



WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

Luminate Education Group (Sponsor)
C Booth OBE (resigned 10 July 2023)
P Brennan
A McMaster (appointed 27 September 2022, resigned 6 July 2023)
C Abbott (appointed 22 September 2022, resigned 23 January 2023)
J Sanders (appointed 7 November 2022)
S Harper (appointed 6 July 2023)

Directors

S Harper, Chair of Trustees (appointed 6 October 2022)
Cllr C Gruen
D Strachan (resigned 15 December 2022)¹
A Whitaker
C Williams (resigned 30 June 2023)¹
A McMaster
J T Leach (appointed 22 September 2022)
E Sandwith (appointed 15 October 2022)¹
S Flowers OBE (appointed 13 October 2022)
K Newby (appointed 14 November 2022)¹
C Daniel (appointed 28 November 2022)
K Burns (appointed 30 November 2022)
F Al Fadhili (appointed 30 November 2022, resigned 26 October 2023)¹
A Razzaq (appointed 3 July 2023)
C Booth (appointed 4 July 2023)
P Wheeliker (resigned 26 September 2022)

¹ Audit and finance committee

Company registered number

07958615

Company name

White Rose Academies Trust

Registered office

Leeds City Academy, Woodhouse Cliff, Leeds, LS6 2LG

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Principal operating office

Bedford Field, Woodhouse Cliff, Leeds, LS6 2LG

Accounting officer

A Whitaker
S Carrie (interim from 11 September 2022)

Senior management team

Chief Executive Officer, A Whitaker
Chief Financial Officer, S Bradley (Interim CFO from 1 September 2022 and appointed CFO from 1 January 2023)
Executive Principal/Interim CEO, S Carrie (Accounting Officer)
Principal - Leeds East Academy, D Bullock
Principal - Leeds City Academy, R Chattoe
Principal - Leeds West Academy, D Whielden
Principal - Alder Tree Primary Academy, K Burton

Independent auditors

BHP LLP, New Chartford House, Centurion Way, Cleckheaton, BD19 3QB

Bankers

Lloyds Bank plc, Leeds City Centre Branch, PO Box 1000, Leeds, BX1 1LT

Solicitors

Browne Jacobson, Mowbray House, Castle Meadow Road, Nottingham, NG2 1BJ

Internal Auditor

Clive Owen LLP, 140 Coniscliffe Road, Darlington, County Durham, DL3 7RT

WHITE ROSE ACADEMIES TRUST
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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Directors present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Directors' report and a trustees' report under company law.

White Rose Academies Trust was incorporated on 21 February 2012 and took control of Leeds City Academy, formerly City of Leeds School, a Local Authority maintained school, on 1 August 2014 at conversion to Academy status. On the 1 September 2014, Leeds West Academy and Leeds East Academy joined the Trust, transferring from E-ACT, a sponsor for a national chain of academies. On 1 December 2020 Alder Tree Primary Academy joined the Trust.

The Academy Trust now operates three secondary academies for pupils aged 11 to 16 serving the Bramley, Seacroft and Woodhouse areas of Leeds and one primary academy for pupils aged 3 to 11 serving the Potternewton area of Leeds. At the school census in October 2022, the four academies had a combined total roll of 3,696. At October 2023 total student numbers has increased to 3,765.

Structure, governance and management

● ***Constitution***

The Academy Trust is a charitable 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 Directors of White Rose Academies Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as White Rose Academies Trust.

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

● ***Members' liability***

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

● ***Directors' indemnities***

The Academy Trust has purchased cover to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. This is provided under the DfE's Risk Protection Arrangement.

Structure, governance and management (continued)

● ***Method of recruitment and appointment or election of Directors***

Directors are appointed to the board of the White Rose Academies Trust in accordance with the Memorandum and Articles of Association.

- Up to 10 directors, 7 of which to be appointed by the sponsor and the remainder to be appointed by the members.
- Chief Executive Officer (if any).
- Up to 3 Co-opted Directors appointed by the Directors.
- 2 Parent Directors unless there are Local Governing Bodies or Accountability Boards which include at least two Parent Members.

Co-opted directors are persons appointed to be a director by being co-opted by directors who have not themselves been so appointed. The directors may not co-opt an employee of the company as a co-opted director if thereby the number of directors who are employees of the Academy Trust would exceed one third of the total number of directors including the Chief Executive Officer.

Parent directors and parent members of the local bodies shall be elected or appointed, in accordance with the terms of reference determined by the directors from time to time, by parents of registered pupils at one or more of the academies. A parent director must be a parent of a pupil at one of the academies at the time when they are elected and appointed. The directors shall make all necessary arrangements for, and determine all other matters relating to, an election of the parent directors or parent members of the local Bodies, including any question of whether a person is a parent of a registered student at one of the academies. Any election of the parent directors or parent members of the local bodies which is contested shall be held by secret ballot.

● ***Policies and procedures adopted for the induction and training of Directors***

White Rose Academies Trust provides each new director with access to a governance portal to ensure appropriate access to a range of information, documentation, and policies. The Academy Trust subscribes to the National Governors Association and The Key for School Leaders/Governors, which exists to provide support and training for school and academy leaders and to supplement an annual training programme.

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

Structure, governance and management (continued)

● **Organisational structure**

The Academy Trust has defined the responsibilities of each person involved in the administration of the academies operations to avoid the duplication or omission of functions and to provide a framework of accountability for directors and staff. The reporting structure is illustrated below:

The Trust Board

The Trust Board has overall responsibility for the administration of the Trust's operations. The main responsibilities of the Trust Board are prescribed in the Funding Agreement between the Trust and the Education and Skills Funding Agency (ESFA) and in the Trust's Scheme of Delegation:

The main responsibilities of the Trust Board include:

- setting (and reviewing) the Trust's vision and strategic plans, agreeing key priorities against which progress can be monitored
- ensuring that grant from the ESFA is used only for the purposes intended
- approval of the annual budget
- the regular monitoring of management accounts
- appointment of the Accounting Officer
- appointment of the Chief Financial Officer
- appointment of the Principals
- approval of LAB Constitution & Standing Orders
- ensuring the annual accounts are produced in accordance with the requirements of the Companies Act 2006 and the ESFA guidance issued to academies
- maintaining effective oversight of financial procedures and controls
- appointment of Trustees with oversight of Safeguarding and SEND

The Local Accountability Boards

A Local Accountability Board has been established for each academy in the Trust with the Chair of each Local Accountability Board being a Director on the Trust Board. The Local Accountability Boards Constitution and Standing Orders and the Scheme of Delegation set out the responsibilities:

- to monitor delivery of the core education vision;
- to monitor the admissions process;
- to set annual Academy performance targets;
- to assist in the recruitment of staff other than the Principal and Senior Post Holders;
- to agree and propose a draft budget for approval by the Trust Board;
- to implement and monitor policies with regard to staffing matters including performance management; and
- to oversee arrangements for director involvement in the Academy Development Plan and Academy Self Evaluations

The Accounting Officer (Chief Executive Officer)

Within the framework of the Trust's Scheme of Delegation as approved by the Trust Board, the Accounting Officer has personal responsibility for:

- the propriety and regularity of the public finances for which they are answerable;
- the keeping of proper accounts;
- prudent and economical administration;
- the avoidance of waste and extravagance;
- ensuring value for money; and
- the efficient use of all resources in their charge

Structure, governance and management (continued)

Much of the day-to-day financial responsibility has been delegated to the Chief Financial Officer (CFO) but the Accounting Officer still retains responsibility for:

- approving new staff appointments within the authorised establishment, except for any Senior Post Holders which the Trust Board have determined should be approved by them;
- authorising contracts between £50,000 and £100,000 in conjunction with the CFO;
- signing cheques in conjunction with other authorised signatories; and
- authorising electronic payments in conjunction with other authorised personnel

The Accounting Officer must advise the Board in writing, whether at any time, in their opinion, any action or policy under consideration by the Local Accountability Board is incompatible with the terms of the Academy's Funding Agreement or the Academies Trust Handbook.

The Chief Financial Officer

The Chief Financial Officer works in close collaboration with the Accounting Officer through whom they are responsible to the board.

The main responsibilities of the Chief Financial Officer are:

- the day-to-day management of financial issues including the establishment and operation of a suitable accounting system;
- the management of the Trust's financial position at a strategic and operational level within the framework for financial control determined by the Trust Board;
- the maintenance of effective systems of internal control;
- ensuring that the annual accounts are properly presented and adequately supported by the underlying books and records of the Trust;
- the preparation of monthly management accounts;
- ensuring forms and returns are sent to the ESFA in line with the timetable in the ESFA guidance;
- co-ordination of the trust's risk management procedures;
- act as the data protection officer (DPO); and
- additional leadership responsibilities, some of which are not directly finance related, as outlined in the Chief Financial Officer job description.

All staff are responsible for the security of Trust property, for avoiding loss or damage, for ensuring economy and efficiency in the use of resources, and for conformity with the requirements of the Trust's financial procedures.

● ***Arrangements for setting pay and remuneration of key management personnel***

The pay and remuneration of the senior management team was set in accordance with the Senior Post-Holder pay policy with any pay and remuneration adjustment being subject to the annual performance review cycle. The directors ensure a robust and transparent performance management process, including an assessment of individual performance and setting of benchmarked salary levels where appropriate.

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

Structure, governance and management (continued)

● **Trade union facility time**

Relevant union officials

Number of employees who were relevant union officials during the year	10
Full-time equivalent employee number	10

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	10
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time **£000**

Total cost of facility time	-
Total pay bill	22,782
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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Structure, governance and management (continued)

● ***Engagement with employees (including disabled persons)***

The Trust encourages the involvement of its employees through an established meeting cycle throughout the year including line management, department meetings, specific group forums, and whole staff briefings. There is close collaboration through various platforms and forums between the academies with Principals, curriculum leaders and other professionals sharing best practice. New colleagues are fully inducted, and all staff take part in CPD throughout the academic year. The Trust also employs 'wellbeing champions' in each of the academies to work collaboratively with the Trust wellbeing team to co-ordinate events and support in line with the wellbeing strategy.

During 2022/23, the Trust launched guiding principles to stakeholder engagement. This document provides an overview of how all the engagement activities across the Trust are undertaken so all employees feel able to provide their views across a range of areas. The Trust actively engage with this feedback to help inform strategic priorities and identify areas of development for the year ahead.

In response to stakeholder feedback the Trust has further developed its communication strategy in recognition of the diverse communities in which we serve. Examples of this includes infographics of key messages, translated information, and the delivery of messages via digital platforms to support accessibility.

This has been further enhanced through the use of Arbor and the messaging system available on the platform. This enables the schools to share letters home and key information regarding student progress. Key personnel within the academies also communicate with parents/carers directly through email in line with communication policy. In addition, the Trust maintains an active suite of social media accounts that are updated to share latest information.

● ***Engagement with suppliers, customers and others in a business relationship with the Academy Trust***

The Trust engages with suppliers in a number of ways including procurement processes and key supplier review meetings. The Trust continues to develop its relationships with key supply chain partners to ensure quality and value for money are secured.

The Trust has a large number of stakeholders that it engages with from the city of Leeds and the wider area and is a member of Leeds Learning Alliance. The Trust continues to develop its relationship with key stakeholders such as the DfE, ESFA and Leeds City Council through regular meetings and networks. An example of this is the chairing of the Education Reference Group which forms part of the Leeds Children's Safeguarding Partnership.

The Trust continues to identify opportunities to develop relationships with a range of educational and charitable organisations that have similar aims in order to work together to address areas of need.

● ***Related parties and other connected charities and organisations***

Luminate Education Group, who is a member, is also the sponsor of White Rose Academies Trust. During the year Luminate Education Group subcontracted, on a not for profit basis, an IT support service to the trust until 31st December 2022. The value of this service was £176k (2022 - £818k) and is detailed in note 29.

The role of the sponsor is to provide a governance framework to ensure the appropriate and effective operation of the Trust. The sponsor contributes by providing oversight in governance issues and challenge to the Trust executive.

Objectives and activities

● ***Objects and aims***

The principal object set out in our Articles of Association is:

To advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full- time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them or 16 to 19 academies offering a curriculum appropriate to the needs of its students or schools specially organised to make special educational provision for pupils with Special Educational Needs.

In accordance with the Articles of Association, the Academy Trust has adopted "Governance Arrangements and a Scheme of Delegation". The Trust has adopted policies for its operations including, amongst other things, the basis for admitting students to the White Rose Academies Trust, and that the curriculum should comply with the substance of the national curriculum.

The main aims of the White Rose Academies Trust are summarised below;

- To provide outstanding education, principally in the city of Leeds and surrounding areas, for pupils of different abilities between the ages of 4 and 16 with an emphasis on particular specialisms;
- To ensure that every child enjoys the same safe, secure environment and high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all pupils;
- To improve the effectiveness of White Rose Academies Trust by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To maintain links with industry and commerce and the international community;
- To conduct the White Rose Academies Trust business in accordance with the highest standards of integrity, probity and openness; and
- To provide facilities for recreational and other leisure time occupation for the community at large, in the interests of social welfare and with the interest of improving the life of the said community.

● ***Objectives, strategies and activities***

The White Rose Academies Trust's vision is to be an exceptional and responsive academy group providing life changing education, skills, and experiences for individuals in our academies and in their communities.

We are ambitious for all through our commitment to delivering an exceptional, inclusive educational experience centred upon creating a culture where our communities are supported to flourish.

The academies in the Trust aim to deliver an ambitious, inclusive, and personalised curriculum which include opportunities to participate in extensive extra-curricular programmes. All academies are committed to providing an education that exposes our young people to a wide range of experiences that extend beyond the national curriculum and develop cultural capital.

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

Objectives and activities (continued)

● **Public benefit**

In setting objectives and planning for activities, the Directors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Strategic report

Achievements and performance

● **Key performance indicators**

The Board considers that the following are key performance indicators for the Trust:

- **Pupil numbers:** The three secondary academies are full with waiting lists. Two of the secondary academies are receiving significant financial investment from the Local Authority to increase capacity. Our primary academy (joined in December 2020) requires further support to reach capacity and has been identified as a priority moving forward.
- **Ofsted inspection outcomes:** All three secondary academies were last inspected in 2019 and secured 'good' judgements. Our primary academy joined the Trust in 2020 and is currently undesignated. It was inspected in November 2023 and we await the outcome of the inspection.
- **Student attendance:** This is a critical area of focus and a priority area for improvement across the Trust. This is further commented upon in the areas of principle risk and uncertainties section of the report.
- **Academic outcomes for students:** Attainment has improved across the Trust when compared to the 2019 pre-pandemic outcomes.
- **Students' positive and sustained destinations:** post 16: Through the Trust's Careers Education Information and Guidance programmes a large proportion of children secure positive destinations post 16
- **Financial stability:** The Trust recognises the need to have sufficient levels of reserves. The academies are embedded within a business planning framework that recognises this requirement and champions financial probity, accountability and performance.

The following key developments were either introduced or further developed during 2022/23 to support sustainable improvement at scale across the organisation:

High quality leadership and management

- The central team leadership structure has been redefined to ensure there is clarity of expectation regarding roles and responsibilities relating to each central service to ensure there is the relevant capabilities and competencies.
- Operational guidance has been written and communicated to all stakeholders outlining clear baseline standards and expectations to mitigate risk and standardise practice and procedure.
- A full time CFO has been appointed to support the operational and financial efficiency of the organisation.
- Centralised systems have been developed to support the timely and meaningful sharing of data to inform the school improvement agenda.
- A knowledgeable and independent Academy Improvement Partner has been appointed to add capacity to curriculum focused School Improvement Activity.

Strategic report (continued)

Achievements and performance (continued)

Support for academies

- The Trust-wide School Improvement entitlement has been introduced and is a codified model to secure school improvements at scale across the organisation.
- The 'four R model' of school improvement has been implemented to support bespoke school improvement activity across the Trust.
- Leader and Practitioner Networks have been introduced to develop leadership capacity and expertise in relation to specific roles and responsibilities.
- Leaders from across the Trust continue to fulfil their designation as Visiting Fellows in support of the new National Professional Qualification (NPQ) Framework, facilitating on the NPQ for Senior Leadership, Leading Teaching and Learning and Leading Behaviour and Culture. The development of a WRAT wide network of expert practitioners, both operationally and educationally, is ongoing and aims to provide appropriate capacity for a growing demand for school improvement support.

High Quality Inclusive Education

- Guiding Principles for inclusion have been introduced and implementation of inclusive curriculum delivery is a key area of focus for the Academy Improvement Partner.
- All schools across the Trust secured their High Performance Learning (HPL) accreditation. HPL is a framework which supports young people to develop the values and characteristics of high performers.
- Outcomes continue to improve for students progressing from WRAT academies. Across all the secondary academies attainment has improved when compared to the last set of published examination data in 2019.
- The proportion of students leaving in 2023 securing positive destinations, is testament to the quality of teaching, careers education, advice and guidance delivered across the Trust.

Grow sustainability to scale

- The WRAT remains a small Trust with ambition and a clear mandate for growth supported by the Regional Director.
- The Trust remains committed to growth and continuously explores opportunity to exert further positive impact on the quality of education in the region.
- Each secondary academy continues to grow in popularity within their respective communities, evident in the number of students on roll, which has grown materially in recent years.
- Leaders have worked in partnership with Leeds City Council to consult on a permanent expansion of Leeds City Academy at an approximate value of £9m. Work is currently underway.
- Leeds West Academy completed its £5m expansion project in April 2023, increasing capacity from 1200 to 1500.
- The Trust continues to explore and extend partnerships across the region. Ongoing high-level engagement with Local Authority partners, and through partnership with the Leeds Learning Alliance and through collaboration with the Luminate Education Group.

Invest in the Workforce

The Trust's CPD programme continues to invest in the professional development of colleagues from all academies, underpinning effective induction, embracing the principles of the Early Career Framework and ensuring development is appropriate for all career stages, up to and including Principal level.

We support all colleagues through professional development and all colleagues are able to participate in the training suited to their current status, personal, and professional aspirations.

Strategic report (continued)

Achievements and performance (continued)

● ***Going concern***

After making appropriate enquiries, the Board of Directors 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.

● ***Promoting the success of the company***

The Directors have promoted the success of the Trust to achieve its charitable goals, for the benefit of its student, staff, and communities it serves as a whole and in doing so have given regard to:

- The likely consequences of any decisions in the long term. The Trust Strategic Plan and priorities aim to improve the long term educational, operational, and financial performance of the Trust to consolidate the position of the organisation.
- The interest of the Company's employees. See the section on engagement with Trust employees above and the aims of the Trust strategic plan. During 2022/23, the Trust launched guiding principles to stakeholder engagement. This document provides an overview of how all the engagement activities across the Trust are undertaken so all employees feel able to provide their views across a range of areas. The Trust actively engage with this feedback to help inform strategic priorities and identify areas of development for the year ahead.
- The need to foster the Company's business relationships with suppliers, customers, and others. See the section on engagement with suppliers, customers, and others in a business relationship with the Trust above. The Trust has a large number of stakeholders that it engages with from the city of Leeds and the wider area and is a member of Leeds Learning Alliance. The Trust continues to develop its relationship with key stakeholders such as the DfE, ESFA and Leeds City Council
- The impact of the Company's operations on the community. The Trust continues to be an outward facing and community focused organisation. Our academy buildings are frequently used by the community for various social and sporting activity. We are committed to our community focused offerings and have ensured activity such as the Alder Tree foodbank, Leeds West Academy primary sports co-ordination and several other community outreach projects continue to flourish.
- The impact of the Company's operations on the environment. See section on Streamlined Energy and Carbon Reporting. The Trust continues to commit to carbon reduction in operations. New projects during the year included the installation of solar panels, electric car charging ports, and the formulation of plans to install LED bulbs in all schools.
- The desirability of the company maintaining a reputation for high standards of business conduct.
- The need to act fairly as members of the company. The Trust Board met with company members during the year to update members on appropriate strategic matters. The members offered challenge and support as appropriate.

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

Strategic report (continued)

Achievements and performance (continued)

As part of a substantive review of future strategy, and recognising the inherent challenges faced by smaller multi-academy trusts, the Trust Board resolved in February 2023 to submit an application to the Regional Director (of the Department for Education) to join the Wellspring Academy Trust, a larger MAT with presence in Leeds and whose values and aspirations were in line with our own. Ultimately, this application was unsuccessful and did not obtain ministerial approval. Whilst disappointing, the Directors have worked hard to ensure that the WRAT remains sustainable in its own right and continue to assess the strategic direction they wish to take in the best interests of the schools of the Trust.

Financial review

The majority of income for educational operations received by White Rose Academies Trust during the year was from the Education & Skills Funding Agency (ESFA) in the form of recurrent grants. The grants received to support the four academies in the Trust are restricted in their use to the purposes defined in the master funding agreement and deed of grant.

The White Rose Academies Trust also receives capital grants from the ESFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and reporting by Charities' (SORP 2019), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the year ended 31 August 2023, total income was £40,596k (2022 - £35,950k).

The operational surplus, excluding depreciation, pension liabilities and amounts inherited on conversion, shown in the General fund has increased to £1,848k in the year ended 31 August 2023. This is split across Restricted General Funds of £1,572k (2022 - £647k) and £276k (2022 - £194k) in the Unrestricted General fund.

The net book value of tangible fixed assets at 31 August 2023 was £64,517k (2022 - £62,127k).

As at the 31 August 2023 the Trust had cash reserves and cash balances on deposit of £1,665k (2022 - £1,943k).

● **Reserves policy**

The directors review the reserve levels of the White Rose Academies Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The unrestricted reserves at 31 August 2023 of £276k (2022 - £194k) are freely available for general purposes.

Restricted funds of £1,572k (2022 - £647k) include those designated for a particular purpose such as unspent start-up grants which are disclosed in note 19 to these accounts. These funds will be expended as required dependent upon the level of core funding over the next three years.

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

● ***Investment policy***

Investments must be made only in accordance with written procedures approved by the board. In balancing risk against return the policy of White Rose Academies Trust is geared to risk reduction. Investment decisions take account of cash flows required to cover financial commitments.

All investments must be recorded in sufficient detail to identify the investment and to enable the current market value to be calculated. The information will normally be the date of purchase, the cost and description of the investment.

● ***Principal risks and uncertainties***

The Trust is exposed to a range of risks and these risks are monitored and managed through the Risk Management Policy and Procedure that is in place at the Trust. Through this procedure, risk registers are maintained by each academy and a single risk register is maintained capturing the strategic risks for the whole Trust. The strategic risk register is regularly reviewed by the senior leadership team and is also scrutinised by the Audit, Risk & Finance Committee. The Board receives the strategic risk register at least annually and more frequently if necessary. The Trust has a range of internal controls that enable risks to be monitored and prompt mitigating action to be taken.

The Trust also utilises the services of external professionals, in areas such as health and safety, safeguarding and school improvement, who provide independent reports to Directors on the Trust's work to mitigate and alleviate risks in these key areas.

The principal risks to the Trust include:

Attendance - Attendance has been a regular feature in the media over recent months due to the increasing concerns regarding the number of children who are absent from school. Persistent absence, defined as missing more than 10% of lessons, more than doubled from 8% of primary and 13.7% of secondary school children pre-Covid across England to 17% and 28% respectively in 2022-2023. The Children's Commissioner for England, calculates that of the 1.6 million children persistently absent during the autumn and spring of 2021-22, 818,000 were off for reasons other than the usual childhood illnesses. Many of these absentees are worryingly vulnerable: children with special educational needs or disabilities (SEND) and children on free school meals are disproportionately more likely to be persistently off. This is of significance to the schools across the Trust due to the higher than national percentages of children with SEND and children eligible for Free School Meals who attend our schools.

Funding - The majority of the funding for the Trust's activities is in the form of grant funding from the ESFA, based predominantly on student numbers. There can be no assurances that government policy or practice will remain the same or that public funding will continue at the same levels or keep pace with inflation or salary costs. The Trust is therefore exposed to risk of changes over which it has no direct influence. The Trust minimises this risk by ensuring student numbers at each academy are protected or grown where capacity permits, and manages its financial commitments based on student number projections through an annual business planning cycle.

Growth - In response to the Government's White Paper in March 2022, there has been direction for Trusts to grow by 2030. Any growth opportunities will be subject to a rigorous due diligence process and the Trust will continually review its level of capacity in terms of personnel, processes and systems to ensure that the growth is managed in a controlled and sustainable manner.

Pensions - The Trust continues to be exposed to the risk of future increases in the employer pension contributions arising from triennial revaluations in future years. The West Yorkshire Pension Fund continues to have a strong funding position. The potential financial impact of future increase in employers pension contributions for the two pension schemes will be kept under review.

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

Other - the risk portfolio across the organisation include several key areas that are identified as risks with control measures to mitigate or reduce the prevailing risk. Key areas include:

- The ability to attract and retain high quality staff – the trust recognises the challenging recruitment environment particularly for teaching professionals. A range of measures is taken to reduce this risk with our commitment to our employees contained within the people strategy of the trust strategic plan.
- Cyber security - the ongoing risk of cyber threat and general network security. Our IT managed service provider maintain a departmental risk register that identifies areas for development, with a quality assurance framework led by our Head of IT and overseen by the CFO.
- Estates - the trust has a mixture of land and building within its estates portfolio that range from pre-1900 builds to modern construction. To maintain our buildings to a high standard we regularly carry out site audits through internal and external scrutiny. The health & safety audits carried out by the local authority link in with building maintenance. Capital investment plans are developed that recognise resource requirement or areas that require upgrading.

Streamlined energy and carbon reporting

UK Greenhouse Gas Emissions and Energy Use Data for the period	1 September 2022 to 31 August 2023	1 September 2021 to 31 August 2022
Energy consumption used to calculate emissions		
Energy consumption breakdown <ul style="list-style-type: none"> • Gas • Electricity • Transport Fuel 	2,186,206 KWh 2,087,982 KWh 33,423 miles	3,202,368 KWh 2,283,970 KWh 33,769 miles
Scope 1 – Emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> • Gas consumption • Owned Transport – Mini Buses 	399.9 8.8	587.0 10.0
Scope 2 – Emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> • Purchased Electricity 	432.4	580.0
Scope 3 – Emissions in metric tonnes CO ₂ e <ul style="list-style-type: none"> • Business travel in employee owned vehicles 	1.6	1.9
Total gross emissions in metric tonnes CO₂e	842.7	1,178.9
Intensity Ratio Tonnes CO ₂ e per pupil (Oct 2022 census = 3,696 pupils)	0.228	0.331

Streamlined energy and carbon reporting (continued)

Quantification and Reporting Methodology

We have followed the 2020 HM Government Environmental Reporting Guidelines. We have also used the Greenhouse Gas Reporting Protocol - Corporate Standard and have used the 2020 UK Government's conversion factors for company reporting.

Intensity Measurement

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

Measures taken to improve energy efficiency

We have an ongoing programme to improve energy efficiency across our academies:

- The boilers and heating infrastructure at LCA were replaced during the year
- Plans in place to replace LED lighting by Christmas 2023
- Installation of solar panels at Leeds West Academy
- Electric car charging stations at Leeds West Academy
- Use of biomass as energy source
- Use of combined heating power units at Leeds East Academy
- Plans to upgrade the boiler at Alder Tree Primary during 2023/24

Plans for future periods

The Trust has established a clear set of aligned strategic priorities which are reflected in each of the Academy Development and Improvement Plans. The aligned areas of focus relate to developing expertise and improving practice in relation to the following critical areas of School Improvement:

- Attendance
- The experience of SEND and Pupil Premium Disadvantaged students
- The deliberate and cohesive teaching of literacy including the enjoyment of reading

The Trust's work in relation to High Performance Learning continues and all schools across the Trust have secured the Year 1 HPL accreditation of High Performing School Award (HPSA). This academic year a framework for effective Trust-wide self-evaluation has been established as a codified model of school improvement to support the achievement of improvements at scale.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

Plans for future periods (continued)

The Trust will seek to achieve its aims by 2023 by implementing its strategic priorities and measuring itself against its Key performance indicators in the following areas:

- We will strive to ensure that progress overall and for key cohorts is in line with or above the national average.
- Deliver a highly inclusive and ambitious curriculum which is responsive to the needs of the communities they serve.
- Further improve financial efficiency and effectiveness demonstrating strong financial controls, high performance against school trusts of a similar size, and adherence to a reserves policy.
- To develop a highly effective and comprehensive people strategy which recognises the Trust as an employer of choice for professionals. This will be achieved by developing the distinctiveness of the Trust's offer as a potential partner of choice through clear policies and procedures, our professional guarantee of collaborative working, professional generosity, stakeholder engagement and strong assurance frameworks for good governance.

Fundraising

The Academy Trust has not actively participated in fundraising practices in the financial year. However, the directors are aware of the requirements of the Charities (Protection and Social Investment) Act 2016 in relation to fundraising practices.

Disclosure of information to auditors

Insofar as the Directors are aware:

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

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



.....
S Harper
Chair of Trustees

Date: Dec 15, 2023

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

The Board of Directors has overall responsibility for ensuring that White Rose Academies Trust has an effective and appropriate system of control - financial and otherwise.

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

The board delegates the day-to-day responsibility for running the Trust to the Chief Executive Officer. The Chief Executive Officer is also the Trust's Accounting Officer and is responsible for ensuring that financial controls conform with the requirements of both propriety and good financial management and comply with the requirements and responsibilities assigned to it in the funding agreement between White Rose Academies Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

The information provided in this section supplements that which is referred to in the Directors' Report and in the Statement of Directors' Responsibilities.

Board of directors

The board of directors have formally met 15 times during the year.

Attendance by directors at meetings of the Board was as follows:

Director	Meetings attended	Out of a possible
S Harper, Chair of Trustees (appointed 6 October 2022)	12	13
C Booth OBE (appointed 4 July 2023)	2	2
K Burns (appointed 30 November 2022)	10	10
C Daniel (appointed 28 November 2022)	6	10
F Al Fadhili (appointed 30 November 2022, ceased 26 October 2023)	2	10
S Flowers (appointed 13 October 2022)	13	13
CLr C Gruen	11	15
J T Leach (appointed 22 September 2022)	12	14
A McMaster	14	15
K Newby (appointed 14 November 2022)	10	11
A Razzaq (appointed 3 July 2023)	2	2
E Sandwith (appointed 15 October 2022)	12	13
D Strachan (resigned 15 December 2022)	5	6
P Wheeliker (resigned 26 September 2022)	1	1
A Whitaker	0	0
C Williams (resigned 30 June 2023)	11	14

GOVERNANCE STATEMENT (CONTINUED)

Board of directors (continued)

Conflicts of interest

Directors have systems in place to identify conflicts of interest to ensure decisions are taken in the best interests of the Trust. All directors and governors declare their business and pecuniary interests on joining the trust and are required to refresh this information annually. A register of interests is maintained for the Trust board and Local Accountability Boards and is published on the Trust website. This approach ensures conflicts can be identified in advance. In addition, declarations in relation to any agenda items are requested at the start of each board and Local Accountability Board meeting.

As the Trust has matured, data and other information provided to the Board, Board Committee and Local Accountability Boards has been subject to ongoing review and enhancement.

All Terms of Reference and other constitutional documents and arrangements have been reviewed, with the aim of further increasing the range and rigour of information provided throughout the governance structure.

Governance reviews

As part of our governance review process, the Trust is committed to using a range of support and advice to strengthen governance including the National Governance Association and The Key for School Governors. During the year we utilised these resources to help shape and inform our skills and competencies audits for Trustees and LAB governors. The outcome of the audits allows the Trust Board to identify gaps and recruit to specialist areas that may be required. During 2023/24, the Trust intends to consider an external security report on governance.

Audit Risk and Finance Committee

The Audit Risk and Finance Committee is a committee of the Trust Board, established under the terms of Article 101 of the Trust's Articles of Association. The purpose of the committee is to assist the decision making of the Trust by providing a process for independent checking of financial controls, systems, transactions and risks, independent of management.

The Academy Trust Handbook published by the Education Funding Agency (ESFA) requires that the Audit Risk and Finance Committee's work must focus on providing assurance to the Board of Directors that risks are being adequately identified and managed by reviewing the risks to internal financial control at the Trust; and agreeing a programme of work to address, and provide assurance on, those risks.

As part of a multi-academy trust (MAT), the Committee's oversight extends to the financial controls and risks at constituent academies.

The committee's oversight includes information submitted to DfE and ESFA that affects funding, including pupil number returns and funding claims completed by the Trust and its constituent academies, is accurate and in compliance with funding criteria.

The terms of reference for the committee are reviewed and approved annually.

GOVERNANCE STATEMENT (CONTINUED)

Board of directors (continued)

The committee met formally 4 times during the year. Attendance during the year at meetings was as follows:

	Meetings attended	Out of a possible
F Al Fadhili (appointed 30 November 2022, ceased 26 October 2023)	1	2
K Newby (appointed 14 November 2022)	2	2
D Strachan (resigned 15 December 2022)	2	2
C Williams (resigned 30 June 2023)	4	4

Review of value for money

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

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of directors where value for money can be improved, including the use of benchmarking data or by using a framework where appropriate.

The accounting officer for the academy trust has delivered improved value for money during the year by:

- utilising the Central Trust Team to provide support in academy improvement and various support services including Finance, HR, ICT, Marketing, Professional Development and Governance;
- recruitment to shared posts across a number of academies and the secondment of staff across the Trust;
- the adoption of common processes and systems in the academies across the Trust;
- the appointment of service providers or contractors via recognised public sector frameworks or via competitive tendering process;
- the re-negotiation or procurement of services to ensure best value such as utility, telephone, and transport services;
- collaborative working with other academy trusts to run joint-procurement exercises;
- working with professional bodies within the public finance and business sector such as CIPFA and ISBL to recognise current procurement guidance;
- income generation through the hire of school facilities to benefit of local community groups.

The purpose of the system of internal control

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

GOVERNANCE STATEMENT (CONTINUED)

Capacity to handle risk

The board of directors 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 directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of directors.

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 directors
- regular reviews by the Audit Risk and Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Directors employs Clive Owen LLP as internal auditor.

The internal auditor's role includes giving advice on financial and other 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:

- Finance and procurement
- HR compliance
- Financial planning and monitoring

On a termly basis, the internal auditor reports to the board of directors through the Audit Risk and Finance Committee on the operation of the systems of control and on the discharge of the financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditor delivered their programme of work as planned and presented their annual summary report to the committee in November 2023.

GOVERNANCE STATEMENT (CONTINUED)

Review of effectiveness

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

- the financial management and governance self-assessment process or the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of both the internal and external auditors;
- correspondence from ESFA e.g. financial notice to improve/notice to improve (FNtI/NtI) and 'minded to' letters.

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

Approved by order of the members of the Board of Directors and signed on their behalf by:



.....
S Harper
Chair of Trustees

Date: Dec 15, 2023



Sarah Carrie (Dec 15, 2023 11:50 GMT)

.....
S Carrie
Accounting Officer

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of White Rose Academies Trust I have considered my responsibility to notify the Academy Trust board of Directors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2022.

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

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

Non-financial issues

In July 2020 the Academy Trust board approved that the Academy Trust enter into a new contract for the provision of IT support services by Luminate Education Group, the trust sponsor, on the same basis as the previously existing arrangement.

Following approval by the Academy Trust board, approval to enter into this related party transaction was requested from the ESFA prior to commencement of the new contract on 1 September 2020. Following the rejection from the ESFA regarding the related party transaction submission for IT services, both the Trust and Luminate Education Group agreed to terminate the contract with effect from 31 December 2022. On 1 January 2023 the Trust entered into a new contract with non-related parties for all services previously supplied by Luminate Education Group.


Sarah Carrie (Dec 15, 2023 11:50 GMT)

.....
S Carrie
Accounting Officer
Date: Dec 15, 2023

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

The Directors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' 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 Directors to prepare financial statements for each financial year. Under company law, the Directors 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 Directors are required to:

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

The Directors 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 Directors 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 Directors 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 Directors and signed on its behalf by:


.....

S Harper
Chair of Trustees

Date: Dec 15, 2023

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST

Opinion

We have audited the financial statements of White Rose Academies Trust (the 'academy trust') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2023 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES 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 Directors 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 Directors' Report incorporating the Strategic 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 Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST (CONTINUED)

Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Academy 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:

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

- we identified the laws and regulations applicable to the academy trust through discussions with management, and from our knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the operations of the academy trust, including the Charities Act 2011 and the guidance issued by the ESFA;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting correspondence with the regulators; and
- identified laws and regulations were communicated within the audit team and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the academy trust's accounts to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF WHITE ROSE ACADEMIES TRUST (CONTINUED)

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

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reviewing correspondence with regulators and reading minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

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.

Use of our report

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



Lesley Kendrew (Senior Statutory Auditor)

for and on behalf of

BHP LLP

Chartered Accountants

New Chartford House

Centurion Way

Cleckheaton

BD19 3QB

Date: Dec 15, 2023

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO WHITE ROSE ACADEMIES TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 9 July 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by White Rose Academies Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to White Rose Academies Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to White Rose Academies 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 White Rose Academies Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of White Rose Academies Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of White Rose Academies Trust's funding agreement with the Secretary of State for Education dated 31 July 2014 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

The work undertaken to draw to our conclusion includes:

- checking that the academy trust's activities are consistent with its framework and its charitable objectives,
- checking that the governors and key staff have disclosed their interest in related parties, discussing the same with management and reviewing transactions during the period for undisclosed related party transactions,
- checking that any related party transactions during the period are conducted at normal commercial rates,
- checking that academy trust expenditure is permitted by its funding agreement,
- checking that any borrowings entered into, including leases, are in accordance with the Academy Trust Handbook 2022,

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

- checking that any land and building transactions, especially disposals, are in line with the funding agreement and Academy Trust Handbook 2022.

Conclusion

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

In July 2020 the Academy Trust board approved that the Academy Trust enter into a new contract for the provision of IT support services by Luminare Education Group, the trust sponsor, on the same basis as the previously existing arrangement.

Following approval by the Academy Trust board, approval to enter into this related party transaction was requested from the ESFA prior to commencement of the new contract on 1 September 2020. Following the rejection from the ESFA regarding the related party transaction submission for IT services, both the Trust and Luminare Education Group agreed to terminate the contract with effect from 31 December 2022. On 1 January 2023 the Trust entered into a new contract with non-related parties for all services previously supplied by Luminare Education Group.



Lesley Kendrew
Reporting Accountant
BHP LLP
Chartered Accountants

New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: Dec 15, 2023

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
Income from:						
Donations and capital grants	3	-	-	9,308	9,308	7,179
Other trading activities	5	851	26	-	877	1,063
Charitable activities	4	-	30,411	-	30,411	27,708
Total income		851	30,437	9,308	40,596	35,950
Expenditure on:						
Charitable activities	6,7	769	31,152	1,922	33,843	32,716
Total expenditure		769	31,152	1,922	33,843	32,716
Net income/(expenditure)		82	(715)	7,386	6,753	3,234
Transfers between funds	19	-	1,231	(1,231)	-	-
Net movement in funds before other recognised gains		82	516	6,155	6,753	3,234
Other recognised gains:						
Actuarial gains on defined benefit pension schemes	26	-	2,006	-	2,006	13,239
Net movement in funds		82	2,522	6,155	8,759	16,473
Reconciliation of funds:						
Total funds brought forward		194	(950)	66,710	65,954	49,481
Net movement in funds		82	2,522	6,155	8,759	16,473
Total funds carried forward		276	1,572	72,865	74,713	65,954

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

The notes on pages 35 to 65 form part of these financial statements.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07958615

BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £000	2022 £000
Fixed assets			
Intangible assets	13	-	-
Tangible assets	14	64,517	62,127
		64,517	62,127
Current assets			
Stocks	15	51	68
Debtors	16	11,349	5,988
Cash at bank and in hand		1,665	1,943
		13,065	7,999
Creditors: amounts falling due within one year	17	(2,758)	(2,550)
Net current assets		10,307	5,449
Total assets less current liabilities		74,824	67,576
Creditors: amounts falling due after more than one year	18	(111)	(25)
Net assets excluding pension asset / liability		74,713	67,551
Defined benefit pension scheme asset / liability	26	-	(1,597)
Total net assets		74,713	65,954
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	19	72,865	66,710
Restricted income funds	19	1,572	647
Pension reserve	19	-	(1,597)
Total restricted funds	19	74,437	65,760
Unrestricted income funds	19	276	194
Total funds		74,713	65,954

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07958615

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The financial statements on pages 31 to 65 were approved and authorised for issue by the Directors and are signed on their behalf, by:



.....

S Harper
Chair of Trustees

Date: Dec 15, 2023

The notes on pages 35 to 65 form part of these financial statements.

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	2023 £000	2022 £000
Cash flows from operating activities			
Net cash used in operating activities	21	(5,381)	(3,181)
Cash flows from investing activities	22	4,991	3,754
Change in cash and cash equivalents in the year		(390)	573
Cash and cash equivalents at the beginning of the year		1,943	1,370
Cash and cash equivalents at the end of the year	23, 24	<u>1,553</u>	<u>1,943</u>

The notes on pages 35 to 65 form part of these financial statements

1. Accounting policies

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

1.1 Basis of preparation of financial statements

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

1.2 Going concern

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

1.3 Income

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

• **Grants**

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

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

Capital grants are recognised 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.

• **Sponsorship income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

1. Accounting policies (continued)

1.3 Income (continued)

- **Donations**

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

- **Other income**

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

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in 'Stocks' and 'Income from Other Trading Activities'. Upon sale, the value of the stock is charged against 'Income from Other Trading Activities' and the proceeds are recognised as 'Income from Other Trading Activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from Other Trading Activities'.

- **Transfer on conversion**

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

- **Donated fixed assets (excluding transfers on conversion or into the Academy Trust)**

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Financial Activities as the related expenditure is incurred.

1.6 Taxation

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

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

1. Accounting policies (continued)

1.7 Intangible assets

Intangible assets costing £2,500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Amortisation is provided on the following basis:

Computer software	- 33 % straight line basis
-------------------	----------------------------

1.8 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Freehold land and buildings	- 2% straight line basis
Furniture and equipment	- 20% straight line basis
Motor vehicles	- 20% straight line basis
Computer hardware	- 33% straight line basis

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

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

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

1. Accounting policies (continued)

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.10 Debtors

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

1.11 Cash at bank and in hand

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

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. 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 17 and 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 Operating leases

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

1. Accounting policies (continued)

1.15 Pensions

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

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

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

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

1.16 Fund accounting

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

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).

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Donations	-	-	-	1
Capital grants	-	9,308	9,308	7,178
Total 2023	-	9,308	9,308	7,179
Total 2022	1	7,178	7,179	

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

4. Funding for the Academy Trust's charitable activities

	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Education			
DfE/ESFA grants			
General Annual Grant (GAG)	23,734	23,734	22,196
Other DfE/ESFA grants			
Minimum Funding Guarantee	1,369	1,369	1,356
Pupil Premium	2,051	2,051	1,823
Rates Relief	88	88	87
Supplementary Grants	702	702	211
Others	1,317	1,317	832
	<hr/>	<hr/>	<hr/>
	29,261	29,261	26,505
Other Government grants			
Special Education Needs	418	418	336
Local Authority Grants	732	732	867
	<hr/>	<hr/>	<hr/>
	1,150	1,150	1,203
	<hr/>	<hr/>	<hr/>
	30,411	30,411	27,708
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Total 2022	27,708	27,708	

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

5. Income from other trading activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Hire of facilities	120	-	120	99
Catering	488	-	488	459
Trip income	7	-	7	7
Insurance claims	-	-	-	49
Other income	236	26	262	449
Total 2023	851	26	877	1,063
Total 2022	1,063	-	1,063	

6. Expenditure

	Staff Costs 2023 £000	Premises 2023 £000	Other 2023 £000	Total 2023 £000	Total 2022 £000
Education:					
Direct costs	19,511	-	4,882	24,393	22,840
Allocated support costs	3,996	2,538	2,916	9,450	9,876
Total 2023	23,507	2,538	7,798	33,843	32,716
Total 2022	22,776	2,138	7,802	32,716	

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

7. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Education	24,393	9,450	33,843	32,716
Total 2022	22,840	9,876	32,716	

Analysis of support costs

	Education 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Staff costs	3,996	3,996	5,085
Other costs	2,682	2,682	1,897
Maintenance of premises and equipment	2,538	2,538	2,138
Technology costs	207	207	732
Governance	27	27	24
Total 2023	9,450	9,450	9,876
Total 2022	9,876	9,876	

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

8. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2023	2022
	£000	£000
Depreciation of tangible fixed assets	1,922	1,952
Fees paid to auditors for:		
- audit	20	15
- other assurance services	4	4
	=====	=====

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2023	2022
	£000	£000
Wages and salaries	17,237	15,296
Social security costs	1,779	1,609
Pension costs	3,766	5,142
	=====	=====
	22,782	22,047
Agency staff costs	682	622
Staff restructuring costs	43	107
	=====	=====
	23,507	22,776
	=====	=====

Staff restructuring costs comprise:

	2023	2022
	£000	£000
Redundancy payments	-	60
Severance payments	43	47
	=====	=====
	43	107
	=====	=====

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

9. Staff (continued)

b. Severance payments

The Academy Trust paid 5 severance payments in the year (2022 - 7), disclosed in the following bands:

	2023	2022
	No.	No.
£0 - £25,000	<u>5</u>	<u>7</u>

c. Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £43k (2022 - £47k). Individually the payments were: £6,000, £12,380, £5,192, £2,858 and £17,000.

d. Staff numbers

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

	2023	2022
	No.	No.
Teachers	261	249
Administration and support	224	215
Management	7	7
	<u>492</u>	<u>471</u>

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

9. Staff (continued)

e. Higher paid staff

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

	2023	2022
	No.	No.
In the band £60,001 - £70,000	9	10
In the band £70,001 - £80,000	6	3
In the band £80,001 - £90,000	4	4
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	1	1
In the band £110,001 - £120,000	1	2
In the band £120,001 - £130,000	1	-
In the band £130,001 - £140,000	1	-
In the band £140,001 - £150,000	-	1
In the band £150,001 - £160,000	1	-

f. Key management personnel

The key management personnel of the Academy Trust comprise the Directors and the senior management team as listed on page 2. The total amount of key management personnel benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £1,106k (2022 - £1,025k).

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

10. Central services

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

- Financial Services
- HR Services
- Marketing and Communication
- School Improvement Services
- Continuing professional development

The Academy Trust charges for these services on the following basis:

Flat percentage of 6% of total income (2022 - 5%).

The actual amounts charged during the year were as follows:

	2023	2022
	£000	£000
Leeds City Academy	500	360
Leeds East Academy	443	351
Leeds West Academy	563	431
Alder Tree Primary Academy	100	86
Total	1,606	1,228

11. Directors' remuneration and expenses

One or more Directors has been paid remuneration or has received other benefits from an employment with the Academy Trust. The principal and other staff Directors 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 Directors' remuneration and other benefits was as follows:

		2023	2022
		£000	£000
A Whitaker - Chief Executive Officer	Remuneration	155 - 160	145 - 150
	Pension contributions paid	35 - 40	30 - 35

During the year, retirement benefits were accruing to 1 Director (2022 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2023, no Director expenses have been incurred (2022 - £NIL).

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

12. Directors' and Officers' insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000k on any one claim and the costs for the year ended 31 August 2023 are not separable as the RPA charge is based on student numbers. The cost of this insurance is included in the total insurance cost.

13. Intangible assets

	Computer software £000
Cost	
At 1 September 2022	74
At 31 August 2023	74
Amortisation	
At 1 September 2022	74
At 31 August 2023	74
Net book value	
At 31 August 2023	-
At 31 August 2022	-

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

14. Tangible fixed assets

	Freehold land and buildings £000	Furniture and equipment £000	Computer equipment £000	Motor vehicles £000	Total £000
<i>Cost or valuation</i>					
At 1 September 2022	71,010	4,521	1,948	52	77,531
Additions	3,768	248	296	-	4,312
At 31 August 2023	<u>74,778</u>	<u>4,769</u>	<u>2,244</u>	<u>52</u>	<u>81,843</u>
<i>Depreciation</i>					
At 1 September 2022	10,039	3,621	1,692	52	15,404
Charge for the year	1,421	302	199	-	1,922
At 31 August 2023	<u>11,460</u>	<u>3,923</u>	<u>1,891</u>	<u>52</u>	<u>17,326</u>
<i>Net book value</i>					
At 31 August 2023	<u><u>63,318</u></u>	<u><u>846</u></u>	<u><u>353</u></u>	<u><u>-</u></u>	<u><u>64,517</u></u>
At 31 August 2022	<u><u>60,971</u></u>	<u><u>900</u></u>	<u><u>256</u></u>	<u><u>-</u></u>	<u><u>62,127</u></u>

Included within the £3,768k of land and building additions are £1,440k of assets that are under construction.

The academy trust's transactions relating to land and buildings included:

- the acquisition of the freehold land and buildings which were donated to the academy trust at a value of £62,254k.

15. Stocks

	2023 £000	2022 £000
Uniform, planners, exercise books etc.	<u>51</u>	<u>68</u>

WHITE ROSE ACADEMIES TRUST
(A Company Limited by Guarantee)

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

16. Debtors

	2023	2022
	£000	£000
<i>Due within one year</i>		
Trade debtors	119	164
Other debtors	221	237
Prepayments and accrued income	11,009	5,587
	<u>11,349</u>	<u>5,988</u>

17. Creditors: Amounts falling due within one year

	2023	2022
	£000	£000
Other loans	5	5
Trade creditors	1,230	1,457
Other creditors	127	107
Accruals and deferred income	1,396	981
	<u>2,758</u>	<u>2,550</u>

	2023	2022
	£000	£000
Deferred income at 1 September 2022	60	55
Resources deferred during the year	78	60
Amounts released from previous periods	(60)	(55)
	<u>78</u>	<u>60</u>

At the balance sheet date, the Academy Trust was holding rates rebates received in advance of £78k.

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18. Creditors: Amounts falling due after more than one year

	2023	2022
	£000	£000
Other loans	102	15
Other creditors	9	10
	<u>111</u>	<u>25</u>

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

	2023	2022
	£000	£000
Payable or repayable by instalments	66	-
	<u>66</u>	<u>-</u>

The Salix loan balance above is repayable over a period of 8 years commencing September 2018 and is an interest free loan from the DfE for roofing improvement works at Leeds City Academy, and will be repaid in August 2026.

The CIF loan balance above is repayable over a period of 10 years commencing September 2024 and interest is charged at 5.36% from the DfE for boiler replacement works at Alder Tree Primary Academy, and will be repaid in August 2034.

19. Statement of funds

	Balance at 1 September 2022	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2023
<i>Unrestricted funds</i>						
General Funds	194	851	(769)	-	-	276
<i>Restricted general funds</i>						
General Annual Grant (GAG)	647	25,130	(25,436)	1,231	-	1,572
Pupil Premium	-	2,051	(2,051)	-	-	-
Rates relief	-	87	(87)	-	-	-

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19. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
Other DfE/ESFA grants	-	2,019	(2,019)	-	-	-
Special Education Needs	-	418	(418)	-	-	-
Local authority grants	-	732	(732)	-	-	-
Pension reserve	(1,597)	-	(409)	-	2,006	-
	(950)	30,437	(31,152)	1,231	2,006	1,572
<i>Restricted fixed asset funds</i>						
Fixed assets transferred on conversion	50,480	-	(1,242)	-	-	49,238
ESFA capital grants	8,938	425	(259)	(1,231)	-	7,873
Revaluation	5,545	-	(147)	-	-	5,398
Capital expenditure from GAG	719	-	(243)	-	-	476
Donated assets	1,028	-	(31)	-	-	997
Local Authority Grant	-	8,883	-	-	-	8,883
	66,710	9,308	(1,922)	(1,231)	-	72,865
<i>Total Restricted funds</i>	65,760	39,745	(33,074)	-	2,006	74,437
<i>Total funds</i>	65,954	40,596	(33,843)	-	2,006	74,713

19. Statement of funds (continued)

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

The General Annual Grant (GAG) has been provided by the ESFA in order to fund the normal running costs of the academy trust. The carried forward balance will be applied in future years to enable the establishment of a minimum prudent level of reserves to manage risks and unforeseen costs.

Start Up Grant represents funding from the ESFA to support the management structure of Leeds City Academy during the period of student number growth.

The reserves transferred from the previous sponsor represent grants held to support Leeds West and Leeds East academies during the transition from the estimated funding model to lagged funding whilst still in the period of student number growth.

Other ESFA grants are allocated against the particular purpose for which they are provided.

The restricted pension reserve represents the movement on the four academies in the trust's share of the Local Government Pension Scheme as at 31 August 2023.

Restricted fixed asset funds represent the undepreciated value of the tangible fixed assets and funds allocated for future capital projects.

Other restricted funds related to funds held on behalf of White Rose Academies Trust for specific activities governed by the terms of the grant.

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

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	Balance at 1 September 2021	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2022
<i>Unrestricted funds</i>						
General Funds	309	1,064	(1,179)	-	-	194
<i>Restricted general funds</i>						
General Annual Grant (GAG)	579	23,553	(23,293)	(192)	-	647
Pupil Premium	-	1,650	(1,650)	-	-	-
Rates relief	-	1,823	(1,823)	-	-	-
Other DfE/ESFA grants	-	1,910	(1,910)	-	-	-
Special Education Needs	-	335	(335)	-	-	-
Pension reserve	(12,698)	-	(2,138)	-	13,239	(1,597)
	(12,119)	29,271	(31,149)	(192)	13,239	(950)
<i>Restricted fixed asset funds</i>						
Fixed assets transferred on conversion	51,682	-	(1,202)	-	-	50,480
ESFA capital grants	2,057	7,178	(297)	-	-	8,938
Revaluation	5,687	-	(142)	-	-	5,545
Capital expenditure from GAG	806	-	(279)	192	-	719
Donated assets	1,059	-	(31)	-	-	1,028
	61,291	7,178	(1,951)	192	-	66,710

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19. Statement of funds (continued)

	Balance at 1 September 2021	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 August 2022
Total Restricted funds	49,172	36,449	(33,100)	-	13,239	65,760
Total funds	49,481	37,513	(34,279)	-	13,239	65,954

Total funds analysis by academy

Fund balances at 31 August 2023 were allocated as follows:

	2023 £000	2022 £000
Leeds City Academy	2,401	1,276
Leeds East Academy	327	143
Leeds West Academy	339	42
Alder Tree Primary Academy	(586)	(291)
Central Trust	(633)	(329)
Total before fixed asset funds and pension reserve	1,848	841
Restricted fixed asset fund	72,865	66,710
Pension reserve	-	(1,597)
Total	74,713	65,954

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

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

	Deficit £000
Alder Tree Primary Academy	(586)
Central Trust	(633)
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The Academy Trust is taking the following action to return the academies to surplus:

Alder Tree Primary Academy

The deficit is recognised by the Trust Board as significant and requires intervention. The academy trust is implementing two changes that will form the premise of business planning this year for the next year's budget and beyond. These are:

- 1)** Reducing the published admissions number to 30 to prevent student numbers landing at a figure somewhere between 30 and 60, which has historically been the case. This creates very inefficient deployment of staffing.
- 2)** Collapsing year groups for example, year 3 and year 4 merge therefore reducing 1 FTE teacher. Ultimately for Alder Tree Primary Academy, there is a financial recovery plan in place that seeks to address the continuation of in-year deficit positions.

Central Trust

The long-term financial position of the central services has been addressed with costs being identified for reducing during 2022/23. During 2023/24 these cost reductions will materialise with the central structure being affordable by the current top slice charging mechanism. Over time, the deficit fund position that has been accumulated over the past 2 years will reduce as small surplus positions are returned each year.

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NOTES TO THE FINANCIAL STATEMENTS
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19. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2023 £000	Total 2022 £000
Leeds City Academy	5,562	736	861	2,422	9,581	9,040
Leeds East Academy	5,103	720	764	1,924	8,511	8,291
Leeds West Academy	6,658	796	953	2,153	10,560	10,354
Alder Tree Primary Academy	1,519	308	179	474	2,480	2,460
Central Trust	665	1,435	44	(1,355)	789	620
Academy Trust	19,507	3,995	2,801	5,618	31,921	30,765

20. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	64,517	64,517
Current assets	276	4,441	8,348	13,065
Creditors due within one year	-	(2,758)	-	(2,758)
Creditors due in more than one year	-	(111)	-	(111)
Total	276	1,572	72,865	74,713

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20. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	-	62,127	62,127
Current assets	194	3,222	4,583	7,999
Creditors due within one year	-	(2,550)	-	(2,550)
Creditors due in more than one year	-	(25)	-	(25)
Provisions for liabilities and charges	-	(1,597)	-	(1,597)
Total	194	(950)	66,710	65,954

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

	2023 £000	2022 £000
Net income for the year (as per Statement of Financial Activities)	6,753	3,234
Adjustments for:		
Depreciation	1,922	1,952
Capital grants from ESFA and other capital income	(9,308)	(7,178)
Defined benefit pension scheme cost less contributions payable	362	1,930
Defined benefit pension scheme finance cost	47	208
Decrease/(increase) in stocks	17	(7)
Decrease/(increase) in debtors	(5,361)	(3,779)
Increase/(decrease) in creditors	187	459
Net cash used in operating activities	(5,381)	(3,181)

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NOTES TO THE FINANCIAL STATEMENTS
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22. Cash flows from investing activities

	2023	2022
	£000	£000
Purchase of tangible fixed assets	(4,312)	(3,419)
Capital grants from ESFA and other capital income	9,308	7,178
Repayment of Salix loan	(5)	(5)
<i>Net cash provided by investing activities</i>	4,991	3,754

23. Analysis of cash and cash equivalents

	2023	2022
	£000	£000
Cash in hand and at bank	1,553	1,943
<i>Total cash and cash equivalents</i>	1,553	1,943

24. Analysis of changes in net debt

	At 1 September 2022 £000	Cash flows £000	At 31 August 2023 £000
Cash at bank and in hand	1,943	(278)	1,665
Debt due within 1 year	(5)	-	(5)
Debt due after 1 year	(15)	(87)	(102)
	1,923	(365)	1,558

25. Capital commitments

	2023	2022
	£000	£000
Contracted for, but not provided in the financial statements	8,752	5,031

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

26. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire 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 2022.

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

The employer's pension costs paid to TPS in the year amounted to £2,180k (2022 - £2,046k).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £1,093k (2022 - £947k), of which employer's contributions totalled £790k (2022 - £681k) and employees' contributions totalled £303k (2022 - £266k). The agreed contribution rates for future years are 17.5 per cent for employers and between 5.5 and 12.5 per cent for employees.

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

Principal actuarial assumptions

	2023	2022
	%	%
Rate of increase in salaries	3.85	3.95
Rate of increase for pensions in payment/inflation	2.60	2.70
Discount rate for scheme liabilities	5.00	4.10
Inflation assumption (CPI)	2.60	2.70
Inflation assumption (RPI)	2.60	2.70

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

	2023	2022
	Years	Years
Retiring today		
Males	21.0	21.8
Females	24.1	24.6
Retiring in 20 years		
Males	22.2	22.5
Females	25.1	25.7

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

Sensitivity analysis

	2023	2022
	£000	£000
Discount rate +0.1%	15,551	16,804
Discount rate -0.1%	16,244	17,697
Mortality assumption - 1 year increase	16,293	17,725
Mortality assumption - 1 year decrease	15,499	16,759
CPI rate +0.1%	15,926	17,292
CPI rate -0.1%	15,866	17,192

Share of scheme assets

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

	At 31 August	At 31 August
	2023	2022
	£000	£000
Equities	13,052	12,500
Gilts	1,206	1,001
Corporate bonds	733	672
Property	537	610
Cash and other liquid assets	635	626
Other	129	236
Total market value of assets	16,292	15,645

The actual return on scheme assets was £(365k) (2022 - £214k).

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

	2023	2022
	£000	£000
Current service cost	(1,303)	(1,875)
Past service cost	-	(55)
Interest income	661	257
Interest cost	(708)	(465)
Total amount recognised in the Statement of Financial Activities	(1,350)	(2,138)

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NOTES TO THE FINANCIAL STATEMENTS
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26. Pension commitments (continued)

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

	2023	2022
	£000	£000
At 1 September	17,242	27,373
Interest cost	708	465
Employee contributions	370	303
Actuarial gains	(3,428)	(13,282)
Benefits paid	(299)	(384)
Past service costs	-	55
Current service cost	1,303	2,712
	<u>15,896</u>	<u>17,242</u>
At 31 August	<u>15,896</u>	<u>17,242</u>

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

	2023	2022
	£000	£000
At 1 September	15,645	14,675
Interest income	661	257
Actuarial losses	(1,422)	(43)
Employer contributions	941	837
Employee contributions	370	303
Benefits paid	(299)	(384)
	<u>15,896</u>	<u>15,645</u>
At 31 August	<u>15,896</u>	<u>15,645</u>

The net pension surplus of £396k for White Rose Academies Trust at 31 August 2023, assessed in accordance with FRS102, is not recognised in the Balance Sheet as the academy trust is unable to recover this surplus from the pension scheme.

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

27. Operating lease commitments

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

	2023	2022
	£000	£000
Not later than 1 year	128	70
Later than 1 year and not later than 5 years	362	193
Later than 5 years	58	-
	<hr/> 548 <hr/>	<hr/> 263 <hr/>

28. 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.

29. Related party transactions

During the year, the Academy Trust has charged The Luminate Education Group a total of £nil (2022 - £181k) in relation to recharges of staff costs and expenses incurred. At the year end, the Academy Trust was owed £nil (2022 - £121k) from The Luminate Education Group.

During the year, The Luminate Education Group has charged the Trust £132k (2022 - £818k) in relation to IT and other services. At the year end, the academy trust owed The Luminate Education Group £nil (2022 - £249k)

The academy trust board believed that all transactions involving related parties were conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The request for ESFA approval was submitted by the Academy Trust on 21 January 2021 and the ESFA responded on 15 February 2022 that it did not give approval to the IT and other services transactions mentioned above.

Following this rejection, both the Academy Trust and Luminate Education Group agreed to terminate the contract with effect from 31 December 2022.