u><u>37,737,491</u></u>

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £	2022 £
Brays School	7,687	893,000
Leycroft Academy	(240,303)	386,000
The Bridge School	334,670	584,000
Hallmoor School	1,707,157	1,892,000
Central Services	(269,110)	235,469
High Point Academy	507,316	305,000
Lea Hall Academy	863,033	546,000
The Heights Academy	98,881	60,000
Total before fixed asset funds and pension reserve	3,009,331	4,901,469
Restricted fixed asset fund	38,543,705	38,518,022
Pension reserve	(2,779,334)	(5,682,000)
Total	38,773,702	37,737,491

The following academies are carrying a net deficit on their portion of the funds as follows:

	Deficit £
Leycroft Academy	240,303
Central Services	269,110

Leycroft Academy is carrying a deficit at the year-end due to additional costs incurred relating to interim leadership, agency staffing arrangements and the increasingly complex needs of children attending school. The Trust is working with the school to return the funds to surplus over the next 2 years with stable permanent school leadership, a positive recruitment drive to reduce temporary staff costs and developing the school's ability to work with more complex children, while maintaining control of costs.

Central services are carrying a net deficit at the year-end due to additional costs of goods, services and salaries agreed in-year, for which no adjustment to the contribution from schools was made. The Trust is taking the following action to return the funds to surplus. During the current financial year, the Trust will review those relevant items of expenditure and agree an additional proportionate charge for each school, in order to recover the deficit over the next 2 years.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2023 £
Brays School	760,067	1,527,338	22,449	461,172	2,771,026
Leycroft Academy	1,173,103	2,571,832	181,007	803,934	4,729,876
The Bridge School	813,710	1,372,537	39,176	384,192	2,609,615
Hallmoor School	1,797,532	2,397,820	208,189	549,140	4,952,681
Central Services	759,087	603,793	93,983	1,164,876	2,621,739
High Point Academy	734,245	698,982	76,435	226,551	1,736,213
Lea Hall Academy	900,882	994,979	140,477	418,749	2,455,087
Academy	6,938,626	10,167,281	761,716	4,008,614	21,876,237

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

	<i>Teaching and educational support staff costs £</i>	<i>Other support staff costs £</i>	<i>Educational supplies £</i>	<i>Other costs excluding depreciation £</i>	<i>Total 2022 £</i>
Brays School	590,000	886,000	81,000	1,290,000	2,847,000
Leycroft Academy	813,000	2,075,000	101,000	1,126,000	4,115,000
The Bridge School	630,000	1,042,000	69,000	843,000	2,584,000
Hallmoor School	1,473,000	1,933,000	117,000	1,639,000	5,162,000
Central Services	119,000	828,000	26,000	(514,000)	459,000
High Point Academy	409,000	277,000	82,000	462,000	1,230,000
Lea Hall Academy	898,000	475,000	73,000	638,000	2,084,000
Academy	4,932,000	7,516,000	549,000	5,484,000	18,481,000

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Restricted fixed asset funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	-	38,213,729	38,213,729
Current assets	1,667,458	2,975,044	329,976	4,972,478
Creditors due within one year	-	(1,633,171)	-	(1,633,171)
Provisions for liabilities and charges	-	(2,779,334)	-	(2,779,334)
Total	1,667,458	(1,437,461)	38,543,705	38,773,702

Analysis of net assets between funds - prior year

	<i>As restated</i> <i>Unrestricted</i> <i>funds</i> 2022 £	<i>As restated</i> <i>Restricted</i> <i>funds</i> 2022 £	<i>As restated</i> <i>Restricted</i> <i>fixed asset</i> <i>funds</i> 2022 £	<i>As restated</i> <i>Total</i> <i>funds</i> 2022 £
Tangible fixed assets	-	-	38,335,423	38,335,423
Current assets	1,575,000	4,601,401	182,599	6,359,000
Creditors due within one year	-	(1,274,932)	-	(1,274,932)
Provisions for liabilities and charges	-	(5,682,000)	-	(5,682,000)
Total As restated	1,575,000	(2,355,531)	38,518,022	37,737,491

20. Capital commitments

	2023 £	2022 £
Contracted for but not provided in these financial statements		
Contracted	-	280,000

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

21. Pension commitments

The Academy'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 Hymans Robertson LLP. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

21. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

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

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

The result of the 31 March 2022 valuation is due to be implemented from 1 April 2024 which confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6%. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

The employer's pension contributions for the year totalled £969,474 (2022: £730,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,352,000 (2022 - £1,475,000), of which employer's contributions totalled £1,048,000 (2022 - £1,223,000) and employees' contributions totalled £304,000 (2022 - £252,000).

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

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

21. Pension commitments (continued)

Principal actuarial assumptions

	2023	<i>2022</i>
	%	%
Rate of increase in salaries	3.96	4.05
Rate of increase for pensions in payment/inflation	2.96	3.05
Discount rate for scheme liabilities	5.20	4.25
Commutation of pensions to lump sums		50.00

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

	2023	<i>2022</i>
	Years	Years
<i>Retiring today</i>		
Males	20.6	21.2
Females	23.3	23.6
<i>Retiring in 20 years</i>		
Males	20.5	22.9
Females	24.3	25.4

Sensitivity analysis

	2023	<i>2022</i>
	£000	£000
Discount rate +0.1%	11,671	14,471
Discount rate -0.1%	12,311	15,225
CPI rate +0.1%	12,247	14,920
CPI rate -0.1%	11,735	14,776
Mortality assumption - 1 year increase	12,471	15,441
Mortality assumption - 1 year decrease	11,511	14,255

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

21. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2023 £	At 31 August 2022 £
Equities	6,264,000	6,141,000
Gilts	1,935,000	1,925,000
Property	645,000	733,000
Other	368,000	367,000
Total market value of assets	9,212,000	9,166,000

The actual return on scheme assets was £527,000 (2022 - £388,000).

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

	2023 £	2022 £
Current service cost	1,189,000	2,479,000
Net Interest cost	245,000	283,000
Total amount recognised in the Statement of Financial Activities	1,434,000	2,762,000

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

	2023 £	2022 £
At 1 September	14,848,000	23,799,000
Conversion of academy trusts	-	657,000
Transferred in on existing academies joining the trust	-	(30,000)
Current service cost	1,189,000	2,479,000
Interest cost	660,000	428,000
Employee contributions	304,000	252,000
Actuarial gains	(4,876,000)	(12,606,000)
Benefits paid	(134,000)	(131,000)
At 31 August	11,991,000	14,848,000

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

21. Pension commitments (continued)

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

	2023 £	2022 £
At 1 September	9,166,000	8,056,000
Conversion of academy trusts	-	9,000
Interest income	415,000	145,000
Actuarial losses	(1,587,000)	(388,000)
Employer contributions	1,048,000	1,223,000
Benefits paid	(134,000)	(131,000)
Employee contributions	304,000	252,000
At 31 August	9,212,000	9,166,000

22. Operating lease commitments

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

	2023 £	2022 £
Not later than 1 year	17,476	12,000
Later than 1 year and not later than 5 years	60,167	37,000
Later than 5 years	4,568	12,000
	82,211	61,000

23. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

FORWARD EDUCATION TRUST
(A company limited by guarantee)

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

24. Related party transactions

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

There were no related party transactions in the year (2022 - £Nil).