

Registration number: 08240864

Mountfields Lodge School

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2023

Mountfields Lodge School

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Reference and administrative details

Members	Joanna Linton Yasser Eliwa (resigned 11 October 2022) James Flint (resigned 25 September 2023) Hannah Grosvenor (appointed 25 September 2023) Andrew Bruce (appointed 11 October 2022)
Trustees (Directors)	Andrew Bruce, (Chair) (Appointed 25 September 2023) James Flint, (Chair) (Resigned 25 September 2023) Joanna Linton (Vice chair) Jagjit Samra Helen De Rijk Michael Hoare, (resigned 31 August 2023) Yasser Eliwa (resigned 13 October 2023) Elizabeth Monk Kelly Bayliss Hannah Grosvenor (appointed 2 February 2023) Joanna Pellereau (appointed 2 February 2023)
Head Teacher	Iona Mock
Senior Management Team	Michael Hoare (resigned 31 August 2023), Headteacher Iona Mock, Deputy Headteacher (Headteacher from 1 September 2023) Alex Coleman, Assistant Headteacher Valerie Thorley, School Business Manager Joanne York, SENDCo
Principal and Registered Office	Mountfields Lodge School Epinal Way Loughborough Leicestershire LE11 3GE
Company Registration Number	08240864
Auditors	TC Group Hamilton Office Park 31 High View Close Leicester LE4 9LJ
Bankers	NatWest Bank Loughborough Leicestershire LE11 3NZ

Mountfields Lodge School

Trustees' report for the Year Ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31/08/2023. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The academy trust operates an academy for pupils aged 4 to 11 serving a catchment area in Loughborough. It has a pupil capacity of 511 and had a roll of 503 in the school census of Summer 2023.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and is an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The company registration number is 08240864.

The governors act as the trustees for the charitable activities of Mountfields Lodge School and are also the directors of the charitable company for the purposes of company law. The charitable company operates as Mountfields Lodge School.

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

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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they ceased to be a member.

Trustees' indemnities

The academy trust through its Articles has indemnified its Trustees to the fullest extent permissible by law. During the period the Academy also purchased and maintained liability insurance for its Trustees.

Mountfields Lodge School

Trustees' report for the Year Ended 31 August 2023 (continued)

Method of recruitment and appointment or election of Trustees

1 - The Members may appoint up to two Governors (Trustees).

1a - The Trustees may appoint up to seven Trustees.

2 - The Members may appoint Staff Trustees through such process as they may determine, provided that the total number of Trustees (including the Headteacher) who are employees of the Academy Trust does not exceed one third of the total number of Trustees.

3 - The Headteacher shall be treated for all purposes as being an ex officio Trustee.

4 - Subject to Article 8, the Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time when he is elected.

5 - The Board of Trustees shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Trustees, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Trustee which is contested shall be held by secret ballot.

6 - The arrangements made for the election of a Parent Trustee shall provide for every person who is entitled to vote in the election to have an opportunity to do so by post or, if he prefers, by having his ballot paper returned to the Academy Trust by a registered pupil at the Academy.

7 - Where a vacancy for a Parent Trustee is required to be filled by election, the Board of Trustees shall take such steps as are reasonably practical to secure that every person who is known to them to be a parent of a registered pupil at the Academy is informed of the vacancy and that it is required to be filled by election, informed that he is entitled to stand as a candidate, and vote at the election, and given an opportunity to do so.

8 - The number of Parent Trustees required shall be made up by Parent Trustees appointed by the Board of Trustees if the number of parents standing for election is less than the number of vacancies.

9 - In appointing a Parent Trustee the Board of Trustees shall appoint a person who is the parent of a registered pupil at the academy; or where it is not reasonably practical to do so, a person who is the parent of a child of compulsory school age.

10 - The Trustees may appoint up to three Co-opted Trustees. A 'Co-opted Trustee' means a person who is appointed to be a Trustee by being Co-opted by Trustees who have not themselves been so appointed. The Trustees if thereby the number of Trustees who are employees of the Academy Trust would exceed one third of the total number of Trustees (including the Headteacher).

Term of Office

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Head teacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected. On the 18 December 2012 the Governing Body appointed Governors that served the predecessor school to be Governors of the newly formed Academy. These Governors were appointed on a term of office that would ensure a staggered re-election or replacement process.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary, induction will provide training on charity and educational legal and financial matters. All new Trustees are given a tour of the academy and the chance to meet with staff and students. All Trustees have access to copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees and directors. As there are normally a few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. All Trustees are provided with a Safeguarding Induction.

Organisational structure

The Trustees determine the general policy of the Academy. The day to day management of the Academy is delegated to the Headteacher and members of the Senior Leadership Team. The Headteacher undertakes the key leadership role overseeing educational, pastoral and administrative. The day to day administration is undertaken within the policies and procedures approved by the Trustees.

The Finance, Audit and Risk Committee have the delegated authority to make financial decisions on behalf of the Academy; all other Trustee committees must make representation to the Finance, Audit And Risk Committee with regards to any decisions that might have financial impact upon the Academy.

The full Board of Trustees meets four times per academic year (minimum of once per term). The Board of Trustees establishes the overall framework for the governance of the academy and determines membership and procedures of committees and other groups. It receives reports from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may, from time to time, establish working groups to perform specific tasks over a limited timescale.

There are three committees:

- Personnel
- Finance, Audit and Risk
- Teaching and Learning

All governors are invited to attend the Teaching and Learning Committee meetings.

Arrangements for setting pay and remuneration of key management personnel

The Board of Trustees will ensure that each teacher's salary is reviewed annually with effect from 1 September and that each teacher is notified of the outcome by no later than 31 October each year, and that all teachers are given a written statement setting out their salary and any other financial benefits to which they are entitled.

Reviews may take place at other times of the year to reflect any changes in circumstances or job description that leads to a change in the basis for calculating an individual's pay. A written statement will be given after any review and where applicable will give information about the basis on which it was made.

The pay ranges for the Headteacher and Deputy Headteacher have been determined in accordance with the criteria specified in the STPCD 2012, ensuring fair pay relativities.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Appropriate differentials have been created and maintained between the 2 posts (as with all posts within the school, recognising accountability and job weight, and the Board of Trustees need to recruit, retain and motivate sufficient employees of the required quality at all levels).

The Board of Trustees will appoint new leadership teachers at the bottom of the point of the relevant pay range.

The Board of Trustees will determine, in consultation with Head teacher, the pay for a vacancy prior to advertising it, as appropriate.

On appointment this will become the starting salary for the successful candidate.

In making such determinations, the Board of Trustees may take into account a range of factors, including:

- The nature of the post;
- The level of qualifications, skills and experience required;
- Market conditions;
- The wider school context.

Connected organisations, including related party relationships

The Parent Staff Association (PSA) help raise additional funding for the school through a range of fund raising events; all of the money raised is used to support provision for the pupils of the school.

The school is part of the Loughborough Primary Academy Partnership (LPAP).

The LPAP has an agreed Partnership Charter that states:

The Members will at all times work for the best education for all the children within the Academy Partnership through the adoption and development of supportive and collaborative working principles between the Members.

In exercising commitment to the principles described above the Members at all times will:-

- Provide strategic general advice, support and challenge to the other Members, particularly in circumstances where a Member is in need of additional advice and support to secure appropriate improvements.
- To work in an atmosphere of mutual trust, openness and honesty, acknowledging the independence and ethos of each Members' individual school.
- To share agreed data and information openly in order to promote common expertise and quality assure for the benefit of all children within the Academy Partnership (this will happen without prejudice to any overriding duties of confidentiality and data protection).
- To advise and support on the recruitment of senior leadership positions.
- To seek occasions to work and develop together through sharing professional development opportunities.
- Explore opportunities for joint procurement of goods and services, ensuring that best financial values are upheld.
- To be outward facing and work collaboratively with the other schools in the local area and further afield.

Each Member shall at all times retain its own ethos, identity and autonomy and its Membership of the Partnership shall not cause any Member's decision-making ability to be impeded or in any way prejudice the autonomy and/or decision making powers of the Member's Governing Body. Where voting is needed, for example for significant changes, including the addition of new schools to the group, Member schools each have one vote and the majority vote carries.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Objectives and activities

Objects and aims

The Academy Trust's object is specifically restricted to the following.

A To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a Academy offering a broad and balanced curriculum; and

B To promote for the benefit of the inhabitants of Loughborough and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic.

The main priorities identified in the 2022-23 School Development Plan were:

Priority 1: Quality of Education

To ensure that the teaching of Early Reading is securely taught in school and that all teaching staff/teaching support staff are adequately trained to support Phonic teaching and learning adhering to agreed practices which have fidelity to one approved Phonic/Early Reading Scheme.

To ensure that the teaching of reading 'beyond Phonics' is also securely taught in school and that all teaching staff/teaching support staff are fully aware of the agreed practices and expectations in place and that these are consistently adhered to

Priority 2: Leadership and Management

To ensure that all staff have the knowledge and expertise to deliver the school's curriculum so that pupils know more and remember more over time.

Priority 3: Quality of Education & Leadership and Management

To improve standards of Writing from Y1-Y6

Priority 4: Leadership and Management & Behaviour and Attitudes

To again narrow the gap between 'all pupils' and PP pupils (widened as a result of National Lockdown 2020 and 2021)

Public benefit

The academy trust provides educational services to all children in the local area. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the public benefit guidance provided by the Charity Commission.

The Trustees confirm that they have complied with the duty to have due regard to the Charity Commission's general guidance on public benefit. The Academy's public benefit is enshrined in its charitable objectives.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Strategic Report

Achievements and performance

Key performance indicators

Priority 1: Quality of Education

To ensure that the teaching of Early Reading is securely taught in school and that all teaching staff/teaching support staff are adequately trained to support Phonic teaching and learning adhering to agreed practices which have fidelity to one approved Phonic/Early Reading Scheme.

To ensure that the teaching of reading 'beyond Phonics' is also securely taught in school and that all teaching staff/teaching support staff are fully aware of the agreed practices and expectations in place and that these are consistently adhered to

Little Wandle a DfE approved phonics scheme of work was purchased along with the appropriate resources. This scheme has been adopted as the only phonics approach the school will use.

All teaching, teaching support staff and parents were made aware of the rationale for the change to the school's Phonic provision through face-to-face CPD/awareness-raising sessions, letters sent home and website uploads.

Teaching and teaching support staff across the school (EYFS, KS1, KS2) were trained on the content and structure of the scheme and its impact on the teaching of Early Reading.

The school's Phonic Leads provided coaching for teachers and teaching support staff who were regularly delivering phonics sessions, empowering them to deliver high quality provision.

Phonics leads regularly monitored the teaching of phonics and misconceptions and inconsistency in delivery addressed quickly.

Parents were also updated in response to observations made, questions asked of staff ensuring they felt confident that the school is supporting them to help their own child/ren at home.

The intervention programme 'Keep Up' part of the phonics scheme was used for children who were not acquiring the phonics at the required pace. These interventions were frequent and regular allowing children (not SEND) to keep pace with whole class teaching.

A curriculum review by an external consultant identified the positive impact of the new scheme.

- Standards in phonics and writing are good across the groups.
- Little Wandle systems and structures (and mantras) are embedded well. For example, pupils in Year 2 know what is expected and what is coming next and in EYFS pupils knew when to listen and when it was their turn.
- The pace of learning is typically good most of the time. In some phonic groups it is particularly impressive.
- Pure sounds are used by pupils, and teachers correct pupils where needed, for example in EYFS the teacher did not accept der for 'd'. Teachers and pupils use correct technical language across the school in their reading and writing, for example younger pupils know that a digraph is two letters making one sound.

Three non-negotiable Reading sessions (Blending, Prosody, Inference/ Comprehension) take place weekly with teaching and teaching support staff from across the school leading small groups ensuring the content and phonics focus is applicable for each child.

Class teachers across the school have access to Reading assessment foci and understand what is required of them in terms of regular and impactful Reading assessments. The use of Pupil Reading Profiles has ensured there is an accurate assessment of pupils reading allowing interventions to be targeted to individual need.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Priority 2: Leadership and Management

To ensure that all staff have the knowledge and expertise to deliver the school's curriculum so that pupils know more and remember more over time.

A schedule of Staff Meetings was created mapping out the subjects under review for 2022-23 English, Re, History, Geography, Art so that all class teachers were involved in curriculum review and knowledge based CPD.

Subject Leads were released from class to meet with SLT 4-6 weeks ahead of their allotted Staff Meeting to plan the content of the meeting ensuring it was in line with SLT expectations.

Within the Staff Meeting the Curriculum Intent statement was agreed and/or revised to reflect current thinking. The Implementation as revised with a specific focus on the skills and knowledge progression.

Following the staff meeting (approximately 6 weeks) pupil interviews and work sampling were undertaken by the Subject Lead and the SLT with a focus on key questions:

- Does the planned work match the SoW?
- Does the Learning Journey meet the requirements of a MfL Learning Journey?
- Do the pupils recognise the Learning Journey?
- Can the pupils answer any of the Key Questions on the Learning Journey?
- Does the work in EoW Books/Photo Book match the Key Question intended learning?
- Can the pupils explain any of the vocabulary on the Learning Journey?
- Do the pupils have awareness of our school assessment 'tools' - exit tickets, quizzes, flash cards?

Evaluations of these was shared with relevant stakeholders.

Priority 3: Quality of Education & Leadership and Management

To improve standards of Writing from Y1-Y6

A new English scheme of work - Wordsmith -replaced the schools current writing teaching and learning practices. The scheme was to support teachers' planning and provide structure and progression clarity across the school. CPD sessions for staff were led by the subject lead. Targeted CPD was also put in place to support individual teachers as required.

An external review took place in the Autumn term to support and guide the school to improve its writing provision and learner outcomes. The monitoring showed the scheme of work had been implemented in line with agreed expectations and revised protocols.

Impact identified through the monitoring process.

- In writing teachers in KS2 model well. For example, a teacher underlined a word so she might have spelt wrong for checking later, to demonstrate to pupils to concentrate of the flow of their writing.
- Many teachers ensured there were good opportunities for quality discussion.
- The teachers who are trying the new Wordsmith scheme like the sequencing and the structure. They ensured they adapted planning for their pupils.

The end of KS1 outcomes for Writing had been below the National average for 2020 and 2022 The outcomes for 2023 have shown an increase in attainment, however they are still below the National Average. The school have started to investigate a more structured approach to be used in KS1 to improve the outcomes of the pupils.

Attainment at KS2 had been broadly in line with National Average for 2021 and 2022. At the end of 2023 the Writing outcomes are above National Average.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Priority 4: Leadership and Management & Behaviour and Attitudes

To again narrow the gap between 'all pupils' and disadvantaged pupils (widened as a result of National Lockdown 2020 and 2021)

Individual education plans were maintained by class teachers with small measurable steps planned to address individual need, these were shared with parents so they could best understand how to support.

Disadvantaged pupils received focused feedback on learning undertaken allowing them to understand 'next steps' in learning. Class teachers were released from class allowing them to have quality teaching and learning time with identified pupils.

Research evidenced programmes were used to support identified children e.g. Catch Up Literacy, Nuffield Early Language Intervention and the school accessed the School Led Tutoring funding to target small group interventions.

End of year outcomes for KS2 in 2023 showed a decrease in the gap between 'all pupils' and 'disadvantaged pupils'.

School's internal data for individual year groups is showing a decreasing attainment gap year on year as a result of targeted interventions over time.

National Testing outcomes and use of TA (Teacher Assessment) judgements

EYFS pupil attainment data for the GLD - Good Level of Development - was 72% (National Average 67%),

Aspect	Literacy	Maths
Strand		Number
% attainment 2019	71%	74%
% attainment 2022	70% (NA 68%)	76% (NA 76%)
% attainment 2023	72% (NA 70%)	85% (NA 77%)

From a broadly average starting point at the beginning of EYFS, pupils attained in line with the NA (national Average) for Literacy and above the NA (National Average) for Maths by the end of EYFS.

Y1 Phonics

2019 Test attainment (91.7%) was significantly above the National Average (NA 83%).

2022 Test attainment (75%) was in line with the National Average (NA 76%)

2023 Test attainment (85%) was above the National Average (NA 79%)

Attainment in 2023 was above National Average. The school adopted a new phonics scheme at the start of 2023.

KS1

	RD School	WR School	MA School
EXS attainment 2019	89%	70%	93%
GDS attainment 2019	45%	12%	38%
EXS attainment 2022	64% (NA 67%)	39% (NA 58%)	62% (NA 68%)

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Trustees' report for the Year Ended 31 August 2023 (continued)

GDS attainment 2022	7% (NA 18%)	0% (NA 8%)	8% (NA 15%)
EXS attainment 2023	69.3% (NA 68.3%)	52% (NA 60.1%)	73.3% (NA 70.4%)
GDS attainment 2023	22.6% (NA 18.8%)	4% (NA 8.2%)	22.6% (NA 16.3%)

KS2

2019	RD School	WR School TA	WR School GP&S	MA School
EXS attainment 2019	83%	89%	88%	79%
GDS attainment 2019	36%	17%	39%	27%
EXS attainment 2022	77% (NA 75%)	66% (NA 70%)	76% (NA 73%)	72% (NA 71%)
GDS attainment 2022	39% (NA 28%)	6% (NA 13%)	23% (NA 28%)	11% (NA 23%)
EXS attainment 2023	74% (NA 75%)	75.4% (NA 70%)	81% (NA 73%)	81% (NA 71%)
GDS attainment 2023	32% (NA 28%)	21% (NA 13%)	23% (NA 28%)	20/2% (NA 23%)

Strategic Report

2023 (Y6) Reading attainment was broadly in line with NA, with Writing, GP&S, Maths above the NA at the Expected standard. At Greater Depth the attainment was above NA for Reading and Writing and slightly below for GP&S and Maths.

Review of the DfE's (Department for Education's) site will provide a full breakdown of 2023 data; this will give performance data for groups and subgroups and is expected once again to be extremely comprehensive.

Within school not only is 'All Pupil' data tracked, but also that of groups of pupils and their comparator groups e.g. boys and girls, free school pupils and non-free school meal pupils etc.

We track both the attainment and the progress of the learners using their 'progress trajectories' measure which uses the outcome at the end of the previous key stage as the starting point.

Using the same measure our in-house analysis suggests that generally it is our disadvantaged pupils and free school meal pupils who are those to focus upon with a continuing 'watching brief' on our middle attaining pupils.

We make use of the IDSR - Inspection Data Summary Report - and always find that analysis of this identifies the same groups as requiring our focus as our own in-house analysis suggest.

Going concern

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

Mountfields Lodge School

Trustees' report for the Year Ended 31 August 2023 (continued)

Financial review

The Academy had a net decrease in funds for the year ended 31 August 2023 of £174,342 including fixed asset movements but excluding pension reserve movements. As at 31 August 2023 the Academy held £134,474 of unrestricted reserves plus £nil of unspent (non-fixed asset) restricted funds. The Academy therefore held combined unrestricted and non-fixed asset restricted funds, being its available reserves of £134,474.

The Academy Trust had a pension asset on their Local Government Pension Scheme of £206,000 at 31 August 2023 which has been restricted to £nil and a fixed asset reserve of £2,510,303 being the book value of past purchases £2,464,079 plus £46,224 of unspent capital grants.

There are no significant factors going forward that are expected to impact on the normal continuing operation of the Academy. The principal financial management policies adopted in the period are included in the Academy's internal financial policies and are typical for an Academy Trust of this size and type. There were no unusual significant events worthy of comment during the year.

The principal sources of funding for the academy are the General Annual Grant (GAG) and other DfE Group grants, such as Pupil Premium. This funding has been used to support the key educational objectives of the Academy Trust, subject to any remaining reserves.

The Academy's investment policy is only to hold cash reserves on deposit with major holding banks so as to minimise risk.

Financial and risk management objectives and policies

The Finance, Audit and Risk Committee undertakes a comprehensive review of the risks to which the Academy is exposed. The committee identifies systems and procedures, including specific preventable actions which should mitigate any potential negative impact on the academy.

The external and internal controls for managing risks deemed as medium and high are incorporated into Audit Action Plan. The effectiveness of the Academy's internal controls in managing the risks identified is regularly monitored.

A thorough appraisal is undertaken in the subsequent year of the existing risks and any emerging risks, for example, those arising from changes to national funding policy and/or local circumstances. In addition to the annual review, the committee will also consider any risks which arise during the year, for example, as a result of a new area of work being undertaken by the academy.

A risk register, covering low, medium and high level risks, is maintained at Academy level. The risk register identifies the key risks, the likelihood of those risks occurring, their potential impact on the academy and the actions being taken to reduce and mitigate the risks. Risks are prioritised as low, medium and high using a consistent scoring system.

Outlined below is a description of the principal risk factors that may affect the Academy. However, not all factors are within the Academy's control and other factors besides those listed below may also adversely affect the Academy.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Strategic risk: Technology

IT provision costs 'beyond' delegated budget; CTs (Class teachers) have no access to tools for effective remote learning.

The academy has planned to manage the risk through:

- Keeping an up to date audit of laptop replacement.
- Governors to release further funds if delegated budget insufficient to fund replacements.

Threat of - or actual - Cyber Crime

The academy has planned to manage the risk through:

- School to do all possible to reduce opportunity for Cyber Crime against school; awareness-raising with staff, good practice protocols/procedures/policy in place, insurance sought and purchased.

Strategic risk: Demand

Possible low intake of pupils in to EYFS August 2023 on top of some current cohorts not at their PAN.

The academy has planned to manage the risk through:

Leaders and Managers annually monitoring future forecast pupil numbers (LCC 'live birth data' and local knowledge)

Current and future staff employment managed with this in mind.

School structure to be reduced from 18 classes to 17

School continues to promote itself to parents of 'first time admissions' through face-to-face tours and Q-A sessions led by the HT.

Published performance data in public domain shows school to be below NA and under-performing

The academy has planned to manage the risk through:

Regular review to ensure pursuit of high standards.

Rigor to M&E (Monitoring and Evaluation) by management and Governors; clear plans for M&E.

SDP (School Development Plan) and Strategic Plan identify actions to improve.

Governing Body Organisation: Delegation Risk

No Governor Admin Support within school; internal administration weakness

The academy has planned to manage the risk through:

administration staff support

Human Resources Risk: Absence of key Leadership staff

Absence of HT/DHT leaves school in vulnerable position.

The academy has planned to manage the risk through:

If HT absent, DHT to assume temporary role (integral in DHT Job Description) however, if absence for significant period AHT to assume role of temporary DHT - cost implication as AHT will need management release time from class to fulfil 'new' duties; similarly, if DHT absent, AHT may need to be released to support HT.

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Trustees' report for the Year Ended 31 August 2023 (continued)

Human Resources: Absence of key leadership staff

Absence of SENDCo leaves school in vulnerable position.

The academy has planned to manage the risk through:

- Statutory work to be undertaken by HT/DHT with support of Educational Psychologist (potential cost implication); all non-statutory work paused.

Human Resources Risk: Absence of key staff on school Finance Team

Absence of School Business Manager leaves school in vulnerable position

The academy has planned to manage the risk through:

- LPAP SBMs to support as necessary but recognised limited capacity.
- Finance Gvs and SBM Gvs to seek external agency support from 'supply SBM' and/or ensure contingency plan in place to ensure all statutory returns submitted i.e. Budget Forecast Returns etc. on time.
- HR Officer took on increased responsibility Aut 2022, 5 additional HR assistant hours apportioned to existing Admin Team member following minor reduction in SBM hours or working; working duties 'spread' to enable stepping up in skills and capacity to help mitigate against absence.

Human Resources Risk: Staffing numbers reduced to critical level due to staff absence (esp. in relation to COVID-19 and unknown impact)

Absence of teaching staff and SEND LSAs (Learning Support Assistants)

Statutory entitlement for EHCP (Education and Healthcare Plans) SEND pupils not met.

The academy has planned to manage the risk through:

- School to draw on 'known supply teachers' and supply agencies (teachers and LSAs).
- SEND pupils to be re-grouped to provide shared, but reduced support where possible (dependent upon pupil need/diagnosis).

Human Resources Risk: Trustee/Governor Risk

Risk of not filling a governor vacancy; governing body not at full capacity; 'lost'/missing skills and experience on Governing Board.

The academy has planned to manage the risk through:

- Training and Development governors to review Governor Skills Audit and provide 'clear case of need' for future governor/trustee recruitment.
- Future recruitment seeks governor with desired skillset/interest.
- Governor training secured by Training and Development Governor.
- Parent Election held Aut (2) 2022

Income Risk: Level of Funding: Risk of GAG received does not meet current staffing structure due to reduced NOR

The academy has planned to manage the risk through:

- Reserves managed with prudence.
- Efficient and transparent budget management.
- Worst case scenario' budget planning.

Data Protection Risk (GDPR)

School's compliance with GDPR compromised.

The academy has planned to manage the risk through:

- Review of DPO role and remit; consideration of other DPO 'models'.
- Further training or recruitment.

Data Protection Risk: C-POMS

New Safeguarding Software Company ceases to trade; school safeguarding information is potentially lost.

The academy has planned to manage the risk through:

- Monthly printouts made of pupils against whom new information/ new concerns have been raised; to ensure that paper copies of pupil chronologies are maintained, as necessary

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Trustees' report for the Year Ended 31 August 2023 (continued)

Funds Risk: SEND Funding

As a result of cost of pupils requiring support not being met in full by SENA (15.0h/wk allocation but funding below 14.0h/week due to on-costs and holiday pay) school unable to meet statutory pupil support requirements. The academy has planned to manage the risk through:

- HT/DHT/SENDCo to continue to forward plan to accommodate needs of all identified pupils.
- Regular SEND Reports from SENDCo to FGB via HT termly reports and through SENDCo /SEND Governors Meetings.
- Issue raised with SENA.

Funds Risk: SEND Funding

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The academy has planned to manage the risk through:

- HT/DHT/SENDCo to continue to forward plan to accommodate needs of all identified pupils.
- Regular SEND Reports from SENDCo to FGB via HT termly reports and through SENDCo /SEND Governors Meetings.
- Issue raised with SENA.

Reserves policy

The Trustees have developed a reserves policy for the school which is reviewed at least annually. The Academy needs to hold reserves to allow for contingencies such as unfunded building repairs, unexpected staffing costs and to allow for some uncertainty in future government funding. The Trustees have determined that the appropriate level of free reserves, which it considers to be unrestricted funds plus unspent General Annual Grant (GAG), should be approximately £200,000.

Actual free reserves plus unspent GAG as at 31 August 2023 were £134,474 being £65,526 lower than the target level set by the Trustees. The Trustees plan to build the shortfall in the current year to 31 August 2024. Cash at bank at 31 August 2023 was £146,863 higher than total available revenue reserves.

At 31 August 2023 the academy's fixed asset reserve of £2,510,303 represented £2,464,079 of funds which could only be realised if the assets were sold, plus £46,224 of unspent capital grants.

The were no reserves in deficit at the year-end.

Mountfields Lodge School

Trustees' report for the Year Ended 31 August 2023 (continued)

Investment policy

The Academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. Where surplus cash funds are held the Academy will consider options available to optimise returns whilst ensuring the investments are such that there is no risk to the loss of these cash funds.

If it is identified that the Academy is holding a level of cash funds that will be surplus to requirements these may be invested only in the following:

Interest bearing accounts with:

- Lloyds Bank Plc
- NatWest
- RBS
- Barclays
- HSBC
- Treasury deposits with maturity dates which do not result in the cash funds being unavailable for longer than 8 weeks.

On maturity of any investment the Business Manager will review the level of funds that continue to be available for investment and the interest rates that can be achieved in order to optimise the benefits of any subsequent investment.

The Headteacher shall be required to authorise the transfer of funds to any investment vehicle. The Finance, Audit and Risk Committee will authorise and minute any investment decisions.

Mountfields Lodge School

Trustees' report for the Year Ended 31 August 2023 (continued)

Fundraising

The Academy continues to seek opportunities afforded by conversion to Academy status in 2012 and consider the future position of the academy as a Single Academy Trust in a developing culture of Multi Academy Trusts. The aim remains to use financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate.

We believe that as a school it is important that we take part in charitable events, some raising funds, some raising awareness. Our approach to fundraising is considered and balanced.

Our PSA is our main fundraising body; all of the monies that they raise are for the 'the benefit of the pupils of the school'. Most recently they have funded the purchase of new reading books, they have funded a whole-school virtual/live theatre performance, provided financial support for Year 6 to visit The Warning Zone and for EYFS to have ducklings in their classrooms in support of their curriculum. The PSA work within charitable status expectations and they conform to recognised standards and practices.

The pupils, and parents, of our school support a range of fundraising initiatives and events.

Last year the school supported Comic Relief with staff, pupils and parents wearing red noses and children taking part in a 'Design a Nose competition' We raised £526

We sold poppies in aid of 'those who should not be forgotten' and recognised the sacrifices and losses of those past and present as part of Remembrance Sunday 2022

Our pupils supported Children in Need 2021, raising £629

Sometimes we fundraise so that the pupils of the school can directly benefit from monies raised. We hold Book Fairs where the school is permitted to take their 'commission' in books for the school; we run 'Green Days' where pupils might donate money so that the school could buy plants for the school grounds and new gardening equipment for pupil use.

We try to make our fundraising inclusive but not unduly or unreasonably intrusive or persistent. We believe, that as an organisation, that we have a duty to help and support others.

We held a 'Giving Back to the Community' day with the School Council organising a car wash for the local community.

Future developments

The Academy continues to seek opportunities afforded by conversion to Academy status in 2012 and consider the future position of the academy as a Single Academy Trust in a developing culture of Multi Academy Trusts. The aim remains to use financial resources and governance freedoms to improve further the standard of teaching and learning but also, importantly, to improve the school estate.

Funds held as Custodian Trustee on behalf of others

No funds are held on behalf of others.

Auditor

Insofar as the Trustees are aware:

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

Mountfields Lodge School

Trustees' report for the Year Ended 31 August 2023 (continued)

Reappointment of auditor

The auditors TC Group are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Trustees' report, incorporating a Strategic Report, was approved by order of the members of the Governing Body on 4 December 2023 and signed on its behalf by:

.....
Andrew Bruce
Trustee

Mountfields Lodge School

Governance statement

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Mountfields Lodge School 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 Governing Body has delegated the day-to-day responsibility to Iona Mock, Head Teacher, 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 Mountfields Lodge School and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met 4 times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
Andrew Bruce, (Chair) (Appointed 25 September 2023)	4	4
James Flint (resigned 25 September 2023)	4	4
Joanna Linton	4	4
Jagjit Samra	4	4
Helen De Rijk (resigned 19 September 2023)	4	4
Michael Hoare, (resigned 31 August 2023) (resigned 31 August 2023)	4	4
Yasser Eliwa (resigned 11 October 2022)	2	4
Elizabeth Monk	3	4
Kelly Bayliss	2	4
Joanna Pellereau (appointed 2 February 2023)	1	2
Hannah Grosvenor (appointed 25 September 2023)	2	2

Mountfields Lodge School

Governance statement (continued)

Governance reviews

The terms of reference for each Trustee committee set out the expectations for that committee. The terms of reference are reviewed annually as a minimum expectation but may be reviewed earlier at the request of the chair or any other Trustee.

Each committee has a Chairperson (annual appointment) and a Clerk to the governors to take minutes: the Finance, Audit and Risk Committee have the Clerk to the governors as a dedicated minute taker.

Minutes from each committee meeting are shared with all Trustees prior to each full Board of Trustees meeting and each Trustee has the opportunity to question, challenge and request further information from committee members.

The Board of Trustees of Mountfields Lodge School is a self-evaluating body drawing on 'good practice' from other governing bodies and from governor training and conferences. The members, having reviewed their organisational structure to improve efficiency, reducing unnecessary duplication and bureaucracy, implemented a new structure in 2016-17 which was reviewed throughout the 2019-20, 2020-21, 2021-22 and 2022-23 academic years.

The committees are:

- Finance, Audit and Risk
- Personnel
- Teaching and Learning

There are governors with specific duties, that include;

- Link Governance
- Safeguarding
- HT Performance Management/Appraisal
- Behaviour and Discipline
- Pupil Premium

This new structure and organisation has been monitored by the Trustees and its value and impact evaluated at year end.

The Finance, Audit and Risk committee is a delegated committee of the main Board of Trustees. Its purpose is to oversee the finance of the school.

Changes in the composition of the Board are indicated on page 1 of the financial statements and all were of a routine nature;

- The Board's work was typical for a primary academy of its size and type, focusing on the improvement and maintenance of educational standards and on financial and general management. There were no unusual matters worthy of note dealt with by the Trustees during their work;
- A review of the Board's performance in the year is detailed below. Challenges encountered have been of a routine nature concerning finances, staff management and educational standards;
- The quality of data flowing to the Board is considered acceptable by Trustees based on their experience, their own observations, enquiries and judgements.

The Finance, Audit and Risk Committee is a sub-committee of the main Governing Body. Its purpose is to oversee the finance, of the school, to review and implement audit findings and assess impact of risk throughout the academy trust. Attendance at meetings during the year was as follows:

Mountfields Lodge School

Governance statement (continued)

Trustee	Meetings attended	Out of a possible
Joanna Linton	5	5
Yasser Eliwa	4	5
James Flint	4	5
Jagjit Samra	4	5
Andrew Bruce	5	5
Michael Hoare	5	5

Review of value for money

As accounting officer the member 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 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:

- Ensuring that any support staff appointments made were temporary with fixed end dates;
- Ensuring that SEND support staff have contracts linked to pupils;
- Encouraging grant applications to secure additional funds for improvements to the premises e.g. a successful CiF application to replace the Y3/4 teaching base's roof;
- Seeking opportunities to improve resources by utilising staff and wider stakeholder support e.g. use of Loughborough Student Union Action Volunteers, use of 3M Community Volunteers, inducting new work placement and volunteer helpers in to the school,
- Seeking opportunities for combined working practices i.e. utilising a LPAP school-to-school support programme
- Purchasing stock that is considered to be 'best value' and setting clear limits on stock expenditure.

Looking ahead the Accounting Officer will continue to encourage 'best value' and opportunities to make savings will be paramount.

The purpose of the system of internal control

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

Capacity to handle risk

The Governing Body 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 Governing Body is of the view that there is a formal ongoing 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 Governing Body.

Mountfields Lodge School

Governance statement (continued)

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- 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;
- identification and management of risks.

The Governing Body has decided:

- not to appoint an auditor for this purpose. However, the trustees have appointed Y Eliwa, a trustee, to carry out a programme of internal checks

This option has been chosen because the Local Authority, who had previously carried out our internal audit function are no longer able to offer this service.

The role includes giving advice on financial and other matters and performing a range of checks on the academy trust's financial and other systems. In particular the checks carried out in the current period included:

On an annual basis, the reports to the Governing Body, through the audit committee on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

Review of effectiveness

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

- the work of the internal auditor ;
- the work of the external auditor;
- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Mountfields Lodge School
Governance statement (continued)

Approved by order of the members of the Board of Trustees on 4 December 2023 and signed on its behalf by:

.....
Andrew Bruce
Trustee

.....
Iona Mock
Accounting officer
Head Teacher

Mountfields Lodge School

Statement of regularity, propriety and compliance

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

I confirm that I and the academy trust Governing Body are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2022.

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

.....
Iona Mock, Head Teacher
Accounting officer

4 December 2023

Mountfields Lodge School

Statement of Trustees' Responsibilities

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

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from 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 on 4 December 2023 and signed on its behalf by:

.....
Andrew Bruce
Trustee

Mountfields Lodge School

Independent Auditor's Report on the Financial Statements to the Members of Mountfields Lodge School

Opinion

We have audited the financial statements of Mountfields Lodge School (the 'Academy') for the year ended 31 August 2023, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs 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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information (covers the Reference and administrative details, the Trustees' report and Strategic Report and the Governance statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Mountfields Lodge School

Independent Auditor's Report on the Financial Statements to the Members of Mountfields Lodge School (continued)

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 Strategic Report and Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' report.

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 24], the Trustees 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.

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Mountfields Lodge School

Independent Auditor's Report on the Financial Statements to the Members of Mountfields Lodge School (continued)

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Academy Trust and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting frameworks.

We understood how the Academy Trust is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the Academy Trust's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the Academy Trust has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities is available 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 Trustees, 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 trustees 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 Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Dilun Mistry FCA (Senior Statutory Auditor)
For and on behalf of TC Group

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

14 December 2023

Mountfields Lodge School

Independent Reporting Accountant's Assurance Report on Regularity to Mountfields Lodge School and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 6 October 2020 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 Mountfields Lodge School during the period 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 Mountfields Lodge School and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Mountfields Lodge School and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Mountfields Lodge School and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 18 December 2012 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 from 1 September 2022 to 31 August 2023 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- On a sample basis testing transactions and balances
- Making enquiries of the academy regarding systems and controls in place that are relevant to our regularity conclusion
- On a sample basis reviewing records for evidence of those systems and controls in operation.

Mountfields Lodge School

Independent Reporting Accountant's Assurance Report on Regularity to Mountfields Lodge School and the Education and Skills Funding Agency (continued)

Conclusion

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

.....
Reporting Accountant
For and on behalf of TC Group

Hamilton Office Park
31 High View Close
Leicester
LE4 9LJ

14 December 2023

Mountfields Lodge School

Statement of Financial Activities for the Year Ended 31 August 2023 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2022/23 Total £
Income and endowments from:					
Donations and capital grants	2	959	-	29,375	30,334
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	2,511,601	-	2,511,601
Other trading activities	4	35,575	99,978	-	135,553
Investments	5	1,240	-	-	1,240
Total		<u>37,774</u>	<u>2,611,579</u>	<u>29,375</u>	<u>2,678,728</u>
Expenditure on:					
Raising funds	6	27,492	-	-	27,492
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	2,687,195	164,383	2,851,578
Total		<u>27,492</u>	<u>2,687,195</u>	<u>164,383</u>	<u>2,879,070</u>
Net income/(expenditure)		10,282	(75,616)	(135,008)	(200,342)
Transfers between funds		5,970	49,522	(55,492)	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	138,000	-	138,000
Net movement in funds/(deficit)		16,252	111,906	(190,500)	(62,342)
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2022		<u>118,222</u>	<u>(111,906)</u>	<u>2,700,803</u>	<u>2,707,119</u>
Total funds carried forward at 31 August 2023		<u>134,474</u>	<u>-</u>	<u>2,510,303</u>	<u>2,644,777</u>

Mountfields Lodge School

Statement of Financial Activities for the Year Ended 31 August 2022 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	2022/21 Total £
Income and endowments from:					
Donations and capital grants	2	2,488	-	128,805	131,293
Other trading activities	4	5,339	118,375	-	123,714
Investments	5	164	-	-	164
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	3	-	2,400,724	-	2,400,724
Total		7,991	2,519,099	128,805	2,655,895
Expenditure on:					
Raising funds	6	18,275	-	-	18,275
<i>Charitable activities:</i>					
Academy trust educational operations	7	-	2,690,613	173,574	2,864,187
Total		18,275	2,690,613	173,574	2,882,462
Net expenditure		(10,284)	(171,514)	(44,769)	(226,567)
Transfers between funds		5,735	(159,446)	153,711	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	23	-	2,047,000	-	2,047,000
Net movement in (deficit)/funds		(4,549)	1,716,040	108,942	1,820,433
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2021		122,771	(1,827,946)	2,591,861	886,686
Total funds/(deficit) carried forward at 31 August 2022		118,222	(111,906)	2,700,803	2,707,119

Mountfields Lodge School
(Registration number: 08240864)
Balance Sheet as at 31 August 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	2,464,079	2,607,820
Current assets			
Stocks	13	500	500
Debtors	14	45,424	40,596
Cash at bank and in hand		281,337	462,662
		327,261	503,758
Liabilities			
Creditors: Amounts falling due within one year		(146,563)	(292,459)
Net current assets		180,698	211,299
Total assets less current liabilities		2,644,777	2,819,119
Net assets excluding pension asset		2,644,777	2,819,119
Defined benefit pension scheme liability	23	-	(112,000)
Total net assets		2,644,777	2,707,119
Funds of the Academy:			
Restricted funds			
Restricted general fund	16	-	92
Restricted fixed asset fund	16	2,510,303	2,700,805
Pension reserve	16	-	(112,000)
		2,510,303	2,588,897
Unrestricted funds			
Unrestricted general fund	16	134,474	118,222
Total funds		2,644,777	2,707,119

The financial statements on pages 30 to 54 were approved by the Trustees, and authorised for issue on 4 December 2023 and signed on their behalf by:

.....
Andrew Bruce
Trustee

Mountfields Lodge School

Statement of Cash Flows for the year ended 31 August 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	(191,159)	95,789
Cash flows from investing activities	20	<u>9,834</u>	<u>(54,511)</u>
Change in cash and cash equivalents in the year		(181,325)	41,278
Cash and cash equivalents at 1 September		<u>462,662</u>	<u>421,384</u>
Cash and cash equivalents at 31 August	21	<u><u>281,337</u></u>	<u><u>462,662</u></u>

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023

1 Accounting policies

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

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

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

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the statement of financial activities incorporating income and expenditure account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

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

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

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

Where assets are received by the trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants. The land and buildings are held on a 125 year lease with the Local Authority. The cost of the land and buildings was arrived at using the ESFA standard valuation on a depreciated replacement cost basis provided to the Academy. This provided a value for the land and buildings as at the date of conversion.

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.

All resources expended are inclusive of irrecoverable VAT.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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/reducing balance] basis over its expected useful life, per the table below. Where an asset comprises of two or more components which have substantially different useful lives, each component is depreciated separately over its useful economic life.

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

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

Asset class	Depreciation method and rate
Long leasehold land	Over 125 years
Long leasehold buildings	25 years (4% pa)
Furniture & Equipment	3 years (33% pa)
Furniture & Equipment - Toilet and Kitchen	6.6 years (15% pa)
Furniture & Equipment - Windows	10 years (10% pa)
Computer Equipment	3 years (33% pa)

Liabilities

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

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Provisions

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

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

Leased assets

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

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

Taxation

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

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

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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.

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.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

Defined benefit pension scheme

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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2020 has been used by the actuary in valuing the pensions liability at 31/08/2023. 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.

Tangible fixed assets

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the property plant and equipment, and note 1 for the useful economic lives for each class of assets.

2 Donations and capital grants

	Unrestricted Funds £	Restricted Fixed Asset Funds £	2023/22 Total £	2022/21 Total £
Capital grants	-	29,375	29,375	128,805
Donations	959	-	959	2,488
	<u>959</u>	<u>29,375</u>	<u>30,334</u>	<u>131,293</u>

The income from donations and capital grants was £30,335 (2022: £131,293) which was allocated between the funds as follows; £959 unrestricted funds (2022: £2,488), £Nil restricted funds (2022: £Nil), £29,376 restricted fixed asset funds (2022: £128,805) and £Nil endowment funds (2022: £Nil).

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted General Funds £	2023/22 Total £	2022/21 Total £
Educational operations			
DfE/ESFA revenue grants			
General Annual Grant (GAG)	2,081,320	2,081,320	2,048,200
UIFSM	84,712	84,712	79,091
Pupil premium	108,940	108,940	107,005
Sports funding	20,190	20,190	20,210
Supplementary grants	86,382	86,382	23,807
Others	31,577	31,577	15,996
	<u>2,413,121</u>	<u>2,413,121</u>	<u>2,294,309</u>
Other government grants			
Local authority grants	93,235	93,235	98,585
Other	5,245	5,245	-
	<u>98,480</u>	<u>98,480</u>	<u>98,585</u>
Covid-19 additional funding (DfE/ESFA)			
Catch up funding	-	-	7,830
	<u>-</u>	<u>-</u>	<u>7,830</u>
Total grants	<u>2,511,601</u>	<u>2,511,601</u>	<u>2,400,724</u>

The funding for educational operations was £2,511,601 (2022: £2,400,724) which was allocated between the funds as follows; £Nil unrestricted funds (2022: £Nil), £2,511,601 restricted funds (2022: £2,400,724), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

4 Other trading activities

	Unrestricted Funds £	Restricted General Funds £	2023/22 Total £	2022/21 Total £
Catering income	-	2,479	2,479	2,127
Other income	35,575	97,499	133,074	121,587
	<u>35,575</u>	<u>99,978</u>	<u>135,553</u>	<u>123,714</u>

The income from other trading activities was £135,552 (2022: £123,714) which was allocated between the funds as follows; £35,575 unrestricted funds (2022: £5,339), £99,977 restricted funds (2022: £118,375), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

5 Investment income

	Unrestricted Funds £	2023/22 Total £	2022/21 Total £
Short term deposits	1,240	1,240	164

The income from other trading activities was £1,240 (2022: £164) which was allocated between the funds as follows; £1,240 unrestricted funds (2022: £164), £Nil restricted funds (2022: £Nil), £Nil restricted fixed asset funds (2022: £Nil) and £Nil endowment funds (2022: £Nil).

6 Expenditure

	Staff costs £	Non Pay Expenditure Premises £	Other costs £	2023/22 Total £	2022/21 Total £
Expenditure on raising funds					
Direct costs	27,492	-	-	27,492	18,275
Academy's educational operations					
Direct costs	1,899,498	129,203	54,544	2,083,245	1,963,478
Allocated support costs	392,489	197,502	178,342	768,333	900,709
	<u>2,319,479</u>	<u>326,705</u>	<u>232,886</u>	<u>2,879,070</u>	<u>2,882,462</u>

Net income/(expenditure) for the year includes:

	2023/22 £	2022/21 £
Operating lease rentals	3,722	2,158
Depreciation	164,522	158,986
Fees payable to auditor - audit	7,000	6,000
- other audit services	900	850

7 Charitable activities

	2022/23 £	2021/22 £
Direct costs - educational operations	2,083,245	1,963,478
Support costs - educational operations	768,333	900,709
	<u>2,851,578</u>	<u>2,864,187</u>

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

7 Charitable activities (continued)

	Educational operations £	2022/23 Total £	2021/22 Total £
Analysis of support costs			
Support staff costs	392,489	392,489	551,945
Depreciation	35,318	35,318	35,863
Technology costs	2,276	2,276	3,616
Premises costs	162,184	162,184	140,263
Other support costs	168,166	168,166	164,456
Governance costs	7,900	7,900	4,566
Total support costs	<u>768,333</u>	<u>768,333</u>	<u>900,709</u>

8 Staff

Staff costs

	2022/23 £	2021/22 £
Staff costs during the year were:		
Wages and salaries	1,732,935	1,682,561
Social security costs	121,922	106,682
Operating costs of defined benefit pension schemes	<u>420,356</u>	<u>541,169</u>
	2,275,213	2,330,412
Supply staff costs	<u>44,266</u>	<u>43,743</u>
	<u>2,319,479</u>	<u>2,374,155</u>

Staff numbers

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

	2023/22 No	2022/21 No
Teachers	27	27
Administration and support	64	80
Management	<u>4</u>	<u>4</u>
	<u>95</u>	<u>111</u>

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

8 Staff (continued)

Higher paid staff

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

	2023/22	2022/21
	No	No
£60,001 - £70,000	1	-
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £378,519 (2022: £367,482).

9 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

Michael Hoare (Headteacher):

Remuneration: £80,000 - £85,000 (2022 - £75,000 - £80,000)

Employer's pension contributions: £15,000 - £20,000 (2022 - £15,000 - £20,000)

Helen De Rijk (Staff trustee):

Remuneration: £20,000 - £25,000 (2022 - £20,000 - £25,000)

Employer's pension contributions: £5,000 - £10,000 (2022 - £0 - £5,000)

Kelly Bayliss (Staff trustee):

Remuneration: £20,000 - £25,000 (2022 - £35,000 - £40,000)

Employer's pension contributions: £5,000 - £10,000 (2022 - £5,000 - £10,000)

Other related party transactions involving the trustees are set out in note 24.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2023 was £31 (2022 - £27).

The cost of this insurance is included in the total insurance cost.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

11 Connected charities

Mountfields Lodge PSA is a connected charity and it is related to the academy. Mountfields Lodge PSA raises money for the school and then, in line with its own board decisions, donates funds for particular projects, or assets for the benefit of the academy. The donations to the school were £4,795 (2022 - £3,007).

- The aggregate amount of the entity's funds is £11,950
- The total turnover of the entity is £15,443
- The total expenditure of the entity is £11,170
- Profit for the year is £4,273

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	2023/22 Total £
Cost				
At 1 September 2022	3,429,293	326,585	47,252	3,803,130
Additions	6,663	6,515	7,603	20,781
At 31 August 2023	<u>3,435,956</u>	<u>333,100</u>	<u>54,855</u>	<u>3,823,911</u>
Depreciation				
At 1 September 2022	917,657	241,569	36,084	1,195,310
Charge for the year	129,204	27,620	7,698	164,522
At 31 August 2023	<u>1,046,861</u>	<u>269,189</u>	<u>43,782</u>	<u>1,359,832</u>
Net book value				
At 31 August 2023	<u>2,389,095</u>	<u>63,911</u>	<u>11,073</u>	<u>2,464,079</u>
At 31 August 2022	<u>2,511,636</u>	<u>85,016</u>	<u>11,168</u>	<u>2,607,820</u>

13 Stock

	2023 £	2022 £
Stock	<u>500</u>	<u>500</u>

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

14 Debtors

	2023	2022
	£	£
Trade debtors	1,200	-
VAT recoverable	10,899	4,952
Prepayments	10,275	7,506
Accrued grant and other income	23,050	28,138
	<u>45,424</u>	<u>40,596</u>

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	75,090	62,599
Accruals	12,833	184,584
Deferred income	58,640	45,276
	<u>146,563</u>	<u>292,459</u>

	2023	2022
	£	£
Deferred income		
Deferred income at 1 September 2022	45,276	39,422
Resources deferred in the period	58,640	45,276
Amounts released from previous periods	<u>(45,276)</u>	<u>(39,422)</u>
Deferred income at 31 August 2023	<u>58,640</u>	<u>45,276</u>

Deferred income includes £51,876 (2022 - £45,276) relating to Universal Infant Free School Meals income received in advance for the 2023/24 academic year.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds

	Balance at 1 September 2022 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2023 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	-	2,081,320	(2,203,930)	122,610	-
Pupil Premium	-	108,940	(108,940)	-	-
Other DfE Group grants	92	222,861	(113,642)	(109,311)	-
Other income	-	99,978	(118,375)	18,397	-
Local Authority grants	-	98,480	(141,750)	43,270	-
Total restricted general funds	92	2,611,579	(2,686,637)	74,966	-
<i>Restricted fixed asset funds</i>					
Dfe Group capital grants	129,547	29,375	(7,260)	449	152,111
Transfer from Local Authority	1,615,596	-	(85,032)	-	1,530,564
Academies Capital Maintenance Fund	203,852	-	(11,355)	6,663	199,160
Condition Improvement Fund	732,057	-	(48,774)	(76,589)	606,694
Capital expenditure from GAG	19,753	-	(12,100)	14,121	21,774
Total restricted fixed asset funds	2,700,805	29,375	(164,521)	(55,356)	2,510,303
<i>Pension reserve funds</i>					
Pension reserve	(112,000)	-	(26,000)	138,000	-
Total restricted funds	2,588,897	2,640,954	(2,877,158)	157,610	2,510,303
<i>Unrestricted general funds</i>					
General Funds	118,222	37,774	(1,912)	(19,610)	134,474
Total unrestricted funds	118,222	37,774	(1,912)	(19,610)	134,474
Total funds	2,707,119	2,678,728	(2,879,070)	138,000	2,644,777

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds (continued)

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

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2022 £
Restricted funds					
<i>Restricted general funds</i>					
General Annual Grant (GAG)	101,054	2,048,200	(2,020,757)	(128,497)	-
Pupil Premium	-	107,005	(107,005)	-	-
Other DfE Group grants	-	103,770	(103,678)	-	92
Other government grants	-	141,750	(141,750)	-	-
Other income	-	118,375	(118,375)	-	-
Total restricted general funds	<u>101,054</u>	<u>2,519,100</u>	<u>(2,491,565)</u>	<u>(128,497)</u>	<u>92</u>
<i>Restricted fixed asset funds</i>					
DfE Group capital grants	48,685	9,513	(7,191)	78,540	129,547
Transfer from Local Authority	1,700,278	-	(85,032)	350	1,615,596
Academies Capital Maintenance Fund	212,826	-	(11,355)	2,381	203,852
Condition Improvement Fund	530,588	119,292	(44,693)	126,870	732,057
Capital expenditure from GAG	<u>99,484</u>	<u>-</u>	<u>(10,714)</u>	<u>(69,017)</u>	<u>19,753</u>
Total restricted fixed asset funds	2,591,861	128,805	(158,985)	139,124	2,700,805
<i>Pension reserve funds</i>					
Pension reserve	<u>(1,929,000)</u>	<u>-</u>	<u>(230,000)</u>	<u>2,047,000</u>	<u>(112,000)</u>
Total restricted funds	<u>763,915</u>	<u>2,647,905</u>	<u>(2,880,550)</u>	<u>2,057,627</u>	<u>2,588,897</u>
<i>Unrestricted general funds</i>					
General Funds	<u>122,771</u>	<u>7,990</u>	<u>(1,912)</u>	<u>(10,627)</u>	<u>118,222</u>
Total unrestricted funds	<u>122,771</u>	<u>7,990</u>	<u>(1,912)</u>	<u>(10,627)</u>	<u>118,222</u>
Total funds	<u><u>886,686</u></u>	<u><u>2,655,895</u></u>	<u><u>(2,882,462)</u></u>	<u><u>2,047,000</u></u>	<u><u>2,707,119</u></u>

The academy trust is not subject to GAG carried forward limits.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

16 Funds (continued)

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

Restricted funds

The General Annual Grant (GAG) relates to the school's development and operational activities.

Pupil Premium relates to additional funding received to raise the attainment of disadvantaged pupils of all abilities and to close the gaps between them and their peers. All funds have been spent in full within the year.

The DfE Group restricted funds grants consists of Universal Infant Free School Meals (UIFSM) and PE Sport Grant. The closing balance relates to funds not spent at the year end.

Other Government grants consists of Special Educational Needs and Disabilities (SEND) funding. All funds have been spent in full within the year.

Catering income relates to amounts received from pupils as a contribution towards school meals.

The PSA donation relates to amounts received from the Parent Staff Association (PSA) for specific items of expenditure.

The pension reserve relates to the school's share of the deficit of the Leicestershire County Council's Local Government Pension Scheme.

Restricted fixed asset funds

DfE Group capital grants relate to funding received from these sources to purchase fixed assets. The closing balance relates to the net book value of the assets concerned plus unspent funds at the year end.

The transfer from Local Authority relates to the value of leasehold land and buildings transferred from the Local Authority to the Academy on conversion. The closing balance relates to the net book value of the assets concerned.

The Academies Capital Maintenance Fund (ACMF) relates to funding received in relation to a new boiler. The closing balance relates to the net book value of the assets concerned.

The Condition Improvement Fund (CIF) relates to funding received in relation to roof repairs and replacement windows/doors. The closing balance relates to the net book value of the assets concerned.

Capital expenditure from GAG relates to capitalised expenditure allocated to the GAG within this grant's terms.

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

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2023 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	2,464,079	2,464,079
Current assets	134,474	146,563	46,224	327,261
Current liabilities	-	(146,563)	-	(146,563)
Total net assets	<u>134,474</u>	<u>-</u>	<u>2,510,303</u>	<u>2,644,777</u>

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

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	-	-	2,607,820	2,607,820
Current assets	118,222	292,553	92,983	503,758
Current liabilities	-	(292,459)	-	(292,459)
Pension scheme liability	-	(112,000)	-	(112,000)
Total net assets	<u>118,222</u>	<u>(111,906)</u>	<u>2,700,803</u>	<u>2,707,119</u>

18 Long-term commitments, including operating leases

Operating leases

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

	2023 £	2022 £
Amounts due within one year	2,485	2,350
Amounts due between one and five years	<u>6,835</u>	<u>-</u>
	<u>9,320</u>	<u>2,350</u>

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

19 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2022/23	2021/22
	£	£
Net expenditure	(200,342)	(226,567)
Depreciation	164,522	158,986
Capital grants from DfE and other capital income	(29,375)	(128,805)
Interest receivable	(1,240)	(164)
Defined benefit pension scheme obligation inherited	21,000	196,000
Defined benefit pension scheme finance cost	5,000	34,000
(Increase)/decrease in debtors	(4,828)	29,414
(Decrease)/increase in creditors	<u>(145,896)</u>	<u>32,925</u>
Net cash (used in)/provided by Operating Activities	<u><u>(191,159)</u></u>	<u><u>95,789</u></u>

20 Cash flows from investing activities

	2022/23	2021/22
	£	£
Dividends, interest and rents from investments	1,240	164
Purchase of tangible fixed assets	(20,781)	(183,480)
Capital funding received from sponsors and others	<u>29,375</u>	<u>128,805</u>
Net cash provided by/(used in) investing activities	<u><u>9,834</u></u>	<u><u>(54,511)</u></u>

21 Analysis of cash and cash equivalents

	2023	2022
	£	£
Cash in hand and at bank	<u>281,337</u>	<u>462,662</u>
Total cash and cash equivalents	<u><u>281,337</u></u>	<u><u>462,662</u></u>

22 Member 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 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.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

23 Pension and similar obligations

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

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

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 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 member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £228,526 (2022: £200,767).

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

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

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

23 Pension and similar obligations (continued)

Local government pension schemes

Leicestershire County Council Pension Fund

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £210,000 (2022 - £187,000), of which employer's contributions totalled £171,000 (2022 - £153,000) and employees' contributions totalled £39,000 (2022 - £34,000). The agreed contribution rates for future years are 25.7 per cent for employers and 5.5 - 12.5 per cent for employees. The scheme is managed by Leicestershire County Council.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.50	3.60
Rate of increase for pensions in payment/inflation	3.00	3.10
Discount rate for scheme liabilities	5.20	4.30
Inflation assumptions (CPI)	3.00	3.10
Commutation of pensions to lump sums	<u>55.00</u>	<u>50.00</u>

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

	2023	2022
Retiring today		
Males retiring today	21.10	21.50
Females retiring today	24.20	24.00
Retiring in 20 years		
Males retiring in 20 years	20.40	22.40
Females retiring in 20 years	<u>25.60</u>	<u>25.70</u>

The academy's share of the assets in the scheme were:

	2023	2022
	£	£
Equities	1,720,830	1,643,950
Other bonds	1,026,460	754,600
Property	211,330	242,550
Cash and other liquid assets	<u>60,380</u>	<u>53,900</u>
Total market value of assets	<u>3,019,000</u>	<u>2,695,000</u>

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

23 Pension and similar obligations (continued)

The actual return on scheme assets was (£4,000) (2022 - (£3,000)).

The actuarial valuation calculated the fair value of plan assets to be in excess of the defined benefit obligation giving a plan surplus as at 31 August 2023 of £206,000. FRS102 28.22 states that a plan surplus shall be recognised only to the extent that the entity is able to recover the surplus through either reduced contributions in the future or through refunds from the plan. The trustees believe there to be insufficient certainty over the ability to meet these conditions and therefore the plan surplus has not been recognised.

Amounts recognised in the statement of financial activities

	2023/22 £	2022/21 £
Current service cost	(192,000)	(349,000)
Interest income	118,000	43,000
Interest cost	<u>(123,000)</u>	<u>(77,000)</u>
Total amount recognized in the SOFA	<u><u>(197,000)</u></u>	<u><u>(383,000)</u></u>

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

	2023/22 £	2022/21 £
At start of period	2,807,000	4,472,000
Current service cost	192,000	349,000
Interest cost	123,000	77,000
Employee contributions	39,000	34,000
Actuarial (gain)/loss	(303,000)	(2,093,000)
Benefits paid	<u>(45,000)</u>	<u>(32,000)</u>
At 31 August	<u><u>2,813,000</u></u>	<u><u>2,807,000</u></u>

Changes in the fair value of academy's share of scheme assets:

	2023/22 £	2022/21 £
At start of period	2,695,000	2,543,000
Interest income	118,000	43,000
Actuarial gain/(loss)	41,000	(46,000)
Employer contributions	171,000	153,000
Employee contributions	39,000	34,000
Benefits paid	<u>(45,000)</u>	<u>(32,000)</u>
At 31 August	<u><u>3,019,000</u></u>	<u><u>2,695,000</u></u>

24 Related party transactions

Owing to the nature of the academy trust and the composition of the board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. The following related party transactions took place in the financial period.

Mountfields Lodge School

Notes to the Financial Statements for the Year Ended 31 August 2023 (continued)

25 Events after the end of the reporting period

The Trust board, supported by Members have taken the decision to join Bradgate Education Partnership Multi Academy Trust in February 2024.