Company registration number 08567252 (England and Wales)

PRIME7 MAT

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

PRIME7 MAT

CONTENTS

PRIME7 MAT

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr P Cavanagh Mrs C Wade (Resigned 31 December 2023) Mr M Lawrence (Resigned 2 January 2024) Mrs C Hay Mrs K Darby (Resigned 17 June 2024) Mrs N Bellamy (Appointed 10 January 2024)	
Trustees	Mrs C Wade (Chair of Trustees) (Resigned 31 December 2023) Mrs M Ward (Resigned 17 July 2024) Mrs N Bellamy (Chair of Trustees from 1 January 2024) (Resigned 31 August 2024) Mr A Jeffrey (Acting Chair of Trustees 1 - 19 September 2024) Mrs S Hill Mrs H Milligan (Chair of Trustees from 20 September 2024) (Appointed 20 September 2024) Mrs D Benjamin (Appointed 10 January 2024) Mr D Shakeshaft (Appointed 10 January 2024) Mr R Maxwell (Appointed 10 January 2024) Mrs K Harper-Quinn (Appointed 10 January 2024)	
Senior leadership team		
- Head Teacher - KSPA	L Wade	
- Head of School - CWPA	H Williams	
- Head Teacher – MCPA	T Hillier	
- CEO and Accounting Officer	I Lowe	
- Business Manager/CFO	E Martin	
Company registration number	08567252 (England and Wales)	
Academies operated	**Location**	**CEO**
Middleton Cheney Primary Academy	Middleton Cheney	T Hillier
Kings Sutton Primary Academy	King Sutton	L Wade
Chipping Warden Primary Academy	Chipping Warden	H Williams
Independent auditor	Ellacotts Audit Services Limited Countrywide House 23 West Bar Banbury Oxfordshire OX16 9SA England	
Bankers	Lloyds Bank 25 Gresham Street London EC2V 7HN United Kingdom	

PRIME7 MAT

REFERENCE AND ADMINISTRATIVE DETAILS

Solicitors	Blake Morgan LLP Seacourt Tower West Way Banbury Oxfordshire OX2 0FB

PRIME7 MAT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2024

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2023 to 31 August 2024. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies on pages 28-32 of the financial statements, and comply with the Company's Memorandum and Articles of Association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019) and the Academies Accounts Direction 2023 to 2024.

The Academy Trust operates three primary Academies in West Northamptonshire – Middleton Cheney Primary Academy, Kings Sutton Primary Academy and Chipping Warden Primary Academy ('the MAT'). The Trust has a combined pupil capacity of 710 pupils with 532 pupils currently enrolled across the Academies.

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust. The Charitable Company was incorporated on 12 June 2013 and changed its name from West Northamptonshire Village Schools Multi Academy Trust on 22 August 2018.

The Trustees and Governors are responsible for the charitable activities of The Academy Trust and of the Charitable Company for the purposes of Company Law. The Charitable Company is also known as the The Academy Trust.

Details of the Trustees who served during the year are included in the Reference and Administrative Details on page one.

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.

Trustees' indemnities

In accordance with normal commercial practice, the Academy Trust has purchased insurance from Zurich to protect the Governors, Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst undertaking Academy business. The insurance provider provides cover up to £5,000,000 in any one claim.

Method of recruitment and appointment or election of Trustees

The number of Trustees shall not be less than three (unless otherwise determined by ordinary resolution) but shall not be subject to any maximum. The Trust members may appoint up to seven Trustees.

The term of office for any Trustees/Governor is four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. Any member of the Academy Trust may resign provided that after such resignation, the number of members is not less than three.

Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees forms part of the Governor Handbook. This will include a tour of the Schools and a chance to meet staff and pupils. As part of the induction process, all policies are made available on GovernorHub and statutory training on Smartlog is provided. In addition, an annual conference is conducted with Trustees and Governors across the The Academy Trust. Further, tailored induction is delivered depending on the Trustees area of expertise and prior experience.

Organisational structure

The Board of Trustees meet seven times each academic year. The Board of Trustees establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups, including Local Governing Boards (LGB's). It receives reports from the Chief Executive Officer (CEO), including policies for ratification, who acts as a conduit between the LGB's and the Trustee Board. It monitors the activities of the Committees (including the LGB's) through the minutes of their meetings and plans to improve the direct reporting from the elected Chair of each Committee in the coming year. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale. In addition, the Board receives reports from both the CEO and the Business Manager/Chief Financial Officer (CFO) as well as updates to the risk register and exception reporting. The LGB's monitor school improvement activities through the scrutiny of the school development plans and head teacher reports.

The Board of Trustees has engaged a CEO to assist them in monitoring the performance of the individual Academies. The CEO makes regular monitoring visits to each Academy and undertakes headteacher performance management with the Chair of the LGB.

The Board of Trustees has a Finance, Risk and Audit Committee which comprises of all serving Trustees. The Business Manager/CFO and the CEO also attend.

This Committee is chaired by a Trustee with financial expertise, who is different to the full board chair. The Committee has its own terms of reference detailing the responsibilities discharged to it.

The following decisions are reserved to the full Board of Trustees:

- to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure;
- to appoint or remove the Chair and / or Vice Chair; and
- to assist in the appointment of all head teacher (HT) / Heads of School and consider the performance management of the CEO.

The Trustees are responsible for setting general policy, adopting a three-year business plan and budget, approving the annual statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making the major decisions about the direction of the Academy Trust and capital expenditure. Both responsibility and accountability is clearly identified in the scheme of delegation.

The Trustees have devolved the day-to-day management of the Academy Trust to the CEO. The CEO is the Academy Trust Accounting Officer and has overall responsibility for the day-to-day financial management of the Academy Trust. The CEO works in conjunction with the Academy Trust Business Manager/CFO, who has the expertise to implement and manage financial strategy.

The Board of Trustees delegates a number of functions to the LGB's for each of the Trust's Academies. Each LGB recommends an annual budget plan to the Board for approval, reviews their academy School Development Plan, monitors progress against target and OFSTED standards and oversees parent and community liaison. The aim of the Scheme of Delegation is to separate Trustee and LGB responsibility. The membership of both the Trust Board and the LGB's is separate as per the Academy Trusts Handbook. The Trust values the contribution of parents and as such in line with its articles has representation on all LGB's and the Trust Board.

Arrangements for setting pay and remuneration of key management personnel

The Trustees of the Academy Trust and the Senior Leadership Team comprise the Key Management Personnel of the Trust. Through the Scheme of Delegation, they are in charge of directing, controlling, running and operating the Academies on a day-to-day basis. The pay of the Senior Leadership Team is reviewed annually and where appropriate, increased in line with average earnings. The Trust benchmark the pay of the Senior Leadership Team against national pay scale levels and other schools and take into account guidance provided by the Education and Skills Funding Agency (ESFA) and Department for Education (DfE) when setting executive pay.

The Head Teachers and Other Staff Governors who are part of the Senior Leadership Team only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Governors. The Trustees considered recommendations for salary increases for all staff. The aggregate remuneration and benefit of those personnel for services to the Academy Trust during the year were £461,617 (2023: £457,441).

All other Trustees give their time freely and no Trustees received remuneration in the year. Details of Trustees expenses and related party transactions are disclosed in note 11 to the accounts.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	1
Full-time equivalent employee number	1.00

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	-
Total pay bill	-
Percentage of the total pay bill spent on facilty time	-

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-

Related parties and other connected charities and organisations

Declarations of Interest are made by all Trustees, Members and Governors.

There were no relationships with related parties declared by Trustees, Members or Governors or included within the accounts.

Objectives and activities

Objects and aims

The principal objects of the Academy Trust, as set out in its Articles of Association, are to:

- advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum; and
- promote for the benefit of the inhabitants of West Northamptonshire the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disablement, financial hardship or social and economic circumstances for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Our ethos is to provide the best possible environment for children to learn and develop, as well as to cultivate a sense of wonder, empathy and understanding of the modern society they are growing up in. Together, we will strive to realise the potential in all of our children so that they are fully prepared for the next stage of their education. We want to empower our children to succeed. The Trust's mission is to ensure that our staff, parents and carers are valued and well cared for so that we can work together to provide children with the best education and to know how to stay safe and healthy. We want them to take their place as responsible citizens that promote sustainability in order to protect the world around them for future generations to come.

The Academy Trust has seven core values and principles to support delivery of our mission. These values have been developed this year to incorporate sustainability into the vision and values of the Academy Trust, we have committed to the National Governance Association ‘Greener Governance’ pledge, and this is reflected in the incorporation of a sustainability aim on the Academy Trust Business Plan.

AMBITION: To have high expectations in all we do and to have ambition for continuous improvement whoever we are.

ENJOYMENT: To create schools that foster creativity and curiosity so that children thrive on enrichment and thoroughly enjoy their school experience. We want our children to be excited learners.

RESILIENCE: To provide the best opportunities for all children to develop strategies to face life’s challenges. We want to have children that can show courage and take risks in their learning.

RESPECT: To foster an environment where respect is earned and given in equal amounts. Our school communities promote kindness, friendship and trust. We want our children to grow up to be young citizens that are able to show empathy towards others. Our children take responsibility for their future and the future of others by respecting the world around them and promoting sustainability.

INSPIRE: To empower children to take responsibility to strive and achieve in their learning and to be the very best that they can be. They will be responsible citizens that model sustainable practices and behaviours to protect the natural world. They will be role models and a source of inspiration to others.

COMMUNITY: To establish schools that are at the heart of the local communities they serve. Each school is valued for its own individuality but it also plays an important part of the Academy Trust as a whole. All stakeholders within our community will strive to prepare and empower individuals to become responsible for contributing to a sustainable future.

TRUST: To belong as part of a team is a core part of who we are and our relationships are based at all times on openness and honesty.

Our values and principles are drawn from each of our schools and will support the Academy Trust in providing an excellent educational experience for all. We will work together with all of our stakeholders to ensure that the children in all of our schools achieve their full potential.

Objectives, strategies and activities

Our key priorities during the year were to help develop the best possible outcomes for our staff and pupils across all of the schools.

1. To develop curricula across the Academy Trust that are ambitious for all pupils that build knowledge overtime to allow children to deepen their understanding.

2. To devise a professional development programme that strengthens pedagogical understanding and establishes effective subject leadership networks across the Trust that can share good practice that improves the Quality of Education in all schools.

3. To develop and implement a Prime7 ‘well-being’ strategy that promotes and supports good mental health and well-being of everyone within the MAT.

4. To ensure that there are leadership development opportunities across all levels within the Academy Trust to strengthen leaders and to ensure that there is succession planning in place.

5. To ensure financial sustainability and commercial resilience, with operational efficiency and effectiveness.

6. Trust Board effectiveness is linked to pupil outcomes, which will be at least in line with national average for PP, SEND and for the expected and greater depth standard. School targets will link to FFT20.

7. To reduce the carbon output of the Academy Trust over a five year period (with a view to moving to carbon neutrality) by placing sustainability at the centre of practice, policies and procedures.

The CEO and CFO have worked together with Trustees to ensure that the MAT Business Plan aims link to the Risk Register and the cycle of reporting. This has been strengthened to ensure that the risks that are identified and actioned through the review of both the Risk Register and the MAT Business Plan.

This has continued to be a challenging time for the Academy Trust in terms of rising costs and reducing pupil numbers. The Trustees have taken a strategic approach to this by consulting with the Local Authority on the published admission numbers for King’s Sutton Primary Academy which has been reduced to 15 pupils from September 2024.

The Academy Trust continues to value the voice and feedback of all its stakeholders and as such undertook pupil, parent and staff surveys to allow the schools to evaluate the effectiveness of their provision. These stakeholder views have also been validated externally through the Ofsted process.

Public benefit

The Directors confirm that they have complied with the requirement in the Charities Act 2011 to have due regard to the Charity Commission general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust aims and objectives and in planning its future activities.

The Academy Trust aims to advance for the public benefit education in West Northamptonshire, offering a broad curriculum.

The Academy Trust also allows use of its 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 that community.

Strategic report

Achievements and performance

The Academy Trust is in its tenth year of operation since conversion to an Academy Trust on 1st September 2013.

The Academy Trust is committed to continual improvement which is achieved primarily through the delivery of the business plan. This plan was extended to a five-year business plan to allow the Academy Trust to consider the next phase of its development in years four and five. The Trustees have considered all options for Trust growth, including merger. The Board decision was because of the high skill set for inclusion across its schools, the Academy Trust would expand via internal growth by developing resource bases or specialist SEN settings. The first of which is due to open in September 2024, with the inclusion of a 30 place Autism setting within King's Sutton Primary Academy.

Within the last three years all three schools have been inspected by Ofsted and are graded as good. This means that none of the schools are predicted to be within the inspection window. All schools are continuing to work on their identified areas of improvement within their school development plans, including greater collaboration between schools to support outcomes.

The collaboration between the schools has, once again, been strengthened this year and it has been very beneficial to be able to work across the schools in the pedagogical development programme to improve the quality of teaching and learning. This year, the focus of this was linked with the development of oracy and the Academy Trust worked with an external provider to deliver a year-long CPD programme that was well received by teaching staff. The benefits of this include increased oracy by pupils, which has maintained and increased outcomes, particularly in KS1 and also teacher confidence on reflecting on their teaching practices and making incremental improvements.

<u>Key performance indicators</u>

The achievements and performance of the Academy Trust during the year ended 31 August 2024 were as follows:

Attainment in reading, writing and maths combined has decreased compared to 2023.

57% of pupils met the expected standard in all of reading, writing and maths, down from 69% in 2023.

Attainment increased across all individual subjects compared to 2023.

77% of pupils met the expected standard in reading, down from 81% in 2023.

79% of pupils met the expected standard in maths, down from 84% in 2023.

70% of pupils met the expected standard in writing, down from 77% in 2023.

Good Level of Development - Early Years Foundation Stage

KSPA below national standard: 58%
MCPA above national standard: 70%
CWPA above national standard: 83%
Overall: 70%

Phonics Screening Test

KSPA national standard: 83%
MCPA national standard: 81%
CWPA above national standard: 90%
Overall: 85%

End of Key Stage 2 - Reading, Writing, Maths (RWM) Combined

KSPA below national standard: 39%
MCPA above national standard: 70%
CWPA above national standard: 62%
Overall: 57%

We have continued to use Fischer Family Trust (FFT) to offer aspiration to the schools to ensure that predictions and targets are in line with FFT 20.

Financial Outcomes

Although the Academy Trust Funding Agreement is not subject to a specific carry forward limit on the amount of General Annual Grant (GAG) funding, the main financial performance indicator is the level of reserves held at the balance sheet date and, in particular, the amount of GAG funding carried forward at the balance sheet date. At 31 August 2024, the balance of the Restricted Funds (Excluding Pension Liability & Fixed Assets) was £109,916 (2023: £141,486), which is after a transfer of £4,569 (2023: £56,897) from/(to) the unrestricted reverses/(capital fund).

Further details on the level of reserves held by the Academy Trust are set out in the Reserves Policy section below.

As the majority of the Academy Trust funding is based on pupil numbers, pupil numbers are also a key performance indictor. As noted earlier in this report, pupil numbers at the most recent census were 532, which although there has been movement in the individual schools there is no change overall from the January census.

Staffing costs are another key performance indicator for the Academy Trust and the percentage of total staff costs to GAG funding for the year was 94% (2023: 94%), while the percentage of staff costs to total costs (excluding depreciation) was 76% (2023: 80.5%).

<u>Going concern</u>

After making appropriate enquiries, the Board of Trustees, including all Committees, 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 Accounting Policies note 1.2 of the financial statements. The Trust ensures that resources are managed to ensure sustainability.

Financial review

The majority of the Academy Trust income is received from the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA during the year ended 31 August 2024 and the associated expenditure of these grants are shown as Restricted Funds in the Statement of Financial Activities.

The Academy Trust also receives grants for fixed assets from the ESFA and other organisations and funders and these are shown as Restricted Fixed Asset Funds in the Statement of Financial Activities. The balance of the Restricted Fixed Asset fund is reduced by the depreciation charges on the assets acquired using these funds.

During the year ended 31 August 2024, the total expenditure (excluding depreciation charges and FRS102 pension cost adjustments) of £3,308,403 (2023: £3,074,976) was covered by the recurrent grant funding from the ESFA, together with other incoming resources. The excess of expenditure over incoming resources for the year was £141,234, (2023: £106,471).

The net book value of fixed assets at 31 August 2024 is £5,913,219 (2023: £6,028,154). The fixed assets held by the Academy Trust are used exclusively for providing education and associated support services to the pupils.

The balance of total funds held at 31 August 2024 was £6,461,797 (2023: £6,616,031) which comprised of the following:

Restricted Funds (excluding Pension Liability)	£ 109,916	(2023: £ 141,486)
Restricted Pension Fund	£ -	(2023: £ 9,000)
Restricted Fixed Asset Fund	£5,916,473	(2023: £6,033,483)
Unrestricted Funds	£ 435,408	(2023: £ 432,062)

The key financial policies reviewed and adopted during the period included the Financial Procedures Policies and the Scheme of Delegation, which lay out the framework for the MAT's financial management, including financial responsibilities of the Board of Trustees, Governors, CEO, Head Teachers, Business Manager/CFO and other staff where appropriate, as well as the delegated authorities for spending. The other financial policies reviewed and adopted during the period included Charges and Lettings, Asset Management and Insurance.

Reserves policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of the income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees also take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free cash reserves should be approximately 8% of total incoming resources (excluding capital income held for long-term capital projects). The reason for this is to provide sufficient working capital to cover delays between spending and receipts of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, long term staff absences etc. The current level of reserves is £6,461,797 (2023: £6,616,031) of which £435,736 (2023: £432,062) is free reserves (that is, total funds less the amount held in fixed assets and restricted funds).

Investment policy

The Academy Trust, with the objective of ensuring maximum return on assets invested but with minimal risk, invests all funds surplus to immediate requirements to optimal effect.

Principal risks and uncertainties

The Trustees have assessed the major risks to which the Academy Trust is exposed in the areas of Compliance, Financial, Operational, Strategic & Reputational, School Improvement and Performance Standards risks. They have introduced systems, including operational procedures internal financial controls in order to minimise risk and have agreed a Risk Management Strategy and Risk Management Plan. Where financial risk still remains, as a result of the decline in pupil numbers, the three-year financial planning has adjusted staffing structures accordingly to reduce the risk of deficit budgets. The Risk Management Plan is constantly reviewed in light of any new information and formally reviewed annually. Risk Management is scrutinised by the Finance, Risk and Audit Committee in line with the Academy Trusts Handbook and depending on the area of risk the CEO and CFO prepare an exception report (as recommended by the DfE) for Trustees. This cycle of reporting has continued to enable Trustees to have greater clarity on the reasons underlying potential risks and an opportunity to scrutinise mitigating actions. The CEO and CFO have ensured that the risk register informs the Business Plan and as such the aims for the Academy Trust have been altered or adjusted to match the priorities identified through the risk register.

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial

The risk that budgets may be in deficit in the future due to falling pupil numbers across all of the Academies continues to be a significant challenge. Previous budget assumptions had been made with a conservative rise in pupil numbers. However, this has been revised to reflect a more accurate falling role and therefore, the risk of deficit budgets is greater. The MAT agreed that while we have sufficient reserves, each individual academy could carry forward revenue balances of 5% of age-weighted pupil unit (AWPU) (less notional SEN). Three-year balanced budgets have been predicted but structural changes have been included and future work will be required to ensure future financial sustainability. The financial risk at King's Sutton Primary Academy has been lowered by the addition of the Autism setting from 24/25.

Operational

The risk in terms of senior management capability and experience has been reduced with the appointment of an experienced CEO and two permanent Headteachers. Relationships between management are really strong which creates stability. The new Autism setting has allowed for increased SLT presence within King's Sutton Primary Academy and succession planning. Both Headteachers first years have been very successful and have improved the quality of teaching and expectations across the schools.

Staff wellbeing continues to be a priority for the Academy Trust. CEO and Headteachers have worked hard in developing relationships and have introduced mechanisms for teacher voice, as a result staff turnover has been low. Mental Health and Well-being strategy has been written and begun to be implemented.

Strategic & Reputational

The success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards and providing good quality service to all. The risks to the Trust, in terms of Ofsted reports, was reduced as all three schools are graded good. Admissions continue to be a real threat with one school being significantly below Published Admissions Number (PAN), but the PAN for this school is being reduced in September 2024. In another school pupil numbers continue to decline in line with the national picture. The third academy has worked extremely hard with the Pre-School to attract their full PAN for September 2024.

King's Sutton Primary Academy has seen an increase in parental confidence due to a significant number of staff changes, particularly at Senior Management level which has been instrumental in improving and building relationships with the Pre-School and the local community.

Internal scrutiny for the Academy Trust this year is focusing on improving the public profile, including ensuring that the public can see that the Academy Trust is meeting its objectives. Stakeholders have been invited to participate in reviewing the perception of the Academy Trust, resulting in an action plan, which will be integrated into the school's development plans. Curriculum and Governance at all levels to make the organisation and schools more integrated into the community and more widely known in the surrounding areas, therefore possibly attracting a wider cohort. This is in line with our values including ambition, enjoyment and community.

Although the Academy Trust invested in alternative energy solutions and replacement of LED lighting, environmental sustainability risk remains high due to the lack of sufficient funding to develop future sustainable practice in terms of infrastructure enhancements. However, the schools continue to develop sustainability throughout the curriculum and continue to provide ways for the pupils to learn more about the environment around them and their role in the future of our planet.

A review of Governance at all levels as part of a wider programme of self-assessment and improvement is currently being undertaken. The aim is to make governance more effective and efficient, particularly at local governance level.

Performance Standards Risk

Risk that the outcomes at the end of KS2 remain below average at King's Sutton Primary Academy continues. The school now has a permanent Headteacher. Increased capacity in leadership has been provided by creating an Assistant Headteacher role. The school has created an Autism setting which has allowed capacity for a full-time experienced SENCO, all of which have been involved in writing a rapid school improvement plan, which is being closely monitoring weekly by the CEO and Governors/Trustees.

The risk at the end of KS2 has been reduced for both Chipping Warden Primary Academy and Middleton Cheney Primary Academy as outcomes were at least in line with the national average and are an improving picture. Phonics outcomes were strong across the Trust and broadly in line with national.

Financial and risk management objectives and policies

The Trustees examine the financial health of the Academy Trust formally every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustees and Finance, Risk & Audit Committee meetings.

At the balance sheet date, the Academy Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on the Academy Trust's liquidity.

The Trustees recognise that the Local Government Pension Scheme represents a significant potential liability to the Academy Trust. However, as the Trustees consider the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Fundraising

The Academy Trust does not operate a regulated fundraising scheme and does not use the services of a professional external fundraiser. However the Academy Trust does work with its Parent and Teacher Association who carry out excellent work to raise funds for the schools.

Plans for future periods

The Academy Trust strives to continually improve levels of attainment for all pupils, equipping them with the skills and character to enter the next stage of their education, as well as promoting the continued professional development of its staff.

A new three-year Business Plan has been developed in order to support a vision for the next stage of the Trust development. Future growth includes future expansion in SEN provision across the Trust. This provides financial stability while pupil numbers remain low but also provides much needed provision in the West Northants area.

The Prime7 ambitions are:

1. Phonics greater than 90%
2. KS2 Reading/Writing/Maths at 75% or above national
3. At least national in greater depth
4. Demonstrating teacher professional growth
5. Attendance 97% +
6. Pupil Premium verse non-Pupil Premium gap narrows on all measures
7. All school to be at least Good

The pillars that will enable us to reach our ambitions are:

1. Professional development – excellent teacher and support staff in all classes that brings enjoyment to learning and mutual respect
2. Curriculum – ambitious outcomes for all pupils, support by a curriculum that is enjoyable, builds resilience and inspires trust within the community which we serve
3. Well-being – a strong intrinsic sense of self by creating a sense of belonging within the community which builds resilience and trust
4. Leadership – leadership development at all levels which supports succession planning and strengthens the ambition of Prime7 and inspires our staff
5. Financial stability – working with all stakeholders to achieve our ambition to be commercially resilient that builds trust within our community to deliver our vision and principles

Funds held as custodian trustee on behalf of others

The Academy Trust and it’s Trustees do not act as Custodian Trustees of any other charity.

Auditor

In so far as the Trustees are aware:

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

A resolution was put to members in January 2023 to appoint Ellacotts Audit Services Limited as auditors of the charitable company and this was agreed for a five year period.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company Directors, on 12/12/2024 | 10:09 GMT and signed on its behalf by:

....

Mrs H Milligan

Chair of Trustees from 20 September 2024

PRIME7 MAT

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2024

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that Prime7 MAT has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Prime7 MAT and the Secretary of State for Education. The accounting officer is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustees	**Meetings attended**	**Out of possible**
Mrs C Wade (Chair of Trustees) (Resigned 31 December 2023)	2	2
Mrs M Ward (Resigned 17 July 2024)	6	6
Mrs N Bellamy (Chair of Trustees from 1 January 2024) (Resigned 31 August 2024)	6	7
Mr A Jeffrey (Acting Chair of Trustees 1 - 19 September 2024)	6	7
Mrs S Hill	7	7
Mrs H Milligan (Chair of Trustees from 20 September 2024) (Appointed 20 September 2024)	0	0
Mrs D Benjamin (Appointed 10 January 2024)	4	5
Mr D Shakeshaft (Appointed 10 January 2024)	3	5
Mr R Maxwell (Appointed 10 January 2024)	3	3
Mrs K Harper-Quinn (Appointed 10 January 2024)	4	5

The Trust Board has continued to be reflective this year and undertook an internal review in order to identify strengths and areas for development. The work that the Trust Board, together with the CEO and CFO on developing the exception reporting cycle means that the risk register continues to be used to identify key risks that are then reported to the Trust Board. The Trust Board had previously developed the means to have an overview of the change in risk within the register, which enables them to look at trends over time and to identify perhaps previously hidden, stubborn amber risks. This has worked well to look further into the trends and patterns for the Trust.

The performance standards data and finance information is scrutinised externally as well as internally to provide the Trust Board with assurances with the quality of information. For example, the Trust uses FFT to track performance data so that the schools are at least in line with national statistics. In addition, the quality assurance calendar now includes a cycle of external validation such as pupil premium reviews. In terms of finance, the Academy Trust has been subject to an external audit to verify the quality of information provided.

The finance and general purposes committee is a sub-committee of the main Board of Trustees.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
Mrs C Wade (Chair of Trustees) (Resigned 31 December 2023)	2	2
Mrs M Ward (Resigned 17 July 2024)	5	5
Mrs N Bellamy (Chair of Trustees from 1 January 2024) (Resigned 31 August 2024)	5	6
Mr A Jeffrey (Acting Chair of Trustees 1 - 19 September 2024)	5	6
Mrs S Hill	6	6
Mrs H Milligan (Chair of Trustees from 20 September 2024) (Appointed 20 September 2024)	0	0
Mrs D Benjamin (Appointed 10 January 2024)	4	4
Mr D Shakeshaft (Appointed 10 January 2024)	3	4
Mr R Maxwell (Appointed 10 January 2024)	3	3
Mrs K Harper-Quinn (Appointed 10 January 2024)	4	4

Review of value for money

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

The accounting officer considers how the Academy Trust’s use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees 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:

- Improve the quality of education for young people across the Academies;
- Develop and share examples of best practice across the Academies;
- Provide Academy to Academy support to address development requirements of Individual Academies; and
- Ensure that the performance within the Trust going forwards is continually improving.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Prime7 MAT for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 1 September 2023 to 31 August 2024 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

PRIME7 MAT

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The risk and control framework

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

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

The Board of Trustees considered the need for specific internal scrutiny by focusing on public profile risk. Stakeholders have been consulted and an action plan developed and integrated into school development plans and the Trust Business Plan. The reason for choosing the area of school improvement rather than finance was because of the highly successful annual audit processes with only one minor area to improve on.

The Trust external quality assurance calendar for 23/24 had within it a Safeguarding review and audit at all schools. An action plan was drawn up to address the recommendations from the review although the overall opinion was that Safeguarding practices are strong and effective.

Review of effectiveness

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

- the work of the Business Manager on regular management accounts;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 12/12/2024 | 10:09 GMT and signed on its behalf by:

Mrs H Milligan
Chair of Trustees from 20 September 2024

Mr I Lowe
Accounting Officer

PRIME7 MAT

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2024

As Accounting Officer of Prime7 MAT, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding, including for estates safety and management, 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 2023, including responsibilities for estates safety and management.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academy Trust Handbook 2023.

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

Accounting Officer

12/12/2024 | 19:01 GMT

....

Ian Lowe

PRIME7 MAT

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees (who are also the directors of Prime7 MAT for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction 2023 to 2024 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 12/12/2024 | 10:09 GMT and signed on its behalf by:

Mrs H Milligan
Chair of Trustees from 20 September 2024

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIME7 MAT

FOR THE YEAR ENDED 31 AUGUST 2024

Opinion

We have audited the financial statements of Prime7 MAT for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and the Academies Accounts Direction 2023 to 2024 issued by the Education and Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report and directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report including the incorporated strategic report and directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report, including the incorporated strategic report and directors' report.

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

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, set out on page 16, the Trustees, who are also the directors' under company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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.

PRIME7 MAT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRIME7 MAT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also perform the following procedures:

- Enquiry of management, those charged with governance around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside
- the normal course of business.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Leigh Dudley

Leigh Dudley FCCA (Senior Statutory Auditor)
for and on behalf of Ellacotts Audit Services Limited
Chartered Accountants
Statutory Auditor

16/12/2024 | 07:52 GMT
....

Countrywide House
23 West Bar
Banbury
Oxfordshire
England
OX16 9SA

PRIME7 MAT

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PRIME7 MAT AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2024

In accordance with the terms of our engagement letter dated 1 October 2024 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2023 to 2024, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Prime7 MAT during the period 1 September 2023 to 31 August 2024 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 Prime7 MAT and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Prime7 MAT 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 Prime7 MAT and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Prime7 MAT's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Prime7 MAT's funding agreement with the Secretary of State for Education dated 12 June 2013 and the Academies Financial Handbook, extant from 1 September 2023, 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 2023 to 2024. 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 period 1 September 2023 to 31 August 2024 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 conclusions includes:

- reviewing the minutes of the meeting of the Board of Governors and other evidence made available to us relevant to our consideration of regularity;
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy;
- testing a sample of payroll payments to staff;
- testing a sample of payment to suppliers and other third parties;
- testing a sample of grants received and other income streams;
- evaluation the internal control procedures and reporting lines, and testing as appropriate.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2023 to 31 August 2024 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Ellacotts Audit Services Limited

Reporting Accountant

Ellacotts Audit Services Limited
Countrywide House
23 West Bar
Banbury
Oxfordshire
OX16 9SA
England

Dated: 17/12/2024 | 14:09 GMT

PRIME7 MAT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total 2024 £	Total 2023 £
Income and endowments from:						
Donations and capital grants	**3**	19,937	-	18,255	38,192	66,432
Charitable activities:						
- Funding for educational operations	**4**	-	3,183,003	-	3,183,003	3,051,182
Other trading activities	**5**	113,247	9,016	-	122,263	97,470
Investments	**6**	4,346	-	-	4,346	90
Total		137,530	3,192,019	18,255	3,347,804	3,215,174
Expenditure on:						
Charitable activities:						
- Educational operations	**9**	80,245	3,224,157	184,636	3,489,038	3,321,645
Total	**7**	80,245	3,224,157	184,636	3,489,038	3,321,645
Net income/(expenditure)		57,285	(32,138)	(166,381)	(141,234)	(106,471)
Transfers between funds	**17**	(53,939)	4,568	49,371	-	-
Other recognised gains/(losses)						
Actuarial (losses)/gains on defined benefit pension schemes	**19**	-	(13,000)	-	(13,000)	487,000
Net movement in funds		3,346	(40,570)	(117,010)	(154,234)	380,529
Reconciliation of funds						
Total funds brought forward		432,062	150,486	6,033,483	6,616,031	6,235,502
Total funds carried forward		435,408	109,916	5,916,473	6,461,797	6,616,031

PRIME7 MAT

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

Comparative year information Year ended 31 August 2023	**Notes**	**Unrestricted funds £**	**Restricted funds: General £**	**Fixed asset £**	**Total 2023 £**
Income and endowments from:					
Donations and capital grants	**3**	6,161	-	60,271	66,432
Charitable activities:					
- Funding for educational operations	**4**	-	3,051,182	-	3,051,182
Other trading activities	**5**	91,371	6,099	-	97,470
Investments	**6**	90	-	-	90
Total		97,622	3,057,281	60,271	3,215,174
Expenditure on:					
Charitable activities:					
- Educational operations	**9**	66,983	3,071,993	182,669	3,321,645
Total	**7**	66,983	3,071,993	182,669	3,321,645
Net income/(expenditure)		30,639	(14,712)	(122,398)	(106,471)
Transfers between funds	**17**	(6,819)	(56,897)	63,716	-
Other recognised gains/(losses)					
Actuarial gains on defined benefit pension schemes	**19**	-	487,000	-	487,000
Net movement in funds		23,820	415,391	(58,682)	380,529
Reconciliation of funds					
Total funds brought forward		408,242	(264,905)	6,092,165	6,235,502
Total funds carried forward		432,062	150,486	6,033,483	6,616,031

PRIME7 MAT

BALANCE SHEET

AS AT 31 AUGUST 2024

		2024		2023	
	Notes	**£**	**£**	**£**	**£**
Fixed assets					
Tangible assets	**13**		5,913,219		6,028,154
Current assets					
Debtors	**14**	134,977		93,996	
Cash at bank and in hand		553,491		707,695	
		688,468		801,691	
Current liabilities					
Creditors: amounts falling due within one year	**15**	(139,890)		(222,814)	
Net current assets			548,578		578,877
Net assets excluding pension asset			6,461,797		6,607,031
Defined benefit pension scheme asset	**19**		-		9,000
Total net assets			6,461,797		6,616,031
Funds of the Academy Trust:					
Restricted funds	**17**				
- Fixed asset funds			5,916,473		6,033,483
- Restricted income funds			109,916		141,486
- Pension reserve			-		9,000
Total restricted funds			6,026,389		6,183,969
Unrestricted income funds	**17**		435,408		432,062
Total funds			6,461,797		6,616,031

The financial statements were approved by the Trustees and authorised for issue on 12/12/2024 | 10:09 GMT and are signed on their behalf by:

....

Mrs H Milligan

Chair of Trustees from 20 September 2024

Company registration number 08567252 (England and Wales)

PRIME7 MAT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

		2024		2023	
	Notes	**£**	**£**	**£**	**£**
Cash flows from operating activities					
Net cash used in operating activities	**20**		(107,104)		(53,290)
Cash flows from investing activities					
Dividends, interest and rents from investments		4,346		90	
Capital grants from DfE Group		18,255		60,271	
Purchase of tangible fixed assets		(69,701)		(118,655)	
Net cash used in investing activities			(47,100)		(58,294)
Net decrease in cash and cash equivalents in the reporting period			(154,204)		(111,584)
Cash and cash equivalents at beginning of the year			707,695		819,279
Cash and cash equivalents at end of the year			553,491		707,695

1 Accounting policies

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

1.1 Basis of preparation

Prime7 MAT is a charitable company incorporated in England and Wales. The registered office is given in the company information page.

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements 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 2023 to 2024 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Prime7 MAT meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Academy Trust. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Going concern

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

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.

<u>Grants</u>

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 period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised 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.

<u>Sponsorship income</u>

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

1 Accounting policies **(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 period 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 stock 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’.

Donated fixed assets

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

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 are allocated on the portion of the asset’s use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1 Accounting policies **(Continued)**

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require 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, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long term leasehold property	50 years straight line
Leasehold Improvements	10 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

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

1.6 Liabilities

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

1.7 Leased assets

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

1.8 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

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

Financial liabilities

Trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1 Accounting policies (Continued)

1.9 Taxation

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

1.10 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated 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 based on quadrennial valuations using a prospective unit credit method. The 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 are 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 net income or expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.11 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/ donor and include grants from the Education and Skills Funding Agency.

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

2 Critical accounting estimates and areas of judgement

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

2 Critical accounting estimates and areas of judgement **(Continued)**

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit asset 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 19, will impact the carrying amount of the pension asset. 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 asset at 31 August 2024. 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 asset.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Capital grants	-	18,255	18,255	60,271
Other donations	19,937	-	19,937	6,161
	19,937	18,255	38,192	66,432

4 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
DfE/ESFA grants				
General annual grant (GAG)	-	2,664,267	2,664,267	2,622,921
Other DfE/ESFA grants:				
- UIFSM	-	69,370	69,370	77,275
- Pupil premium	-	101,790	101,790	88,105
- Supplementary grant	-	-	-	70,593
- Mainstream schools additional grant	-	85,944	85,944	35,576
- Others	-	137,252	137,252	66,889
	-	3,058,623	3,058,623	2,961,359
Other government grants				
Local authority grants	-	124,380	124,380	89,823
Total funding	-	3,183,003	3,183,003	3,051,182

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Hire of facilities	9,884	-	9,884	10,313
Music tuition	-	9,016	9,016	6,099
Trip income	41,847	-	41,847	35,299
Other income	61,516	-	61,516	45,759
	113,247	9,016	122,263	97,470

6 Investment income

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Other investment income	4,346	-	4,346	90

7 Expenditure

		Non-pay expenditure			
	Staff costs £	Premises £	Other £	Total 2024 £	Total 2023 £
Academy's educational operations					
- Direct costs	1,455,175	-	408,518	1,863,693	1,890,705
- Allocated support costs	1,047,367	335,228	242,750	1,625,345	1,430,940
	2,502,542	335,228	651,268	3,489,038	3,321,645

Net income/(expenditure) for the year includes:	2024 £	2023 £
Operating lease rentals	9,689	9,209
Depreciation of tangible fixed assets	184,538	182,669
Loss on disposal of fixed assets	98	-
Fees payable to auditor for:		
- Audit	13,750	13,970
- Other services	7,275	3,405
Net interest on defined benefit pension liability	(1,000)	19,000

PRIME7 MAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

8 Central services

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

- human resources;
- financial services;
- governance support;
- legal services; and
- educational support services

The Academy Trust charges for these services based on size of school (by pupils) in proportion to the trust.

The amounts charged during the year were as follows:	2024 £	2023 £
Middleton Cheney Primary Academy	105,343	106,582
Kings Sutton Primary Academy	47,438	45,181
Chipping Warden Primary Academy	32,830	31,302
	185,611	183,065

9 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Direct costs				
Educational operations	47,562	1,816,131	1,863,693	1,890,705
Support costs				
Educational operations	32,683	1,592,662	1,625,345	1,430,940
	80,245	3,408,793	3,489,038	3,321,645

	2024 £	2023 £
Analysis of support costs		
Support staff costs	1,047,367	886,512
Depreciation	184,636	182,669
Technology costs	30,284	23,979
Premises costs	150,592	105,879
Other support costs	186,950	210,436
Governance costs	25,516	21,465
	1,625,345	1,430,940

PRIME7 MAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

10 Staff

Staff costs and employee benefits
Staff costs during the year were:

	2024 £	2023 £
Wages and salaries	1,756,776	1,747,948
Social security costs	191,109	161,036
Pension costs	409,860	439,277
Staff costs - employees	2,357,745	2,348,261
Agency staff costs	144,797	89,551
Staff restructuring costs	-	4,501
	2,502,542	2,442,313
Staff development and other staff costs	13,752	22,710
Total staff expenditure	2,516,294	2,465,023

Staff restructuring costs comprise:

	2024 £	2023 £
Redundancy payments	-	4,501

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

	2024 Number	2023 Number
Teachers	24	23
Administration and support	53	52
Management	7	7
	84	82

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

	2024 Number	2023 Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	-
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1

10 Staff (Continued)

Key management personnel

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership Team as listed on the Reference and Administration Information page at the front of the accounts together with Deputy Heads. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £536,074 (2023: £457,441).

11 Trustees' remuneration and expenses

No Trustees received remuneration or have received other benefits from employment with the Academy Trust (2023: none).

No Trustees were reimbursed for expenses relating to their role as Trustee during the year (2023: £15).

12 Trustees' and officers' insurance

The academy trust has opted into an insurance scheme with Zurich. This scheme protects trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business, and provides cover up to £5,000,000. It is not possible to quantify the trustees’ and officers’ indemnity element from the overall cost of the Zurich policy.

13 Tangible fixed assets

	Long term leasehold property	Leasehold Improvements	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£	£
Cost					
At 1 September 2023	6,602,437	312,336	159,202	471,346	7,545,321
Additions	-	4,525	4,755	60,421	69,701
Disposals	-	-	(5,663)	(90)	(5,753)
At 31 August 2024	6,602,437	316,861	158,294	531,677	7,609,269
Depreciation					
At 1 September 2023	981,078	32,428	133,141	370,520	1,517,167
On disposals	-	-	(5,566)	(89)	(5,655)
Charge for the year	98,701	31,298	17,688	36,851	184,538
At 31 August 2024	1,079,779	63,726	145,263	407,282	1,696,050
Net book value					
At 31 August 2024	5,522,658	253,135	13,031	124,395	5,913,219
At 31 August 2023	5,621,359	279,908	26,061	100,826	6,028,154

14 Debtors

	2024	2023
	£	£
Trade debtors	15,780	3,638
VAT recoverable	7,348	18,135
Prepayments and accrued income	111,849	72,223
	134,977	93,996

15 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	132	7,110
Other taxation and social security	39,483	85,792
Accruals and deferred income	100,275	129,912
	139,890	222,814

16 Deferred income

	2024	2023
	£	£
Deferred income is included within:		
Creditors due within one year	43,045	47,342
Deferred income at 1 September 2023	47,342	56,149
Released from previous years	(47,342)	(56,149)
Resources deferred in the year	43,045	47,342
Deferred income at 31 August 2024	43,045	47,342

Deferred income is made up of Universal Infant Free School Meals grants of which will be fully utilised in year ending 31 August 2024 and trip income received in advance.

PRIME7 MAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

17 Funds

	Balance at 1 September 2023	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2024
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	2,664,267	(2,668,835)	4,568	-
UIFSM	-	69,370	(69,370)	-	-
Pupil premium	73,006	101,790	(92,952)	-	81,844
Other DfE/ESFA grants	-	131,142	(131,142)	-	-
Other government grants	25,368	124,380	(135,606)	-	14,142
Mainstream schools additional grant	35,576	85,944	(121,520)	-	-
Other restricted funds	7,536	15,126	(8,732)	-	13,930
Pension reserve	9,000	-	4,000	(13,000)	-
	150,486	3,192,019	(3,224,157)	(8,432)	109,916
Restricted fixed asset funds					
Inherited on conversion	5,494,780	-	(98,701)	-	5,396,079
DfE group capital grants	536,330	18,255	(85,935)	49,371	518,021
Private sector capital sponsorship	2,373	-	-	-	2,373
	6,033,483	18,255	(184,636)	49,371	5,916,473
Total restricted funds	6,183,969	3,210,274	(3,408,793)	40,939	6,026,389
Unrestricted funds					
General funds	432,062	137,530	(80,245)	(53,939)	435,408
Total funds	6,616,031	3,347,804	(3,489,038)	(13,000)	6,461,797

17 Funds **(Continued)**

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

Restricted General Funds:

The General Annual Grants Funds (GAG) is used for educational purpose in line with Trust's objects and it's funding agreements. Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2024.

The other DfE/ESFA grants, which include pupil premium, sports funding and free school meals, are all used in accordance with restrictions of the individual grants for funding provided.

The Local Authority grants consist of high needs funding which is used to provide specialist support for the children.

The pension reserve represents the Local Government Pension Scheme surplus.

Fixed Asset Restricted Funds:

Fixed assets transferred on conversion represent the land and other assets transferred to the Trust from Northamptonshire County Council on conversion.

The other capital grants and income, which include capital grant from the DfE/ESFA and other funders, have been used to fund the capital expenditure of the Trust.

17 Funds **(Continued)**

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

	Balance at 1 September 2022	Income	Expenditure	Gains, losses and transfers	Balance at 31 August 2023
	£	£	£	£	£
Restricted general funds					
General Annual Grant (GAG)	-	2,622,921	(2,566,024)	(56,897)	-
UIFSM	-	77,275	(77,275)	-	-
Pupil premium	73,543	88,105	(88,642)	-	73,006
Other DfE/ESFA grants	-	66,889	(66,889)	-	-
Other government grants	40,115	89,823	(104,570)	-	25,368
Supplementary grant	23,273	70,593	(93,866)	-	-
Mainstream schools additional grant	-	35,576	-	-	35,576
Other restricted funds	12,164	6,099	(10,727)	-	7,536
Pension reserve	(414,000)	-	(64,000)	487,000	9,000
	(264,905)	3,057,281	(3,071,993)	430,103	150,486
Restricted fixed asset funds					
Inherited on conversion	5,593,481	-	(98,701)	-	5,494,780
DfE group capital grants	496,311	60,271	(83,968)	63,716	536,330
Private sector capital sponsorship	2,373	-	-	-	2,373
	6,092,165	60,271	(182,669)	63,716	6,033,483
Total restricted funds	5,827,260	3,117,552	(3,254,662)	493,819	6,183,969
Unrestricted funds					
General funds	408,242	97,622	(66,983)	(6,819)	432,062
Total funds	6,235,502	3,215,174	(3,321,645)	487,000	6,616,031

17 Funds **(Continued)**

Total funds analysis by academy

Fund balances at 31 August 2024 were allocated as follows:	2024 £	2023 £
Middleton Cheney Primary Academy	137,589	258,176
Kings Sutton Primary Academy	33,504	55,486
Chipping Warden Primary Academy	50,458	47,351
Central services	323,773	212,535
Total before fixed assets fund and pension reserve	545,324	573,548
Restricted fixed asset fund	5,916,473	6,033,483
Pension reserve	-	9,000
Total funds	6,461,797	6,616,031

Total cost analysis by academy

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

	Teaching and educational support staff £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2024 £	Total 2023 £
Middleton Cheney Primary Academy	893,467	432,439	141,301	179,003	1,646,210	1,541,819
Kings Sutton Primary Academy	233,551	175,499	96,839	71,895	577,784	789,032
Chipping Warden Primary Academy	328,158	227,104	138,656	115,564	809,482	510,322
Central services	-	229,076	17,969	27,881	274,926	233,803
	1,455,176	1,064,118	394,765	394,343	3,308,402	3,074,976

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Restricted funds: Fixed asset £	Total Funds £
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	-	-	5,913,219	5,913,219
Current assets	575,298	109,916	3,254	688,468
Current liabilities	(139,890)	-	-	(139,890)
Total net assets	435,408	109,916	5,916,473	6,461,797

PRIME7 MAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

18 Analysis of net assets between funds **(Continued)**

	Unrestricted Funds	Restricted funds: General	Fixed asset	Total Funds
	£	£	£	£
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	-	-	6,028,154	6,028,154
Current assets	654,876	141,486	5,329	801,691
Current liabilities	(222,814)	-	-	(222,814)
Pension scheme asset	-	9,000	-	9,000
Total net assets	432,062	150,486	6,033,483	6,616,031

19 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2020, and that of the LGPS related to the period ended 31 March 2022.

There was £nil (2023: £45,768) of outstanding contributions payable to the schemes as at 31 August 2024.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers’ Pension Scheme Regulations 2014. Membership is automatic for teachers in academy trusts. 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 ensure scheme costs are recognised and managed appropriately and the review specifies the level of future contributions.

19 Pension and similar obligations **(Continued)**

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 2020. The valuation report was published by the Department for Education on 27 October 2023, with the SCAPE rate, set by HMT, applying a notional investment return based on 1.7% above the rate of CPI. The key elements of the valuation outcome are:

- Employer contribution rates set at 28.68% of pensionable pay (including a 0.08% administration levy). This is an increase of 5% in employer contributions and the cost control result is such that no change in member benefits is needed.
- Total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million.

The result of this valuation will be implemented from 1 April 2024.The next valuation result is due to be implemented from 1 April 2028.

The employer's pension costs paid to the TPS in the period amounted to £278,765 (2023: £269,803).

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

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan. Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has 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 scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The estimated value of employer contributions for the forthcoming year is £171,000.

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

Total contributions made	**2024**	**2023**
	£	**£**
Employer's contributions	171,000	146,000
Employees' contributions	49,000	40,000
Total contributions	220,000	186,000

Principal actuarial assumptions	**2024**	**2023**
	%	**%**
Rate of increase in salaries	3.15	3.50
Rate of increase for pensions in payment/inflation	2.65	3.00
Discount rate for scheme liabilities	5.00	5.20

PRIME7 MAT

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

19 Pension and similar obligations **(Continued)**

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

	2024 Years	2023 Years
Retiring today		
- Males	21.0	21.7
- Females	23.9	23.9
Retiring in 20 years		
- Males	20.0	20.1
- Females	25.5	25.6

Sensitivity analysis

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

Change in assumptions at 31 August 2024:	Approximate % increase to Employer Liability	Approximate monetary amount £'s
0.1% decrease in Real Discount Rate	2%	53,000
0.1% increase in the Salary Increase Rate	0%	1,000
0.1% increase in the Pension Increase Rate	2%	53,000
1 year increase in member life expectancy	4%	96,000

Defined benefit pension scheme net asset	**2024 £**	**2023 £**
Scheme assets	2,558,000	2,134,000
Scheme obligations	(2,558,000)	(2,125,000)
Net asset	-	9,000

The Academy Trust's share of the assets in the scheme	**2024 Fair value £**	**2023 Fair value £**
Equities	1,355,740	1,323,080
Bonds	716,240	512,160
Cash	383,700	21,340
Property	102,320	277,420
Total market value of assets	2,558,000	2,134,000

The actual return on scheme assets was £246,000 (2023: £80,000).

19 Pension and similar obligations **(Continued)**

Amount recognised in the statement of financial activities	2024 £	2023 £
Current service cost	168,000	191,000
Interest income	(116,000)	(84,000)
Interest cost	115,000	103,000
Total amount recognised	167,000	210,000

Changes in the present value of defined benefit obligations	2024 £	2023 £
At 1 September 2023	2,125,000	2,317,000
Current service cost	168,000	191,000
Interest cost	115,000	103,000
Employee contributions	49,000	40,000
Actuarial loss/(gain)	143,000	(491,000)
Benefits paid	(42,000)	(35,000)
At 31 August 2024	2,558,000	2,125,000

Changes in the fair value of the Academy Trust's share of scheme assets	2024 £	2023 £
At 1 September 2023	2,134,000	1,903,000
Interest income	116,000	84,000
Actuarial (gain)/loss	130,000	(4,000)
Employer contributions	171,000	146,000
Employee contributions	49,000	40,000
Benefits paid	(42,000)	(35,000)
At 31 August 2024	2,558,000	2,134,000

20 Reconciliation of net expenditure to net cash flow from operating activities

	Notes	2024 £	2023 £
Net expenditure for the reporting period (as per the statement of financial activities)		(141,234)	(106,474)
Adjusted for:			
Capital grants from DfE and other capital income		(18,255)	(60,271)
Investment income receivable	**6**	(4,346)	(90)
Defined benefit pension costs less contributions payable	**19**	(3,000)	45,000
Defined benefit pension scheme finance (income)/cost	**19**	(1,000)	19,000
Depreciation of tangible fixed assets		184,538	182,669
Loss on disposal of fixed assets		98	-
(Increase)/decrease in debtors		(40,981)	30,603
(Decrease) in creditors		(82,924)	(163,727)
Net cash used in operating activities		(107,104)	(53,290)

21 Analysis of changes in net funds

	1 September 2023 £	Cash flows £	31 August 2024 £
Cash	707,695	(154,204)	553,491

22 Long-term commitments

Operating leases

At 31 August 2024 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2024 £	2023 £
Amounts due within one year	10,800	10,800
Amounts due in two and five years	22,665	33,465
	33,465	44,265

23 Related party transactions

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 11.

24 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 he or she is a Member, or within one year after he or she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a Member.