

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

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THE EXCEPTIONAL EDUCATION TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members

Dr Stephen Pierpoint, Chairman
Chris Sheen
Cheryl Williams
Jo Tanner
Dr Andrew Stone
Dean Taylor
David Kilgallon

Trustees

Dr Stephen Pierpoint, Chairman
Juan Hernandez
Chris Sheen
Dr Andrew Stone
Gwyneth Hamand
Graham Smith

Company registered number

10014175

Company name

The Exceptional Education Trust

Principal and registered office

C/O Norlington School and Sixth Form
Norlington Road
Leytonstone
London
E10 6JZ

Senior Management Team

Juan Hernandez, Principal
Rob Pittard, Director Finance & Resources
Renske Meiring, Vice Principal
Carl Wadey, Vice Principal
Keith Tonge, Assistant Principal
Paul Hobbs, Assistant Principal
Brendan Issac, Assistant Principal
Femi Olufola, Associate Assistant Principal (resigned 5 June 2022)
Jordan Bates, Associate Assistant Principal
Yusuf Hafesji, Associate Assistant Principal
Donna Kenyon, Associate Assistant Principal (appointed 6 June 2022)
Sally Devlin, Associate Assistant Principal (appointed 1 July 2022)
Thomas Jerson, Associate Assistant Principal (appointed 6 June 2022)

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Independent auditors

MHA MacIntyre Hudson
Statutory Auditor
6th Floor
2 London Wall Place
London, United Kingdom
EC2Y 5AU

Bankers

Lloyds Bank
6th Floor
33 Old Broad Street
London, United Kingdom
EC2N 1HZ

Solicitors

LB Waltham Forest
Forest Road
London, United Kingdom
E17 4JF

**THE EXCEPTIONAL EDUCATION TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Trustees present their Annual Report together with the financial statements and auditors' reports of the charitable company for the period 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' report, and a directors' report under company law.

The Trust operates an Academy for pupils aged 11 to 18 serving a catchment area in Leyton. The Trust admissions policy is available on the School website and details the basis on how pupils are able to attend the school which is by postcode location to the school. It has a pupil capacity of 761 and had a roll of 762 which is an increase from 725 in 2021 on the school census on 3rd November 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt Charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust.

The Trustees of The Exceptional Education Trust Limited are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as The Exceptional Education Trust.

Details of the Trustees who served throughout the year 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 charitable company in the event of it being wound up while they are a Member, or within one year after they cease to be a Member, such amount as may be required, not exceeding £10.00, for the debts and liabilities contracted before they ceased to be a Member.

Trustees' Indemnities

As stated in the Articles (Article 136): 'Subject to the provisions of the Companies Act 2006 every Trustee or other officer or auditor of the Academy Trust shall be indemnified out of the assets of the Academy Trust against any liability incurred which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £13,775.

Method of Recruitment and Appointment or Election of Trustees

The Charity's Articles of Association set out the constitution and method of appointment of the Governing Body including Parent Governors who are elected in accordance with Department for Education guidelines. Suitability of Trustees is determined by their interest in the work of the Charity, eligibility and personal competence and to ensure the Board of Trustees and Governing Body has the breadth of skills and knowledge necessary to advance the Academy in all areas.

A pro-forma and application form has been developed to assist in a skills audit of the School's Trustees and Governors. By this method, the Board can ascertain where its strengths and weaknesses lie and can plan succession accordingly.

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Once a "skills profile" has been agreed, Trustees and governors are encouraged to put forward suitable names on the clear understanding that names put forward are not automatically elected onto the Board. Anyone to be considered then meets with Members of the Board and chief executive to discuss the role and responsibilities of Trustees and governors and the workings of the Academy Trust. Assuming all is well, the candidate's application is progressed for safer recruiting checks in line with Keeping Children Safe in Education 2021 and registration made on Companies House. The election of a new Trustee and governor is detailed in the next minutes.

Policies and Procedures Adopted for the Induction and Training of Trustees

New Trustees are given a tour of the Academy and the chance to meet staff, students, the Principals and the Chairman of the Board with a view to ensuring that the Trustees have a good understanding of the Academy's philosophy and its day to day operation.

A formal training programme exists with an external company where Trustees will participate in appropriate training course in the areas of;

- Understanding the structure, legal status and compliance risks
- Developing a business plan
- Self review of governance
- Preparing for OFSTED

New Trustees are also provided with background information on the Academy Trust and information relating to legislative guidance on:

- Scheme of Delegation
- Academies Trust Handbook
- Director Terms of Reference
- Articles of Association
- Keeping Children Safe in Education
- Directors Health and Safety guidance
- Leading and Governing Schools
- NGA Statutory Framework
- HMRC Fit and Propa Person
- Essential Trustees
- Understanding Your Data

From time to time, the Academy arranges technical updates on topical matters for Trustees such as information Health and Safety where Directors were able to experience a mock trial for negligence organised by the Trust Insurers.

Organisational Structure

The management structure of the Academy consists of the Trustees and the leadership team.

The Trustees meet on a regular basis and fulfil a largely strategic role in the running of the Academy with detailed decision being investigated by the Senior Management Team and fed back to the Board. The Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academy by the use of budgets and making major decisions about the strategic direction of the Academy, capital expenditure and the appointment of most senior staff appointments in consultation with the principal.

The dismissal, disciplinary investigation and grievances relating to the Principal are reserved functions for the Board of Trustees. These items are listed in the Academy Scheme of Delegation and Local Governing Body Terms of Reference.

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The leadership team is led by a Principal. The Principal is supported on a day to day basis by the wider leadership team which comprise the personnel listed on page 2. These senior leaders manage the Academy at an executive level, implementing the policies agreed by the Trustees and reporting back to them on progress. The level at which spending can be approved and decisions can be made is set out in the Academy's financial regulations and scheme of delegation. The Principal has the role of Accounting Officer.

Arrangements for setting pay and remuneration of Key Management Personnel

The Key Management Personnel in the Trust are the CEO and Principals further details of these personnel are listed on page 1 of this document. The Trustees will agree the salary level prior to the commencement of the recruitment process of a new CEO or Principal against agreed performance targets following discussions with the chief executive and Trustees. Trustees are required to review the CEO and Principals' performance against previously set targets and to set new targets for the upcoming year. All pay increases must be linked to achievement of the performance targets.

Where an appointment to the leadership team is a budgeted appointment, the pay level is set as part of the budget process. Where the appointment to the leadership team is unbudgeted, the Trustees will approve the pay level prior to commencement of the recruitment process. Pay points within the leadership team will take into account the responsibilities of the post, the difficulty in filling the post and comparability to other academies of a similar size, with consideration to parity and equality.

With existing members of the leadership team are school based staff the CEO is required to review the leadership team's performance against previously set targets and set new targets for the coming academic year. The CEO will then may apply an inflationary increase and any discretionary increase as authorised by the Trustees. All pay increases must be linked to performance targets.

Trade union facility time

The Academy Trust does not have a full-time paid Trade Union Representative, the Academy Trust buys into facilitation time through the Local Authority. The in-house union representative is able to utilise assistance and help from the Local Authority Union Representative.

Related Parties and other Connected Charities and Organisations

No related party transactions and the Register of Business Interests is constantly reviewed and updated onto the Academy Trust website.

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

OBJECTIVES AND ACTIVITIES

Our Vision

To be recognised as a world class leader in education, ensuring every child is ready to take up the challenges and realise the opportunities of the 21st century.

Our Aims

Our vision will be realised through the delivery of five key aims articulated as commitments to the local community:

1. To develop outstanding leaders across the school

We are committed to developing outstanding leaders through the establishment of a centre of excellence, ensuring all students have the skills required to develop into young men and women who are ready to take up the challenges and realise the opportunities of the 21st century and impact positively on every aspect of society, whether locally, nationally or internationally.

2. To guide our students to achieve exceptional academic performance across all subjects

We are committed to developing every student's skills and knowledge, ensuring exceptional academic performance for all and enabling students to access the most ambitious career paths and gain access to the best universities nationally and internationally.

3. To provide an Outstanding Learning Experience for every student.

We are committed to providing each student with a high quality personalised learning experience through exceptional teaching and an outstanding curriculum. 'Every Child, All the Time' drives our belief that every child is able to achieve the extraordinary relative to their own personal abilities.

'Every Child, All the Time' is an approach to student progress where every day, in every lesson, every student will be receiving the best possible learning experiences. It recognises the need to respond to students' emotional needs as well as learning needs throughout their educational journey, appreciating that these needs are different for every child and can change at different stages of this journey.

4. To ensure every student has access to high quality Enrichment activities.

We are committed to ensuring every student has access to exceptional enrichment experiences and activities including high quality coaching so they aspire to participate, compete and succeed at a local, national and international level.

5. To be the School of Choice for the local community.

We are committed to providing a school that:

- meets the needs of every child.
- develops citizens committed to British Values of democracy, tolerance, respect and the rule of law.
- is a safe, happy and caring learning environment where students want to be.

Public Benefit

In setting the Academy objectives and planning its activities, the Trustee Board have given careful consideration to the Charity Commissions general guidance on public benefit in particular its supplementary guidance on advancing education. The greatest public benefit that the Academy can offer is the provision of an education that maximises each student's potential.

TRUSTEES' REPORT
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1. To ensure 'Every Child, all the time' achieves exceptional academic performance across every Academy.

1.1. KS4 Academy Performance to be recognised as Outstanding with;

- All School Performance to be in the top 10% of schools nationally for progress.
- The elimination of any disparity of performance between student groups based upon;
 - Gender
 - Disadvantage
 - Ethnicity
 - SEN
- our Most Able students achieve outstanding outcomes

1.2. Sixth forms Academic Performance to be recognised as Outstanding with;

- post-16 outcomes at least in the top 25% of sixth forms nationally, with most in the top 10%
- disparities in performance eliminated
- the most able achieve outstanding outcomes
- to have excellent progression to both university (including those in the Russell Group) and high quality careers options.

1.3. All Academies to be judged at least 'Good' by Ofsted, with most recognised as Outstanding.

Key Outcomes

1.1 KS4 Academy Performance

- Norlington remains one of the highest performing boys' non-selective schools nationally.
- Comparative 2021 key national measures are not available due to the impact of COVID on the assessment cycle. Norlington outcomes were, however, in line with previous performance measures and remains well above nationally expected performance.
- Disparity of performance between student groups remains very low.

1.2 . Sixth forms Academic Performance

- The impact of COVID on national comparative assessment systems did, however, not allow our students to complete their assessments and for a comparative analysis of performance to take place.
- Performance measures available indicate a significant uplift in outcomes with indicative ALPS scores placing the school in the top 5% national.
- Over 50% of students leaving Norlington go on to Russell group universities and all students are able to make their next step.

1.3 All Academies to be judged at least 'Good' by Ofsted

- Norlington had a very positive Ofsted visit with many of the schools success recognised. The school is judged as a good school.

TRUSTEES' REPORT
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2. The aim is to develop the Trust within the education community.

2.1. Trust expansion to include Academy conversion, mergers and Hard Federations

- Establish an Academy mergers/conversion target group of schools, contacting them
- Complete audit and update on all Trust policies and website with view to expansion

2.2 Review of current Due Diligence processes to ensure smooth incorporation of new Schools within the Trust. These include;

- Governance
- Financial
- HR & Personnel
- Leadership and Management
- Educational
- Building / resources
- Liabilities

2.1.5 Develop EET brand through;

- updated Website and Trust marketing
- networking through involvement in local, regional and national events/organisations
- development of EEA brand
- The further development of EEA as a school improvement and training vehicle
- Adapt all EEA training programmes so they are deliverable online
- Establish EEA as a training hub for nationally recognised training programmes
- Adapt current and develop new training programmes aimed at meeting current educational challenges (Mental Health, boys achievement etc)
- Develop student focused training programmes using the ECATT package as a base
- The development of the Boys' Achievement Network
- Establish the Boys Achievement Network as a school to school knowledge management collaboration for all schools where boys are taught
- Secure funding stream to seed the development of the 'Boys' Achievement Network', even if this is initially local

TRUSTEES' REPORT
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3. To ensure high quality governance across all levels of the Trust alongside exceptional leadership within each school

- ensuring Outstanding Governance at every level through;
- effective recruitment of exceptional Directors and local Governors able to progress the Trusts ambitions
- clearly defined Roles and Responsibilities at LGB level
- high quality governance training programmes
- an accurate and robust self-evaluation process across all aspects of the Trust
- effective Risk Management
- regular and robust Policy and procedure review and management
- successful Finance management and accurate audit control systems
- the further development of a talent management programmes accessing key national training programmes and the further development of in house programmes

4. To further develop the systems to allow high quality and value for money Trust Services that support all schools within the Trust in their pursuit of excellence.

4.1 Building The Exceptional Education Trust School Services Division (ASD) that provides value for money services to all Trust Academies and schools within a Hard Federation. To the preparation of key areas including;

- Human Resources
- Health and Safety Oversight
- ICT
- Pension/Payroll
- Premises and resources
- Student Services

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STRATEGIC REPORT

Key Performance Indicators

Most of the Academy income is obtained from the Education Funding Agency (EFA) in the form of the General Annual Grant (GAG), the use of which is restricted for education purposes. The grants received from the EFA and other government bodies during the period and the associated expenditure are shown as restricted funds in the statement of financial activities.

The School also received capital improvement funding from the EFA for capital projects relating to improvements to electrical and fire safety, refurbishment of science block, heating emitters and replacement of the Victorian roof. More recently via an appeal to EFA the Trust was successful in capital improvement funding for safeguarding purposes for a large parcel of scrubland which adjoins the rear playground. The Trust's intention is to turn this scrubland into an ecopark for school and neighbouring schools use. The Trust's will raise needs to raise further funds to achieve this. In accordance with the Charities SORP 2015, such a grant is shown in the statement of financial activities during the period as restricted income within the fixed assets funds. The Balance Sheet restricted fixed assets fund is reduced by expenditure equivalent to any depreciation charges over the expected useful life of the assets concerned.

During the year the Academy confirmed to provide education places to 725 students in 2021/22. The school was fully staffed with teachers for the start of 2021/22 academic year despite difficulties in London with recruitment.

The school intake roll has been increased from 120 to 132 from 2017/18 and thereafter to 162 to include the 1FE expansion. The intention is to increase the school roll further in 2022/23 to 168 from 162. The Academy is completed a 1FE. The programme of works is funded by the Local Authority Growth Fund is approximately £5m of capital works which consist of:

- Completed - Development of land adjacent to the school to form a new larger sports hall, multi-use games area and additional social space
- Completed - Kitchen works to create larger dining space
- Completed - Additional toilets, changing room
- Completed - Conversion of two arches into weights gym and multi-use area
- Completed - Alteration of existing gym into new LRC and 6 general teaching rooms

As a result of strict financial management and the identification of further recurrent savings the Academy managed to submit budget for 2022/23 with a surplus projecting at £113k.

Student recruitment is strong with a waiting list for year 7 intake despite increasing the school roll. 6th Form recruitment is predicted to increase due to efforts through marketing and recruitment from the Head of 6th Form. The student income will greatly contribute towards the income required to deliver the excellent education provided at all levels of the Academy.

COVID-19 has impacted on the Academy significantly considering the school was open for Key Worker pupils and has been required to undertake the recruitment and testing of pupils returning to school following the lockdown. All Government guidance was considered, understood and implemented. Many internal controls were implemented such as signage for social distancing, communicating with pupils the need to wash hands, different cleaning techniques and ensuring that cleaners knew what areas had been used so they could be deep cleaned.

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COVID-19 has had significant impact of the staff and pupils such as measures for social distancing, sanitising hands frequently. Information has been communicated to staff frequently in the form of meetings, briefings, emails and the risk assessment is updated and circulated on a weekly basis.

The Academy Trust has received income for catch-up funding, all of which has been spent on the pupils to ensure they were not disadvantaged by the pandemic. This included; purchase of ICT equipment to enable home learning, ICT packages to facilitate home learning and monitoring of pupils, tuition of disadvantaged students.

Going Concern

After making appropriate enquiries, the Board of Trustees 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.

COVID-19 did not have a material detrimental effect on the Trust finances as no income generating activities that are in operation which had to close.

Due to the sustained outstanding academic success of the Academy more families with statemented pupils are on roll. The Academy has a disproportionate number of students requiring support than other schools in the Local Authority and does not attract any additional funding over and above the pupil allocation. These students are the most vulnerable within the school and all require 1:1 Teaching Assistant support in order to thrive and academically succeed.

The Academy has completed a 1FE expansion to the school site which will accommodate 162 additional students. The Academy will be able level economies of scale from this increase. The Academy Trust is continuing to explore additional sources of income through its training activities where school to school frameworks are used for school improvement

FINANCIAL REVIEW

Reserves Policy

The Academy Trust aims to maximise the reserves by providing financial buffers against an unpredictable environment and strive to make sufficient provision for future cash-flow requirements and capital improvements.

The Trust is striving that revenue reserves balance will be maintained at a level equivalent to between 4% and 5% of combined General Annual Grant (GAG) for all schools within the Trust.

The reserves as at 31 August 2022 amounted to £15,456,167 of which £15,418,636 comprised primarily restricted funds. The Academy's free reserves amounted to £37,531. Currently are below the 4% and 5% level at what the Trust would like. Careful consideration is given to all vacancies are analysed against the curriculum no post is filled like for like. The Trust is fully staffed and oversubscribed which are the largest financial risk posed to the Trust. The Trust aims to increase the reserves year on year strategically without compromising on pupil performance and experience but also ensure sufficient funds are available to mitigate the risk posed against low levels of reserves.

The Academy had a pension scheme liability of £1,142,000 as at 31 August 2022. The liability is included in restricted reserves as the Academy will have to meet any long-term liability out of restricted reserves. A liability for this amount does not crystallise in the short term.

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Reserves Position

At 31 August 2022 the total funds comprised:

Unrestricted		£37,531
Restricted:	Fixed asset funds	£16,560,636
	Pension reserve	£(1,142,000)
	Other	£NIL
		<hr/>
		£15,456,167

Investment Policy

The Trustees policy with regard to investments is of that set out in the Academies Handbook, the Trust Articles of Association and Financial Regulations. The Trustees follow the Charity Commission's guidance: [CC14 Charities and investment matters: A guide for Trustees](#). The Trustees policy is to invest surplus funds in low risk short term bank deposits. ESFA's prior approval will be obtained for investment transactions which are novel, contentious and/or repercussive.

The Academy Trust has utilised Lloyds bank 24 hours overnight deposit account and 32 access account to maximise available funds in line with expected cashflow requirements.

Principal Risks and Uncertainties

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the Academy and its finances.

Appropriate systems, policies, procedures and controls have been put in place so as to ensure that the various risks do not impact adversely on the Academy's operations. Appropriate insurances are in place in the form of the Risk Protection Arrangement (RPA) which is administered by the DfE.

A risk register has been prepared which sets out the principal risks facing the Academy and the controls that exist to mitigate their effect. The Trustees consider the principal risks and uncertainties facing the Academy are:

- The effect of changes to future funding methodologies and general reductions in educational budgets.
- The need to adapt to frequent changes in the student grading and assessment structure.
- COVID-19 risk assessments and the impact on educational performance due to the fluid nature of the virus
- Risks of an aged building, however, significant capital expenditure in the form of Capital Improvement Bids have resulted in de-risking large capital investment areas such as; roof, heating system and electrical system.
- Some risk are succession planning such as Examination Officer, however, plans are in place to train staff into these positions
- The Trust has a safeguarding policy and designated safeguard leads have time allocated to investigate allegations and undertake training

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The Academy has instigated the following control measures in order to minimise these risks as follows:

- The Academy produces and monitors budgets on a regular basis so that funding shortfalls can be anticipated and management action plan put in place to mitigate their effect.
- The Academy will attempt to maintain a level of reserves sufficient to cover unexpected and future funding deficits.
- The Academy will continue to monitor closely progress towards achieving its planned educational outcomes.
- The Academy continues to monitor curriculum changes, emphasise the growth in pupil achievement and obtain the best results for its pupils. Where there is such uncertainty over the future of grading and qualifications.
- The Senior Leadership team through the data tracking systems actively monitor student progress on a 6-week cycle to identify patterns and trends for in-class intervention by the teaching staff.
- Risk Assessments will detail movement in trends so diminishing trends can be easily identified and action implemented.
- Appointed Gallagher to authenticate the COVID Risk assessment to ensure that all areas of Government guidance had been taken into consideration and implemented

FUNDRAISING

The Academy Trust does not use any external fundraisers and has not received any funds from external fundraisers. If the Trust raise income through any external activities these would be monitored by the Trustees; this would be in the form of funds for local charities which pupils have chosen and global events such as natural disasters.

PLANS FOR FUTURE PERIODS

- The Academy is well placed to continue to expand its student numbers roll which was increase from 162 to 168 in 2022/23. In 2021/22 there was a waiting list and a growth in sixth form numbers is anticipated.
- The Academy will continue to set challenging but realistic targets and with the introduction of Progress 8, we are confident that this performance measure will in time reflect favourably on the Academy. However, COVID-19 impacting on pupil attainment but the Trust has strived to place support to students who have been affected by pandemic
- To grow the Academy Trust by convertor schools and sponsorship having been approved as Academy sponsor by DfE in July 2017.
- To appoint other Trustees using gaps identified by Skills Audit onto the board. A skills gap analysis has been undertaken to identify gaps.
- The Academy Trust has returned to normal activities such as trips, more social events and opportunities for pupils to grow and achieve now Government restrictions relating to COVID have been removed.
- As part of the 1FE expansion the Academy leased a 3.5acre of land adjacent to the Network Rail arches. The reason behind this was to de-risk the possibility of The Arch Company (Leaseholder of the arches) breaking the existing lease issued to the Trust, purchasing the Scrubland and monetising the arches. The Academy would then loose the right to the arches and the capital investment. The Scrubland will be turned into an EcoPark:
 - Academy has been successful on appeal with ESFA for a Capital Improvement Bid to enable much needed safeguarding work to the site which will include fencing, gates and hopefully CCTV.
 - Further work is being undertaken to realise the Eco Park potential as an outdoor learning environment for the Academy, other local schools and the local community.

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AUDITOR

In so far as the Trustees are aware:

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

Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors and signed on the Board's behalf by:



.....
Dr Stephen Pierpoint
Chair of Trustees

Date: 12 December 2022

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GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

SCOPE OF RESPONSIBILITY

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

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

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

The Trust has a Conflicts of Interest Policy and all relevant business interests of senior staff and Trustees are published on the Trust's website. All Trustees and staff at Board meetings are asked at the beginning of meeting to disclose any relevant business interests which are noted in the minutes and Board would refer to the Policy should any action need to be taken.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met **5** times during the year. Due to COVID-19 a proportion of the meetings were virtual to follow Government guidelines for social distancing and National Lockdown. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Dr Stephen Pierpoint (Chairman)	5	5
Juan Hernandez	5	5
Chris Sheen	3	5
Dr Andrew Stone	2	5
Gwyneth Hamand	3	5
Graham Smith	3	5

The Academy Board has continually reviewed their performance in light of the Academy Trust growing to ensure that sufficient skills, experience and governance structure is in place.

- A programme of training has been procured and Trustees undertaken this training.
- Skills gap analysis has been undertaken and have been identified that Directors should be recruited with legal, PR and building experience.
- A review of policies is being undertaken with a view to ensure all necessary policies are identified and structures documented in Scheme of Delegation.
- Internal controls in form of Financial Scheme of Delegation which are documented in Financial Regulations and Procedures.
- Terms of Reference have been created with clearly defined roles and responsibilities laid with a clear focus on holding the Academy to account for academic standards, the efficient use of resources and ensuring that statutory duties are met. Terms of Reference have created and ratified for; Audit, Finance Committee, Human Resources and Standards and Performance. These are available for when the Academy Trust grows.
- Trustees use the services of external auditors for validation of judgements where necessary.

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GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2021

- There is a clear and effective policy review cycle in place identifying policies for ratification and development on a RAG rated basis.
- An additional two Directors have been recruited to strengthen the Board following resignations.

During the financial year the Full Board met 5 times to consider all issues including finances, Trust expansion, audit reports, premises improvements, risk management etc. The Board has opted to consolidate all matter relating to finance and audit into full Board meetings. This will be revisited as the Trust grows. The Chair Dr Stephen Pierpoint has significant financial expertise and greatly contributes to discussion about probity and compliance in relation to Academy Financial Handbook. This skill set is essential as his background is in finance. The Vice Chair Mr Chris Sheen has a background in asset management which also provides and supports discussions around the Academy buildings and expenditure relating to this.

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal 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 Academy 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:

As Accounting Officer, the Principal 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:

- Efficiency- systems and practices are in place to increase the efficient running of the organisation.
- Financial Controls - financial controls in place ensuring that there are strong internal spending controls, continuous financial monitoring, financial reporting and challenges of proposed spending.
- Challenge – processes, procedures and practices are challenged to investigate if we still need to do something that we did in the past. Is there a more economical way of achieving each objective?
- Growth – looking to grow the Academy Trust to enable greater economies of scale via mergers with other Multi Academy Trusts, exploring other maintained schools with same ethos to join and direct contact with DfE regarding sponsorship of other schools and Academies.
- Income – Ensuring pupil results are maintained at an outstanding level in order to continue to be school of choice in local community. Development of frameworks for school improvement which generate income

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Exceptional Education Trust for the period 1st September 2021 to 31 August 2022 and up to the date of approval of the Annual Report and financial statements.

**THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1st September 2021 to 31 August 2022 to and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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

1. reviewing of Risk Register and processes
2. reviewing management report and processes
3. reviewing month end processes
4. review of Safeguarding procedures

The Academy Trust has also appointed Strictly Education to assist with accounting technicalities and internal controls. Strictly Education will assist the Financial Controller and the Director of Finance on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities in terms of accounting requirements regulations. The Director of Finance will update the Trustee Board of any internal control issues which has arisen by either internal or external auditors.

**THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)**

**GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor/reviewer
- the work of the external auditor
- the financial management and governance self-assessment process

The work of the executive managers within the Academy Trust who have responsibility for the Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Board of Trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

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



.....
Dr Stephen Pierpoint
Chair of Trustees



.....
Juan Hernandez
Accounting Officer

Date: 12 December 2022

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Exceptional Education Trust I have considered my responsibility to notify the Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2021.

I confirm that I and the Trust Board of Trustees are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2021.

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



.....
Juan Hernandez
Accounting Officer
Date: 12 December 2022

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



.....
Dr Stephen Pierpoint
Chair of Trustees

Date: 12 December 2022

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
EXCEPTIONAL EDUCATION TRUST**

Opinion

We have audited the financial statements of The Exceptional Education Trust (the 'Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2020 to 2021 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
EXCEPTIONAL EDUCATION TRUST (CONTINUED)**

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

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

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
EXCEPTIONAL EDUCATION TRUST (CONTINUED)**

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

Auditors' responsibilities for the audit of the financial statements

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

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management and those charged with governance to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Reviewing the control systems in place and testing the effectiveness of the controls;
- Performing 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
- Reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
EXCEPTIONAL EDUCATION TRUST (CONTINUED)**

Use of our report

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



Stuart McKay BSc FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Statutory Auditor

London, United Kingdom

Date: 23/12/2022

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 10 September 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Exceptional Education Trust during the year 1 September 2021 to 31 August 2022 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 The Exceptional Education Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Exceptional Education Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Exceptional Education Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Exceptional Education Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of The Exceptional Education Trust's funding agreement with the Secretary of State for Education dated 12 July 2016 and the Academies Financial Handbook, extant from 1 September 2021, 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 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

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

Approach

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

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

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

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

The work undertaken to draw our conclusions includes:

- reviewing the Minutes of the Governing Body and other evidence made available to us, relevant to our consideration of regularity;
- a review of the objectives and activities of the Trust, with reference to the income streams and other information available to us as auditors;
- testing of a sample of payroll payments to staff;
- testing of a sample of payments to suppliers and other third parties;
- consideration of governance issues; and
- evaluating the internal control procedures and reporting lines, and testing as appropriate and making appropriate enquiries of the Accounting Officer.

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MHA MACINTYRE HUDSON

Reporting Accountant
MHA MacIntyre Hudson
Statutory Auditor
London, United Kingdom

Date: 23/12/2022

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	Unrestricted funds 2022 £	Restricted general funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	4	-	3,525	191,270	194,795	2,503,415
Charitable activities	5	-	5,647,223	-	5,647,223	5,155,202
Other trading activities	6	126,320	163,618	-	289,938	263,438
Investments	7	45	-	-	45	33
Total income		126,365	5,814,366	191,270	6,132,001	7,922,088
Expenditure on:						
Raising funds	8	20,927	-	-	20,927	19,266
Charitable activities	9,10	59,282	6,027,648	229,073	6,316,003	5,652,381
Total expenditure	8	80,209	6,027,648	229,073	6,336,930	5,671,647
Net (expenditure) / income		46,156	(213,282)	(37,803)	(204,929)	2,250,441
Transfers between funds	21	(60,034)	(20,593)	80,627	-	-
Net movement in funds before other recognised gains / (losses)		(13,878)	(233,875)	42,824	(204,929)	2,250,441
Actuarial losses on defined benefit pension schemes	28	-	1,535,000	-	1,535,000	(314,000)
Net movement in funds		(13,878)	1,301,125	42,824	1,330,071	1,936,441
Reconciliation of funds:						
Total funds brought forward		51,409	(2,443,125)	16,517,812	14,126,096	12,189,655
Net movement in funds		(13,878)	1,301,125	42,824	1,330,071	1,936,441
Total funds carried forward		37,531	(1,142,000)	16,560,636	15,456,167	14,126,096

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

The notes on pages 31 to 64 form part of these financial statements.

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10014175

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	16		16,616,145		16,607,969
			<u>16,616,145</u>		<u>16,607,969</u>
Current assets					
Stocks	17	34,346		17,817	
Debtors	18	270,162		315,539	
Cash at bank and in hand	26	142,265		73,774	
			<u>446,773</u>	<u>407,130</u>	
Creditors: amounts falling due within one year	19	(442,582)		(390,965)	
Net current assets			4,191		16,165
Total assets less current liabilities			<u>16,620,336</u>		<u>16,624,134</u>
Creditors: amounts falling due after more than one year	20		(22,169)		(41,038)
Net assets excluding pension liability			16,598,167		16,583,096
Defined benefit pension scheme liability	28		(1,142,000)		(2,457,000)
Total net assets			<u>15,456,167</u>		<u>14,126,096</u>
Funds of the Academy					
Restricted funds:					
Restricted fixed asset funds	21	16,560,636		16,517,812	
Restricted general funds	21	-		13,875	
Restricted funds excluding pension liability	21	16,560,636		16,531,687	
Restricted general funds - pension reserve	21	(1,142,000)		(2,457,000)	
Total restricted funds	21		15,418,636		14,074,687
Unrestricted funds	21		37,531		51,409
Total funds			<u>15,456,167</u>		<u>14,126,096</u>

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 10014175

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 27 to 64 were approved and authorised for issue by the Trustees and are signed on their behalf, by:



.....
Dr Stephen Pierpoint
Chair of Trustees

Date: 12 December 2022

The notes on pages 31 to 64 form part of these financial statements.

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	23	149,073	71,494
Cash flows from investing activities	25	(45,934)	(35,821)
Cash flows from financing activities	24	(34,648)	(16,937)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		68,491	18,736
Cash and cash equivalents at the beginning of the year		73,774	55,038
Cash and cash equivalents at the end of the year	26, 27	142,265	73,774
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 31 to 64 form part of these financial statements.

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

The Exceptional Education Trust is a company limited by guarantee, incorporated in England and Wales.

The address of the registered office and principal place of operation are detailed on page 1.

The nature of the Trust's operation and principal activity are detailed in the Trustees' Report.

2. 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.

2.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2020 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

2.2 Going concern

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

2.3 Fund accounting

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

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

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

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

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.4 Income

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

• **Grants**

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

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

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

• **Donations**

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

• **Other income**

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

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.5 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.

- **Expenditure on raising funds**

This includes all expenditure incurred by the 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 Trust's educational operations, including support costs and costs relating to the governance of the Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

2.6 Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the 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 or restricted general funds, a transfer is made to the restricted fixed asset 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 these assets, less their estimated residual value, expected useful life, as follows:

Depreciation is provided on the following bases:

Leasehold property	- 0.8 - 10% straight line
Furniture and fittings	- 20% straight line
Plant and equipment	- 20 - 25% straight line

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

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.8 Debtors

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

2.9 Cash at bank and in hand

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

2.10 Liabilities

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

2.11 Provisions

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

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

2.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in Notes 19 and 20. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

THE EXCEPTIONAL EDUCATION TRUST
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FOR THE YEAR ENDED 31 AUGUST 2022

2. Accounting policies (continued)

2.13 Taxation

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

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

2.14 Pensions

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

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

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Trust in separate Trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to net income / (expenditure) 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.

2.15 Agency arrangements

The Trust acts as an agent in distributing 16-19 Bursary Funds from the ESFA payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. Where funds have not been fully applied in the accounting period then an amount will be included as amounts due to the ESFA.

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in Note 28, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Trustees consider there to be no critical areas of judgement that effect the amounts recognised in these financial statements.

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. Income from donations and capital grants

	Restricted general funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Donations	3,525	-	3,525
Donations in kind	-	25,000	25,000
Capital grants	-	166,270	166,270
Total 2022	3,525	191,270	194,795
	Restricted general funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Donations	2,459	-	2,459
Donations in kind	-	2,475,849	2,475,849
Capital grants	-	25,107	25,107
Total 2021	2,459	2,500,956	2,503,415

Donations in kind represent the fair value of land donated to the Trust during the year (2021 - £42,904 related to laptops donated for distribution to students and £2,432,945 related to a sports hall donated to the Trust).

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Charitable Activities - Funding for the Trust's educational operations

	Restricted general funds 2022 £	Total funds 2022 £
DfE/ESFA grants		
General Annual Grant (GAG)	4,873,432	4,873,432
Other DfE/ESFA grants		
Pupil Premium	202,978	202,978
Rates Relief	15,645	15,645
Teachers Pay and Pension grant	21,290	21,290
Summer School funding	15,000	15,000
Other DfE Group grants	128,300	128,300
	<hr/> 5,256,645	<hr/> 5,256,645
Other Government grants		
Local Authority - Special Educational Needs	115,819	115,819
Other Local Authority revenue grants	218,803	218,803
	<hr/> 334,622	<hr/> 334,622
Other income from the Trust's educational operations	34,621	34,621
COVID-19 additional funding (DfE/ESFA)		
COVID-19 workforce fund payment	8,435	8,435
	<hr/> 8,435	<hr/> 8,435
COVID-19 additional funding (non-DfE/ESFA)		
Mass testing	12,900	12,900
	<hr/> 5,647,223	<hr/> 5,647,223
	<hr/> <hr/>	<hr/> <hr/>

There are no unfulfilled conditions or other contingencies attached to the government grants above.

THE EXCEPTIONAL EDUCATION TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

5. Charitable Activities - Funding for the Trust's educational operations (continued)

	Restricted general funds 2021 £	Total funds 2021 £
DfE/ESFA grants		
General Annual Grant (GAG)	4,170,479	4,170,479
Other DfE/ESFA grants		
Pupil Premium	188,763	188,763
Rates Relief	16,173	16,173
Teachers Pay and Pension grant	195,181	195,181
Summer School funding	38,626	38,626
Other DfE Group grants	400	400
	<u>4,609,622</u>	<u>4,609,622</u>
Other Government grants		
Local Authority - Special Educational Needs	158,197	158,197
Other Local Authority revenue grants	271,084	271,084
	<u>429,281</u>	<u>429,281</u>
Other income from the Trust's educational operations	11,536	11,536
COVID-19 additional funding (DfE/ESFA)		
Catch-up Premium	52,640	52,640
COVID-19 workforce fund payment	14,183	14,183
	<u>66,823</u>	<u>66,823</u>
COVID-19 additional funding (non-DfE/ESFA)		
Mass testing	37,940	37,940
	<u>37,940</u>	<u>37,940</u>
	<u><u>5,155,202</u></u>	<u><u>5,155,202</u></u>

The Academy received £52,640 of funding for catch-up premium and costs incurred in respect of this funding totalled £52,640, with the remaining £NIL to be spent in 2021/22.

There are no unfulfilled conditions or other contingencies attached to the government grants above.

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

6. Income from other trading activities

	Unrestricted funds 2022 £	Restricted general funds 2022 £	Total funds 2022 £
Lettings income	970	-	970
Catering	95,898	-	95,898
Consultancy	-	163,618	163,618
Uniform sales	20,757	-	20,757
Other income	8,695	-	8,695
Total 2022	<u>126,320</u>	<u>163,618</u>	<u>289,938</u>
	Unrestricted funds 2021 £	Restricted general funds 2021 £	Total funds 2021 £
Catering	37,503	-	37,503
Consultancy	-	189,282	189,282
Uniform sales	19,338	-	19,338
Other income	17,255	-	17,255
Music income	60	-	60
Total 2021	<u>74,156</u>	<u>189,282</u>	<u>263,438</u>

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £
Bank interest receivable	45	45
	<u> </u>	<u> </u>
	Unrestricted funds 2021 £	Total funds 2021 £
Bank interest receivable	33	33
	<u> </u>	<u> </u>

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

8. Total expenditure

	Staff costs 2022 £	Premises costs 2022 £	Other costs 2022 £	Total 2022 £
Expenditure on raising funds:				
Direct costs	-	-	20,927	20,927
Educational operations:				
Direct costs	3,861,244	-	365,589	4,226,833
Allocated support costs	1,152,883	285,098	651,189	2,089,170
Total 2022	5,014,127	285,098	1,037,705	6,336,930

	Staff costs 2021 £	Premises costs 2021 £	Other costs 2021 £	Total 2021 £
Expenditure on raising funds:				
Direct costs	-	-	19,266	19,266
Educational operations:				
Direct costs	3,734,152	-	272,397	4,006,549
Allocated support costs	974,707	151,715	519,410	1,645,832
Total 2021	4,708,859	151,715	811,073	5,671,647

In 2021 all expenditure on raising funds were from unrestricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

9. Analysis of expenditure on charitable activities - by fund

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Educational operations	59,282	6,256,721	6,316,003

	Restricted funds 2021 £	Total funds 2021 £
Educational operations	5,652,381	5,652,381

10. Analysis of expenditure on charitable activities - by type

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Educational operations	4,226,833	2,089,170	6,316,003

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Educational operations	4,006,549	1,645,832	5,652,381

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

10. Analysis of expenditure on charitable activities - by type (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Defined benefit pension scheme finance cost	39,000	39,000
Support staff costs	1,112,956	935,707
Depreciation	229,073	214,177
Technology costs	81,566	71,192
Premises costs	284,080	151,715
Other costs	289,387	175,542
Governance costs	53,108	46,618
Legal costs	-	11,881
Total 2022	2,089,170	1,645,832

11. Governance costs

	2022 £	2021 £
Professional fees	28,162	7,008
Trustees' expenses and training	4,461	5,259
Auditors' remuneration - Audit of the Financial Statements	12,750	12,000
Auditors' remuneration - Other services	5,135	4,965
Auditors' remuneration - Under accrual of prior year audit fees	2,600	17,386
	53,108	46,618

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

12. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2022	2021
	£	£
Operating lease rentals	41,371	2,113
Depreciation of tangible fixed assets	229,111	214,177
Auditors' remuneration - Audit of the Financial Statements	12,750	12,000
Auditors' remuneration - Other services	5,135	4,965
	<u><u> </u></u>	<u><u> </u></u>

No central services were provided by the Trust in the year, and no central charges arose as Norlington School and 6th Form remains the only Academy in the Multi Academy Trust as 31 August 2022.

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022	2021
	£	£
Wages and salaries	3,638,320	3,516,000
Social security costs	378,094	346,699
Pension costs	882,230	748,426
	4,898,644	4,611,125
Agency staff costs	75,556	58,734
Defined benefit pension scheme finance cost	39,000	39,000
	5,013,200	4,708,859

b. Staff numbers

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

	2022	2021
	No.	No.
Teaching	48	48
Administration and support	57	56
Management	11	9
	116	113

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	6	7
In the band £110,001 - £120,000	1	1

The above employees participated in both the Teachers' Pension Scheme and Local Government Pension Scheme. During the year ended 31 August 2022 pension contributions for these staff members amounted to £92,410 (2021 - £92,523).

d. Key Management Personnel

The Key Management Personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by Key Management Personnel for their services to the Trust was £1,077,085 (2021 - £863,829).

14. Trustees' remuneration and expenses

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

		2022	2021
		£	£
Juan Hernandez, Principal and Accounting Officer	Remuneration	115,000 -	115,000 -
		120,000	120,000
	Pension contributions paid	25,000 -	25,000 -
		30,000	30,000

During the year ended 31 August 2022, expenses totalling £873 were reimbursed or paid directly to 1 Trustee (2021 - £136 to 1 Trustee) for accommodation and travel costs.

15. Trustees' and Officers' insurance

The Trust has opted into the Department of Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK Government funds cover losses that arise. This scheme protects Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides up to £10,000,000. It is not possible to quantify the Trustees and Officers indemnity element from the overall cost of the RPA scheme.

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

16. Tangible fixed assets

	Leasehold property £	Furniture and fittings £	Plant and equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2021	17,024,408	210,652	384,499	-	17,619,559
Additions	42,942	28,292	26,129	139,886	237,249
At 31 August 2022	<u>17,067,350</u>	<u>238,944</u>	<u>410,628</u>	<u>139,886</u>	<u>17,856,808</u>
Depreciation					
At 1 September 2021	548,538	176,086	286,966	-	1,011,590
Charge for the year	140,848	44,431	43,794	-	229,073
At 31 August 2022	<u>689,386</u>	<u>220,517</u>	<u>330,760</u>	<u>-</u>	<u>1,240,663</u>
Net book value					
At 31 August 2022	<u><u>16,377,964</u></u>	<u><u>18,427</u></u>	<u><u>79,868</u></u>	<u><u>139,886</u></u>	<u><u>16,616,145</u></u>
At 31 August 2021	<u><u>16,475,870</u></u>	<u><u>34,566</u></u>	<u><u>97,533</u></u>	<u><u>-</u></u>	<u><u>16,607,969</u></u>

The long-term leasehold property was professionally valued on 5 February 2013 by D Payling of London Borough of Waltham Forest, a RICS Registered Valuer using the depreciated replacement cost method. The Trustees consider that the valuation remains appropriate for the purposes of these financial statements.

Assets under construction relate to the replacement of windows and the development of the land donated to the Trust during the year. At the year-end, neither project had been completed.

17. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u><u>34,346</u></u>	<u><u>17,817</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

18. Debtors

	2022	2021
	£	£
Due within one year		
Trade debtors	16,782	15,517
Other debtors	27,912	20,566
Prepayments and accrued income	225,468	279,456
	270,162	315,539

19. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Other loans	33,340	49,119
Trade creditors	221,464	173,627
Other taxation and social security	93,949	90,012
Other creditors	59	232
Accruals and deferred income	93,770	77,975
	442,582	390,965
	2022	2021
	£	£
Deferred income		
Deferred income at 1 September	21,530	11,880
Resources deferred during the year	28,652	21,530
Amounts released from previous years	(21,530)	(11,880)
Deferred income at 31 August	28,652	21,530

At the Balance Sheet date the Trust was holding received in advance for;

- School trips taking place in the 2022/23 academic year.
- Donations to be carried forward into the 2022/23 academic year.
- PTA income to be carried forward into the 2022/23 academic year.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Creditors: Amounts falling due after more than one year

	2022	2021
	£	£
Other loans	22,169	41,038

On conversion a loan was received from London Borough of Waltham Forest for £204,173 to cover the deficit at the conversion date, this loan carries an interest rate of 4.81%. The current balance of this loan is £17,797 (2021 - £35,240). This loan is unsecured and repayable by installments.

In November 2017, the Trust received a SALIX loan of £12,070 for the Science Block Refurbishment. This loan is interest-free and is repayable in bi-annual installments. The loan is scheduled to be fully repaid by March 2027. The current balance of this loan is £7,543 (2021 - £9,505).

In September 2018, the Trust received a SALIX loan of £9,069 for the Roofing Replacement. This loan is interest-free and is repayable in bi-annual installments. The loan is scheduled to be fully repaid by March 2027. The current balance of this loan is £5,668 (2021 - £7,142).

In September 2018, the Trust received a SALIX loan of £23,200 for the Heating and Pipework Project. This loan is interest-free and is repayable in bi-annual installments. The loan is scheduled to be fully repaid by March 2027. The current balance of this loan is £14,500 (2021 - £18,270).

In March 2021, the Trust received a loan from the London Borough of Waltham Forest for £20,000. This loan is interest-free and is repayable in two annual installments. The loan is schedule to be fully repaid by April 2023. The current balance on the loan is £10,000 (2021 - £20,000).

The interest paid on the above loans in the year was £1,590 (2021 - £1,697).

THE EXCEPTIONAL EDUCATION TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

21. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General funds	51,409	126,365	(80,209)	(60,034)	-	37,531
Restricted general funds						
General Annual Grant (GAG)	13,875	4,873,432	(4,866,714)	(20,593)	-	-
Pupil Premium	-	202,978	(202,978)	-	-	-
Other DfE Group revenue grants	-	186,570	(186,570)	-	-	-
Other Local Authority revenue grants	-	130,819	(130,819)	-	-	-
Non-Government revenue grants	-	218,803	(218,803)	-	-	-
Other Educational income	-	34,621	(34,621)	-	-	-
Other activities	-	167,143	(167,143)	-	-	-
Pension reserve	(2,457,000)	-	(220,000)	-	1,535,000	(1,142,000)
	(2,443,125)	5,814,366	(6,027,648)	(20,593)	1,535,000	(1,142,000)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

21. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
NBV of fixed assets	16,607,969	25,000	(229,073)	212,249	-	16,616,145
DfE / ESFA capital grants	-	166,270	-	(166,270)	-	-
Loans inherited on conversion	(35,240)	-	-	17,443	-	(17,797)
Salix loans	(34,917)	-	-	7,205	-	(27,712)
Gym equipment loan	(20,000)	-	-	10,000	-	(10,000)
	<u>16,517,812</u>	<u>191,270</u>	<u>(229,073)</u>	<u>80,627</u>	<u>-</u>	<u>16,560,636</u>
Total Restricted funds	<u>14,074,687</u>	<u>6,005,636</u>	<u>(6,256,721)</u>	<u>60,034</u>	<u>1,535,000</u>	<u>15,418,636</u>
Total funds	<u>14,126,096</u>	<u>6,132,001</u>	<u>(6,336,930)</u>	<u>-</u>	<u>1,535,000</u>	<u>15,456,167</u>

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

The Unrestricted General Fund has been created to recognise the income and expenditure in respect of activities undertaken by the Trust. The transfer out of £60,034, represents £25,386 of funds used for capital additions that were made with Unrestricted funds and also £34,648 of funds released to pay off the loans held under restricted fixed asset funds

The General Annual Grant (GAG) represents the core funding for the educational activities of the school that has been provided to the Trust via the Education and Skills Funding Agency (ESFA) by the Department for Education (DfE). The GAG fund has been set up because the GAG must be used for the normal educational running costs of the Trust. The transfer out of £20,593 represents funds released to pay off the loans held under restricted fixed asset funds and capital additions made with restricted GAG funds.

The Pupil Premium fund has been established to recognise the restricted funding from the Education and Skills Funding Agency to raise the attainment of disadvantaged pupils and close the gap between them and their peers.

The Pension reserve fund represents the pension deficit inherited from the Local Authority upon conversion to Academy status, and through which all the pension scheme movements are recognised. The fund is in deficit, but given the nature of the liability this is not payable immediately. Plans are in place to meet the deficit.

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21. Statement of funds (continued)

The NBV of fixed assets fund has been set up to recognise the tangible assets held by the Trust and is equivalent to the net book value of tangible fixed assets. Depreciation of tangible fixed assets is allocated to this fund.

The Local Authority revenue grants fund has been set up to recognise the income received from London Borough of Waltham Forest as a contribution towards the cost of the Trust's revenue expenditure. Funding received for Special Educational Needs is also recognised within Local Authority Grants. These funds are to assist with the costs incurred providing disadvantaged students with the additional educational resources that they require.

The DfE/ESFA Capital grants fund has been created to recognise capital grants received for the purpose of the acquisition of tangible fixed assets. As tangible fixed assets are purchased, a transfer is made to the NBV of fixed assets fund. Capital grants received and receivable but not yet spent on fixed assets are held as current assets in the restricted fixed asset fund.

The Loans inherited on conversion, Salix loan and Gym equipment loan funds have been established to recognise the loans inherited by the Trust on conversion and the Salix loans received by the Trust. They are equivalent to the total of short term and long term loans recorded within Creditors: amounts falling due with one year and Creditors: amounts falling due after more than one year. As repayments of the loans are made, the deficit is reduced.

The Other Educational income fund has been established to recognise all other restricted funding that cannot be classified above but falls inside the scope of its core activities.

The Other activities fund has been established to recognise all other restricted funding that cannot be classified above and falls outside the scope of its core activities.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2022.

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21. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
General funds	(3,514)	74,189	(19,266)	-	-	51,409
Restricted general funds						
General Annual Grant (GAG)	17,745	4,170,479	(4,123,735)	(50,614)	-	13,875
Pupil Premium	-	188,763	(188,763)	-	-	-
Rates Relief	-	16,173	(16,173)	-	-	-
Teachers Pay and Pension grant	-	195,181	(195,181)	-	-	-
Summer School funding	-	38,626	(38,626)	-	-	-
Other DfE Group revenue grants	-	400	(400)	-	-	-
Local Authority - Special Educational Needs	-	158,197	(158,197)	-	-	-
Other Local Authority revenue grants	-	271,084	(271,084)	-	-	-
Other Educational income	-	11,536	(11,536)	-	-	-
Catch-up Premium	-	52,640	(52,640)	-	-	-
COVID-19 workforce fund payment	-	14,183	(14,183)	-	-	-
Mass testing	-	37,940	(37,940)	-	-	-
Other activities	-	191,741	(191,741)	-	-	-
Pension reserve	(2,005,000)	-	(138,000)	-	(314,000)	(2,457,000)
	(1,987,255)	5,346,943	(5,438,199)	(50,614)	(314,000)	(2,443,125)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

21. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
NBV of fixed assets	14,285,336	2,475,849	(214,177)	60,961	-	16,607,969
DfE / ESFA capital grants	-	25,107	-	(25,107)	-	-
Loans inherited on conversion	(66,115)	-	(5)	30,880	-	(35,240)
Salix loans	(38,797)	-	-	3,880	-	(34,917)
Gym equipment loan	-	-	-	(20,000)	-	(20,000)
	<u>14,180,424</u>	<u>2,500,956</u>	<u>(214,182)</u>	<u>50,614</u>	<u>-</u>	<u>16,517,812</u>
Total Restricted funds	<u>12,193,169</u>	<u>7,847,899</u>	<u>(5,652,381)</u>	<u>-</u>	<u>(314,000)</u>	<u>14,074,687</u>
Total funds	<u><u>12,189,655</u></u>	<u><u>7,922,088</u></u>	<u><u>(5,671,647)</u></u>	<u><u>-</u></u>	<u><u>(314,000)</u></u>	<u><u>14,126,096</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted general funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	16,616,145	16,616,145
Current assets	446,773	-	-	446,773
Creditors due within one year	(409,242)	-	(33,340)	(442,582)
Creditors due in more than one year	-	-	(22,169)	(22,169)
Defined benefit pension scheme liability	-	(1,142,000)	-	(1,142,000)
Total	37,531	(1,142,000)	16,560,636	15,456,167

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted general funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	16,607,969	16,607,969
Current assets	393,255	13,875	-	407,130
Creditors due within one year	(341,846)	-	(49,119)	(390,965)
Creditors due in more than one year	-	-	(41,038)	(41,038)
Defined benefit pension scheme liability	-	(2,457,000)	-	(2,457,000)
Total	51,409	(2,443,125)	16,517,812	14,126,096

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NOTES TO THE FINANCIAL STATEMENTS
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23. Reconciliation of net (expenditure)/income to net cash flow from operating activities

		2022	2021
		£	£
Net (expenditure)/income for the year (as per Statement of Financial Activities)		(204,929)	2,250,441
Adjustments for:			
Depreciation charges	16	229,073	214,177
Capital grants from DfE and other capital income	4	(191,270)	(2,500,956)
Investment income	7	(45)	(33)
Defined benefit pension scheme cost less contributions payable	28	181,000	99,000
Defined benefit pension scheme finance cost	28	39,000	39,000
(Increase)/decrease in stocks	17	(16,529)	5,313
(Increase)/decrease in debtors	18	45,377	51,731
Increase/(decrease) in creditors	19,20	67,396	(87,179)
Net cash provided by operating activities		149,073	71,494

24. Cash flows from financing activities

		2022	2021
		£	£
Repayments of borrowing	19,20	(34,648)	(36,937)
Cash inflows from new borrowings	19,20	-	20,000
Net cash used in financing activities		(34,648)	(16,937)

25. Cash flows from investing activities

		2022	2021
		£	£
Investment income	7	45	33
Purchase of tangible fixed assets	16	(237,249)	(60,961)
Capital grants from DfE Group	4	166,270	25,107
Capital funding received from sponsors and others	4	25,000	-
Net cash used in investing activities		(45,934)	(35,821)

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26. Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash at bank and in hand	142,265	73,774
Total cash and cash equivalents	142,265	73,774

27. Analysis of changes in net debt

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	73,774	68,491	142,265
Debt due within 1 year	(49,119)	15,779	(33,340)
Debt due after 1 year	(41,038)	18,869	(22,169)
	(16,383)	103,139	86,756

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NOTES TO THE FINANCIAL STATEMENTS
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28. Pension commitments

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Waltham Forest Pension Fund. 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 full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

The Teachers' Pension Budgeting and Valuation Account

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 year amounted to £617,000 (2021 - £424,000).

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

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

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28. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £314,000 (2021 - £276,000), of which employer's contributions totalled £255,000 (2021 - £225,000) and employees' contributions totalled £59,000 (2021 - £51,000). The agreed contribution rates for future years are 28.1 per cent for employers and 5.5 to 12.5 per cent for employees.

As described in Note 2.14 the LGPS obligation relates to the employees of the Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Trust at the Balance Sheet date.

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

Principal actuarial assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.30	4.30
Rate of increase for pensions in payment/inflation	2.90	2.90
Discount rate for scheme liabilities	4.30	1.70
Inflation assumption (CPI)	2.80	2.80

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28. Pension commitments (continued)

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

	2022	2021
	Years	Years
Retiring today		
Males	22.6	22.7
Females	25.1	25.2
Retiring in 20 years		
Males	24.1	24.4
Females	27.0	27.1

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	(49)	(77)
Discount rate -0.1%	50	79
Mortality assumption - 1 year increase	40	98
Mortality assumption - 1 year decrease	(39)	(95)

Share of scheme assets

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

	2022	2021
	£	£
Equities	550,000	568,000
Other bonds	150,000	-
Property	100,000	67,000
Cash and other liquid assets	28,000	27,000
Other	66,000	58,000
Total market value of assets	894,000	720,000

The actual return on scheme assets was £(68,000) (2021 - £75,000).

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28. Pension commitments (continued)

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

	2022	2021
	£	£
Current service cost	(436,000)	(324,000)
Interest income	14,000	3,000
Interest cost	(53,000)	(42,000)
Total amount recognised in the Statement of Financial Activities	(475,000)	(363,000)

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

	2022	2021
	£	£
At 1 September	3,177,000	2,385,000
Current service cost	436,000	324,000
Interest cost	53,000	42,000
Employee contributions	59,000	51,000
Actuarial (gains)/losses	(1,624,000)	380,000
Benefits paid	(65,000)	(5,000)
At 31 August	2,036,000	3,177,000

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

	2022	2021
	£	£
At 1 September	720,000	380,000
Interest income	14,000	3,000
Actuarial (losses)/gains	(89,000)	66,000
Employer contributions	255,000	225,000
Employee contributions	59,000	51,000
Benefits paid	(65,000)	(5,000)
At 31 August	894,000	720,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

Reconciliation of opening to closing Defined Benefit Pension Scheme liability

	2022	2021
	£	£
Balance brought forward at 1 September	2,457,000	2,005,000
Defined benefit pension scheme cost less contributions payable	181,000	99,000
Defined benefit pension scheme finance cost	39,000	39,000
Actuarial losses	(1,535,000)	314,000
Balance carried forward at 31 August	1,142,000	2,457,000

The amounts recognised in the Balance Sheet are as follows:

	2022	2021
	£	£
Present value of the defined benefit pension scheme obligation	(2,036,000)	(3,177,000)
Fair value of the defined benefit pension scheme assets	894,000	720,000
	(1,142,000)	(2,457,000)

29. Operating lease commitments

At 31 August 2022 the Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Within 1 year	27,222	8,453
Between 1 and 5 years	34,027	12,327
	61,249	20,780

30. Members' liability

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

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31. Related party transactions

No related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in Note 14.

32. Agency arrangements

The Trust also administers the distributions of the 16-19 Bursary Funds on behalf of the ESFA. During the year the Trust received funds of £4,348 (2021 - £6,437) and disbursed £4,348 (2021 - £6,437). £NIL (2021 - £NIL) was retained to cover administration expenses and a balance of £NIL (2021 - £NIL) relating to undistributed funds is repayable to the ESFA as at the Balance Sheet date and is included within creditors.