

Liberty Academy Trust Ltd.

Annual Report and Financial Statements

31 August 2023

Company Registration Number 07954396 (England
and Wales)

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Reference and administrative information

Members	Professor Des Hewitt (appointed 19 December 2022) Mrs Margaret Mulholland (appointed 19 December 2022) Mr Simon Tanner (appointed 19 December 2022) The National Autistic Society (resigned 19 December 2022) Dr Carol Homden (resigned 19 December 2022) Mrs Caroline Stevens (resigned 19 December 2022)
Trustees / Directors	Mr David Tucker, Chair (Appointed 30 September 2022) (Elected Chair 17 March 2023) Mrs Libby Nicholas (Appointed 30 September 2022) Mr Michael Stanton Mr Stuart McDougall (Appointed 13 March 2023) Mrs Anita Etheridge (Appointed 27 March 2023) Mr Phil Harrison (Appointed 27 March 2023) Mr Jason Howard (Appointed 29 March 2023) Ms Sarah Milne (Appointed 28 September 2023) Mr Nathan Kamalanadan Nagaiah (Resigned 1 March 2023) Ms Jo Southby (Appointed 6 December 2021) (Resigned 17 March 2023) Ms Fleur Katherine Bothwick (Chair elect) (Appointed as Chair 29 September 2022) (Resigned 16 March 2023)
Secretary	Mr Chris Rossiter
Executive Team	
CEO and Accounting Officer	Dr Nicola Crossley
Chief Finance Officer	Mr David Haydock
Governance Professional	Mr Chris Rossiter
Director of Education	Ms Jo Galloway
Director of Safeguard	Mrs Nicola Law
Chief Operating Officer	Mr Martin Briggs (Resigned 31 October 2023)
Chief Finance Officer	Mrs Kelly Evans (Resigned 27 November 2022)
Company Name	Liberty Academy Trust Ltd.
Registered office	Vanguard School Lollard Street London SE11 6QH
Company registration number	07954396

Reference and administrative information

Academies Operated	Location	Principal
Thames Valley School	Reading	Mrs Gemma Buley
Church Lawton School	Stoke-on-Trent	Mr Paul Scales
Vanguard School	London	Mr Stuart Parker-Tyreman

Auditor Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers Barclays Bank PLC
One Churchill Place
London
E14 SHP

Solicitors Browne Jacobson LLP
15th Floor
6 Bevis Marks
London
EC3A 7BA

Trustees' Report Year ended 31 August 2023

The Trustees present their annual report together with the financial statements and auditors' report of Liberty Academy Trust Ltd. (the 'academy trust' or the 'charitable company') for the period 1 September 2022 to 31 August 2023. The annual report serves the purposes of both a Trustees' Report and a Directors' Report under company law. The academy trust is exempt from reporting to the Charity Commission.

In the year, the Trust operated one all through special school (4-19) in Stoke-on-Trent; one all-through special school (4-16) in Reading; and one secondary special school (11-19) in London. Its academies have a combined pupil capacity of 202 and had a roll of 169 in July 2023.

The Trust was issued with a Notice to Improve on 14 December 2022, in relation to significant weaknesses in governance. The full notification is available [here](#) and references the academy trust's former name of NAS Academies Trust.

STRUCTURE, GOVERNANCE, AND MANAGEMENT

Constitution

The academy trust is a company limited by guarantee (registration number 07954396) 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 operates as Liberty Academy Trust Ltd. (LAT).

Details of the Trustees who served during the year, and to the date these accounts are approved, are included in the Reference and Administrative Details in the preceding pages of this document.

The principal activities of the charitable company are to establish and maintain a number of special academies in accordance with the requirements of its Master Funding Agreement in place with the Education and Skills Funding Agency, in Primary, Secondary and all through specialist education.

Following an external review of governance, commissioned by the DfE in Summer 2022, Liberty Academy Trust Ltd, formerly known as NAS Academies Trust (or NASAT), was instructed to review and strengthen existing governance structures. A particular concern highlighted the complete control of the Trust by the National Autistic Society (NAS); this was reflected in the member constitution which included the CEO of NAS, the former Chair of NAS, and NAS as corporate member. This meant that decisions were made in the interest of NAS and not of the Trust. Both the Governance Review and the Notice to Improve directed significant improvements to be made.

As a result, NASAT separated fully from The National Autistic Society on 19 December 2022, with the existing members stepping down and three independent members appointed. The Trust formally changed its name to Liberty Academy Trust Ltd on 1 January 2023.

Throughout the academic year 2022-23, significant work was undertaken to address the failings in governance. In September 2022, the Chair resigned, and an Interim Chair stepped in from the existing trustees. In September 2022, two new trustees were appointed, with significant experience in education.

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Constitution (continued)

At the AGM in January 2023, the new members ensured their familiarity with the Trust in full and commenced an evaluation of governance, which included observations of meetings and a review of the minutes. In March 2023, the members removed the Interim Chair due to concerns with governance oversight and accountability. A new Chair was appointed, and he immediately engaged with sector-approved training to ensure his fitness-for-purpose.

Since this date, a further four new trustees have been appointed. These new trustees have significant experience and expertise and have an acute understanding of the academies sector. An additional Trustee is currently being onboarded and will be formally appointed at the Trust Board meeting of 20 December 2023; she has significant experience in MAT and school leadership, including policy and safeguarding.

Governance across the Trust has been transformed; all trustees have engaged in key induction activities and training. All schools have been visited and Principals have been directed to present their improvement plans to the Trustees for assurance purposes. Trustees have commissioned a further review of governance for early in academic year 2023-24 and this is expected to be positive. The Reviewer has already commenced interviews of management personnel (Executive and non-Executive Board) and will be observing the full Board meeting on 20 December 2023. His findings will be presented to Trustees at the Board meeting of 31 January 2024.

Although the Notice to Improve remains open at the date of approval of these reports and financial statements, it is expected that the academy trust will satisfy all of the conditions of the Notice to Improvement within the academic year ended 31 August 2024 as a result of the actions described above.

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

Subject to the provisions of the Companies Act, every trustee or other officer of the academy shall be indemnified out of the assets of the academy against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in favour or in which they are acquitted in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the academy trust.

The Trustees are indemnified via the ESFA's Risk Protection Arrangement scheme, as detailed in note 11 to the accounts.

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Method of Recruitment and Appointment or Election of Trustees

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association and funding agreement as follows:

- ◆ Not less than 3 Trustees and up to 8
- ◆ A minimum of 2 parent trustees, unless there are LGBs / TMBs / Local Committees which include at least 2 parent governors
- ◆ Trustees, appointed by the members
- ◆ Staff trustees, appointed by the members, provided that the maximum number of staff trustees does not exceed one third of the total number of trustees.

The term of office for any trustee is 4 years. Subject to remaining eligible to be a particular type of trustee, any trustee may be reappointed or re-elected.

Recruitment procedures follow safer recruitment practice and guidance set out in *Keeping Children Safe in Education 2022* and continues to follow the updated guidance for September 2023.

Policies and Procedures Adopted for the Induction and Training of Trustees

All Trustees are expected to complete our programme of induction training, which includes familiarisation with some key policies and a programme of induction training, which includes Safeguarding training. Trustees' induction will depend on their individual experience and expertise. Where necessary, an induction will provide training on charity and educational, legal and financial matters.

All new Trustees are given a tour of at least one of the academies and the chance to meet with staff and pupils. All trustees are provided with copies of the Trust policies, procedures, minutes, budgets, plans, the Academy Trust Handbook, and other documents that they will need, to understand their role as trustees and Directors of the academy trust. On-going training and development is expected of all trustees and the new Chair has implemented Resource of the Week, in which key think pieces and articles are shared, so that trustees are actively engaging with the sector and models of school improvement.

Organisational structure

The academy trust has established a management structure to enable its efficient running. The structure consists of three levels: the board of trustees (the Directors); the executive, who are the senior leadership team; and the local committees of the academies.

The Board of Trustees has considered its role carefully and decided that the role of the trustees is to approve the strategic direction and objectives of the trust and monitor its progress towards these objectives.

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Organisational structure (continued)

Trustees are responsible for setting general policy, adopting an annual plan and budget approval, monitoring the trust on educational and wider outcomes (including EYFS, KS1, KS2, KS4 and KS5 outcomes and Ofsted outcomes), making major decisions about the direction of the Trust, oversight of capital expenditure and approval of senior staff appointments.

The Principal of each academy is directly responsible for its day-to-day running and is assisted by their senior leadership team.

Local Committees support the Trust Board at a school level by:

- ◆ Ensuring that the vision, ethos, and strategic direction of Liberty Academy Trust is maintained within each school.
- ◆ Holding school leaders to account for the educational performance of the schools, the development of the Quality-of-Life Framework and the offer a broad and balanced curriculum.
- ◆ Working with the school's leadership and the central team to ensure that high standards of safeguarding are maintained.
- ◆ Promoting positive parent, carer, community, and stakeholder engagement and driving school-to-school partnerships for improvements within the Trust.
- ◆ Identifying, understanding, and reporting to Trustees any strategic risks facing the school.

The Executive team include:

Dr Nicola Crossley	CEO and Accounting Officer
Mr David Haydock	Chief Finance Officer
Mr Martin Briggs	Chief Operating Officer (resigned 31 October 2023)
Ms Jo Galloway	Director of Education
Mrs Nicola Law	Director of Safeguarding
Mr Chris Rossiter	Director of Governance and Compliance

The Chief Executive Officer

The Chief Executive of the Trust is the Accounting Officer of the Trust.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include the Trustees and the Executive Team as listed on page 1. The Trust Board sets pay and remuneration for executive directors and senior leaders in schools in accordance with the Liberty Academy Trust pay policy. The Board of Trustees take great care to ensure the public obtain value for money from the personnel appointed within the Trust.

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Trade Union Facility Time

Facility time publication legislation requires public sector employers with more than 49 FTE employees to publish information every year about their usage and spend on trade union facility time. Facility time is the provision of paid or unpaid time off from an employees' normal role to undertake trade union duties and activities as a TU representative. There is a statutory entitlement to reasonable paid time off for undertaking union duties (but not activities).

The Trust meets its statutory obligation to provide facility time to trade union representatives by pooling resources with other schools and academies within the various local authorities in which the Trust's academies are located, to cover the time spent by TU representatives across several different employers.

The Trust currently pays into facility time arrangements in the following local authorities:

- ◆ None

The Trust also operates within 3 local authority areas which do not allow academies to pay into facility time arrangements. These are:

- ◆ Lambeth
- ◆ Reading
- ◆ Cheshire East

The Trust therefore does not publish facility time information as the total cost of contributions to pooled facility time expressed as a percentage of the total pay bill for the relevant period.

Number of employees who were relevant union officials during the relevant period:

- ◆ One

Engagement With Employees (including disabled persons)

Employee Involvement

The Trust works with employee trade unions and professional associations and utilises other internally established communication forums to engage the workforce. The Trust also works to ensure that consultation is undertaken, as required, on aspects affecting its employees, including financial, operational, and economic factors, and these are communicated, discussed, and consulted on with them.

Equal Opportunities Policy

The Trust recognises the value of a diverse workforce, which includes people from different backgrounds, with different skills and abilities. The Trust is committed to ensuring that the recruitment and selection of all who work within the trust is conducted in a manner that is systematic, efficient, and effective for the purpose of promoting equality of opportunity.

The Trust recognises that equal opportunities should be an integral part of good practice within the workplace. It will not discriminate against adults applying for a job within the Trust or treat staff less favourable in terms of conditions, promotions, transfers, dismissals, training and other employment practices on grounds of gender; gender reassignment; race; disability; sexual orientation; religion; age; pregnancy / maternity; or marriage / civil partnership.

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Disabled Persons

The Trust is a Level 2 Disability Confident Employer and is currently working towards the Level 3 Disability Confident Leader status.

As part of the recruitment process, the trust carries out monitoring in relation to disability, ethnic origin, and gender of all job applications for all posts. If applicants are invited for interview, we ask if there are any reasonable adjustments we can make, to accommodate their needs.

All staff are entitled to the same level of training and development, regardless of any disability. Training opportunities are routinely discussed during day-to-day management and performance appraisals to ensure continuous development and on-going reasonable adjustments are aligned.

The Trust complies fully with the Equality Act (2010) regulations and is equipped to welcome and/or teach any child or adult with a disability, where possible.

Engagement with Suppliers, Customers and Others in a Business Relationship with the Trust

Our intention is to foster good supply arrangements which benefit both the organisation in terms of value for money and the suppliers that we utilise. Our aim is to be supplied with the goods and services that we need at the best value and at the time required, through suppliers being offered fair, open, and transparent ways to bid and provide these goods and services. The Trust has adopted a tendering process for items or work of significant value to ensure that the best possible value for money is obtained. On the transfer from NAS, the Trust had a significant number of unpaid and unprocessed invoices. However, this issue has now been resolved and the Trust aims to pay suppliers in accordance with their agreed terms, which is usually 30 days or fewer, as appropriate..

Related Parties and other Connected Charities and Organisations

Until 19 December 2022, The National Autistic Society was a corporate member of the Trust, making the Trust a subsidiary of the National Autistic Society. In addition, the two organisations have a number of Trustees in common; however, following an external review of governance commissioned by the DfE in Summer 2022, there are no longer 'Trustees in common'.

NAS was therefore a related party until 19 December 2022.

The National Autistic Society have provided central services to Liberty Academy Trust (formerly NASAT) in respect of HR; ICT; Finance; Health and Safety; and Estates support. For the period until 19 December 2022 the amount paid to The National Autistic Society in respect of these services by Liberty Academy Trust was £72,000 (2022 – £240,000 for the full academic year). These services did not exceed 'at cost' requirements, as per the Academy Trust Handbook.

Liberty Academy Trust is a member of the Confederation of School Trusts (CST), and this financial year paid £350 in fees.

STRUCTURE, GOVERNANCE, AND MANAGEMENT (continued)

Related Parties and other Connected Charities and Organisations (continued)

CST is the national organisation and sector body for school Trusts in England advocating for, connecting, and supporting executive and governance leaders.

At the point of separation on 19 December 2022, the NAS had full control of all operational activity across the Trust, including the management of school websites. On the same date, the CEO commenced procurement processes for the rebrand of Liberty Academy Trust anticipated for January 2023. However, on Tuesday 20 December, NAS pulled all school websites leaving the Trust – and the schools - non-compliant with the requirements of the Academy Trust Handbook. The CEO at NAS also demanded that the Trust must distance itself from NAS and that all branding must be taken down; failure to do so would result in further action not specified. As a matter of urgency, the partners of two members of the Executive Board were approached to undertake supportive work in relation to rebranding and redevelopment of the school websites before the Christmas break for fear of parents and families not being able to access key information in advance of the start of the new term. Two partners were approached due to the extent of work needed and due to the lack of availability in either's diary to complete all work in its entirety. The CEO was aware of the Academy Trust Handbook RPT limit of £20,000 and was confident all work would come in significantly below this limit. At the time of work being commissioned, the Trust had not received the full detail of the financial restrictions imposed as a result of the NTI. The CEO did not notify the ESFA of this due to an honest oversight due to the complex issues being managed at the time. However it was subsequently notified in writing to the ESFA

Expenditure relating to transactions with MMA Education Limited amounted to £10,710 and expenditure in respect of transactions with Scoundrel Limited amounted to £2,450.

OBJECTIVES AND ACTIVITIES

Objects and Aims

In setting out the trust objectives, consideration has been given to the Charities Commission guidance in respect of public benefit when reviewing the aims and objectives of academies (see 'Public Benefit' section).

The aims of Liberty Academy Trust are to:

- a) Advance for the public benefit, education in the United Kingdom, in particular but without prejudice to the generally foregoing, by establishing, maintaining, carrying on, managing, and developing schools offering a broad and balanced curriculum or schools specially organised to make special educational provision for pupils with Special Educational Needs.
- b) For the benefit of the local community where a school is established, to promote the provision of facilities for recreation or other leisure time occupation of those individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship, or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of these people.

OBJECTIVES AND ACTIVITIES (continued)

Objects and Aims (continued)

The Trust provides education and welfare support for approximately 200 children and young people at Thames Valley School; Church Lawton School; and Vanguard School. Places for pupils attending these schools are commissioned by the Local Authorities in which they reside, as well as surrounding areas, according to need.

The Liberty Curriculum

Research suggests that autistic individuals are more at risk of a lower quality of life, may find it more challenging to make friends and more challenging to live independently. (Heijst and Geurts, 2015; Mason et al, 2018; Ayres et al, 2018; NAS, 2019) The most recent data from the Office of National Statistics (February 2022) reports that only 29% of autistic adults are in any kind of employment. It is therefore essential that the Liberty curriculum works to address these statistics.

Our curriculum aim is underpinned by the Quality of Life (QoL) framework, developed by educators at Swalcliffe Park School and supported by the National Autistic Society. The QoL framework is a strengths-based model, designed to support the positive development of the *whole child*; it reflects the commitment of every school and colleague to supporting every pupil's academic and wider needs, recognising that co-production of goals and measures of success, with families, is central to all we do.

The framework illustrates how inter-connecting elements contribute to the development of the individual and in our commitment to this framework, we expect all Liberty schools to take an evidence-informed approach which includes all key partners, so that the educational experience of every pupil is shaped by a clear understanding of their individual needs.



OBJECTIVES AND ACTIVITIES (continued)

The Liberty Curriculum (continued)

The Quality-of-Life framework is a strengths-based affirmative model, which seeks to unpick and understand:

- ◆ What makes the pupil happy and what are their aspirations?
- ◆ What are the skills they need to be independent adults of the future?
- ◆ How do we prepare them well for that future?

Informed by research undertaken by Schalock et al (2010; 2020), the QoL framework acts as a model for strategic transformational change, which supports those with an intellectual or developmental disability, in particular.

It identifies eight QoL domains which are categorised into three sub-sections:

- ◆ Independence;
- ◆ Social Participation; and
- ◆ Wellbeing.

An operational model of the QoL framework proposes eight core domains that should be developed and measured as indicators of success for the individual. Each of the QoL domains are interlinked as indicators and variables which have the power to influence an individual's quality of life, with evidence gathered through self-report and external observation (this could be by a care-giver / professional / other relevant observer).

The aim of the Liberty curriculum therefore is to develop lifelong learners who are committed and well-equipped to learn about:

- ◆ The self;
- ◆ Others and the world around them;
- ◆ Culture and community;
- ◆ Local, national and global citizenship; and
- ◆ Intellectual, moral, spiritual and emotional knowledge as expressed through language, mathematics, science, humanities and the arts.

OBJECTIVES AND ACTIVITIES (continued)

The Academic Domain

The academic curriculum is built upon a traditional subject offer, informed by the English National Curriculum and delivered at the level appropriate to each pupil's stage of intellectual development.

Where appropriate, pupils will access the same curriculum breadth as their peers in mainstream education; however, some pupils' access will be influenced by their levels of functional understanding, with depth and breadth adapted accordingly.

The underlying principle; however, is that **all pupils** are entitled to access an academic curriculum that is broad and relevant – no level of disability should reduce this entitlement. Rather, as educators we take a creative pedagogical approach, which ensures access and depth of academic learning from starting points.

The Communication Domain

The communication curriculum is central to the Liberty offer, due to the particular needs of autistic pupils. Our approach therefore comprises a structured programme of study which includes all modes of communication, such as spoken language, ICT, literacy, and visual language. As Prizant asserts: the long-term goal is to help individuals develop a sense of (what are) appropriate responses in different social situations and be able to... stay well regulated. (Prizant, 2022, p. 72) Approaches to communication are adapted and contextualised in schools to reflect local needs.

The underlying principles of the communication domain are to build lifelong skills which enable all pupils to engage in the world around them through modes of communication that can be understood by others. A key feature of the communication domain is the development of oracy skills, as this is often a key area of difficulty for autistic pupils.

The Communication Curriculum is delivered through form time and PSHE sessions, interweaved into unstructured time, such as breakfast and lunch, and also delivered through timetabled sessions, during which time, pupils develop skills in:


- ◆ Vocabulary
- ◆ Language use
- ◆ Verbal reasoning
- ◆ Collaborative working
- ◆ Metacognition.

OBJECTIVES AND ACTIVITIES (continued)


The Personal Development Domain

The personal development curriculum includes a focus on personal interests, as well as skills for independent living, active citizenship, physical and emotional health and well-being. The underlying principles of the personal development domain are to ensure all pupils can flourish and thrive; perhaps capitalising on special interest areas or being introduced to new experiences, but all are expected to access a wider curriculum offer which extends beyond the academic and which develops responsible, respectful and active citizens of the future.

Themed days allow for concentrated personal development, which enhance personal qualities and dispositions such as resilience and tolerance and which are underpinned by our core values of courage, determination and teamwork – qualities that are recognised throughout life, in business as well as personal relationships.




CURRICULUM DOMAINS



There are three domains of the curriculum:



- Academic;
- Communication; and
- Personal Development.



Academic Domain

Pupils will develop knowledge and understanding, over time, of the following areas:


- English Language
- English Literature
- Mathematics
- Science
- Art and Design
- Computing
- Design and Technology
- Geography
- History
- Languages
- Music
- Physical Education

Communication Domain

Pupils will develop knowledge and understanding, over time, of the following areas:

- Working with Others
- Self-regulation
- Effective Listening
- Communicating for different purposes and audiences
- Talk for Learning
- Social Conventions
- Effective Questioning
- Inference and Deduction
- Debating




Personal Development Domain

Pupils will develop knowledge and understanding, over time, of the following areas:

- Independent Living
- Careers Development
- Local, National and Global Citizenship
- Culture and Community
- Positive Relationships
- Physical Health
- Mental Wellbeing
- Staying Safe

This domain benefits from educational trips, visits and themed days to enhance learning.



To achieve its key objectives, the Trust undertakes the following activities:

- ◆ Review and on-going development of policies and procedures to strengthen the accountability of the Trust.
- ◆ Ensure a rich and varied educational experience for all pupils, through the development of effective practice, secured through the development of communities of practice, network groups and access to strong leadership development programmes.

OBJECTIVES AND ACTIVITIES (continued)

The Personal Development Domain (continued)

- ◆ Secure value-for-money and consistent quality of support services through a combination of centrally procured and provided services. Services that are directly provided or procured by the Academy Trust and paid for by the Trust, on behalf of its academies include: audit services; legal services; group leadership; training; business and administration services.

- ◆ The Trust retains a percentage of each academy's monthly ESFA General Annual Grant (GAG) income to provide these services. (The percentage retention for the period to 31 August 2023 was 5%.)

Objectives and activities for the Trust 2022-23:

To meet its key objectives in 2022-23, the Trust achieved the following:

- ◆ Completely separated from the National Autistic Society, resulting in independent policies, processes, and internal controls being developed and embedded.

- ◆ Appointed 3 new members and 7 new Trustees in direct response to the external review of Governance and leading to a highly skilled and expert governance structure.

- ◆ Appointed key personnel to the finance team to ensure strategic leadership and day-to-day financial management are highly effective.

- ◆ Enhanced the approach to the curriculum at Church Lawton School, leading to a 'Good' Ofsted inspection in November 2022.

- ◆ Strengthened the leadership in Thames Valley School, leading to a positive monitoring visit in November 2022 where 'Leadership and Management' and 'Safeguarding' were seen as 'effective'.

- ◆ Stabilised Vanguard School, leading to a 'Requires Improvement' judgement during the Ofsted inspection of December 2022.

- ◆ Appointed a new and experienced Principal to Vanguard School following inspection.

Public benefit

In the development and operation of schools, the Trustees are mindful of their duty to ensure public benefit. The Trust works closely with local authorities, families, local autism and other SEND charities and groups and with other schools and colleges in those areas where schools are being developed.

Liberty Academy Trust Ltd's Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

OBJECTIVES AND ACTIVITIES (continued)

Strategic Report

Achievements and Performance

At Liberty Academy Trust, we know that all children deserve a great education, and we are committed to ensuring that our autistic pupils gain the knowledge, skills and experience they will need in adult life. Autistic children have knowledge, talents, and skills to contribute to society. Our society and economy suffer if autistic children are not given the right support to develop their skills, talents, and knowledge.

Ofsted Inspections

All schools were inspected by Ofsted in 2022-23.

In November 2022, Thames Valley School underwent a monitoring inspection (Section 8). This focused solely on 'Leadership and Management' and 'Safeguarding'. Both areas were deemed to be 'effective' and no areas of concern were noted.

In November 2022, Church Lawton School underwent a full Section 5 Inspection. The school was judged to be 'Good' in all areas. Key areas of development were highlighted in 'Quality of Education', where the curriculum in foundation subjects are to be prioritised.

In December 2022, Vanguard School underwent a full Section 5 Inspection. This was the school's first inspection since opening in January 2020. The school was judged to be 'Requires Improvement' in all areas. Key areas of development were highlighted in 'Quality of Education' where curriculum coherence is to be prioritised, and in 'Behaviour and Attitudes' where both the behaviour of students and attendance are to be prioritised.

Attendance

Our aim for year 2022/23 was for all schools to be in line with, or above, national special school attendance data – **Church Lawton School achieved this aim, finishing the year with attendance above national special schools.** Significant work has taken place this year to address attendance with the implementation of a consistent Trust-wide policy in the Spring term, tracker process and the creation of the family liaison role to ensure schools have increased capacity to address absence matters, which are anticipated to improve in the coming year.

EOY 2022/23	Attendance	PA
Church Lawton School	87.5%	38.4%
Thames Valley School	80.4%	47.3%
Vanguard School	82.5%	46.8%
Liberty Academy Trust	83.9%	43.7%
National Special School Data (YTD 15th June)	86.9%	39.3%

OBJECTIVES AND ACTIVITIES (continued)

Primary Results 2023

Key Stage 1

With only one pupil in KS1, the results are not statistically significant; however, the pupil met the required standard for Year 1 in all areas.

KEY STAGE 1 RESULTS

Indicator	Church Lawton School	
	No.	%
Phonics % reaching the required standard (Year 1)	1	100%
KS1 % achieving expected standard in Reading	1	100%
KS1 % achieving expected standard in Writing	1	100%
KS1 % achieving expected standard in Maths	1	100%

Key Stage 2

Thames Valley School results at KS2 were in line with school predicted outcomes and prior attainment. The cohort was below national and just two pupils were entered into Reading Assessment only.

Church Lawton School exceeded school predicted outcomes for Reading in that one pupil achieved the expected standard who was not expected to.

Overall, Church Lawton School did not meet school predicted outcomes for Reading, Writing and Maths and this is a concern as they had previously reported at Transformation Management Board (TMB) that they expected 80% to achieve RWM. However, **Church Lawton School achieved in line with national data** in that 20% of pupils with SEND met the expected standard in Reading, Writing and Maths (combined).

KEY STAGE 2 RESULTS

Indicator	CLS		TVS		LAT
	No.	%	No.	%	%
% achieving expected standard in RWM	1	20%	0	0%	11%
% achieving expected standard in Reading	5	100%	1	25%	67%
% achieving expected standard in Writing	1	20%	0	0%	11%
% achieving expected standard in Maths	2	40%	0	0%	22%

The 2023/24 Assessment Policy sets out **an expectation for pupils to sit three mock SATs assessments** so we can track progress against targets. In addition to the school level moderation that occurs across local schools, we will complete Trust level writing moderation across our schools.

OBJECTIVES AND ACTIVITIES (continued)

Secondary Results 2023

Nationally the Grade 4+ pass rate is at 70.4% – as a Trust it stands at 42%. Grade 5+ pass rate is at 54.4% nationally, with the Trust rate at 23%. Our pass rates have stayed the same (41% & 24% respectively) between 2022 and 2023, where the trend nationally was to see a decline.

KEY STAGE 4 RESULTS

Number of pupils in cohort = 24

Measure	No.	%
Average exam entries	4.4	-
3 or more qualifications achieved	19	79%
5 or more qualifications achieved	12	50%
EL3 or above Maths	18	75%
EL3 or above English	14	58%
English & Maths – All levels	14	58%
3 or more Level 2 equivalent qualifications achieved	13	54%
5 or more Level 2 equivalent qualifications achieved	4	17%
GCSE Maths achieved (% of cohort)	14	58%
GCSE Maths Grade 4 or above (% of Maths GCSE)	2	14%
GCSE English achieved (% of cohort)	9	38%
GCSE English Grade 4 or above (% of En GCSE)	5	56%
GCSE English & Maths achieved	9	38%
Number of qualifications @ Grade 5 or above	12	23%
Number of qualifications @ Grade 4 or above	22	42%
Pupils not achieved qualifications in English & Maths	10	42%
Pupils achieving less than 3 qualifications	5	21%
Pupils achieving no qualifications	2	-

Comparative data for all settings was released on 9 November 2023. This illustrates that performance for special schools has fallen over time, whereas students at Liberty are bucking this national trend.

Measure	National ALL	National SEND	Liberty
Achieving any GCSE	96.8%	32.5%	75%
4+ E/M	64.8%	2.9%	8.3%
5+ E/M	45%	1.3%	4.2%
4+ in English GCSE	74.5%	2.2%	20.8%
4+ in Maths GCSE	69.9%	5.6%	8.3%
5+ in English GCSE	60.4%	1.4%	8.3%
5+ in Maths GCSE	50.6%	2.7%	4.2%

OBJECTIVES AND ACTIVITIES (continued)

Secondary Results 2023 (continued)

It is clear that students in Liberty schools are achieving better than their peers in other special schools nationally; however, we have aspirations to do more and achieve more.

We might anticipate our autistic pupils would achieve higher qualifications in Maths rather than English. Autistic pupils can exhibit a number of strengths in relation to Maths, including but not limited to — attention to detail, logical planning, good understanding of patterns and links, problem solving, good working memory & recall and visual and special perception skills.

Whereas English includes learning in areas autistic pupils typically may find more challenging, including but not limited to comprehension, interpretation of questions, essay writing including handwriting difficulties, understanding of figurative language (idioms, metaphors, similes and irony), understanding and interpreting texts and poems (especially double meanings) social interaction and social confidence, and reading and speaking fluency.

However, **this year our pupils have shown stronger performance in English.** If we correlate this with our scrutiny of teaching and learning (book scrutiny, learning walks and lesson observations) the teaching of English is typically stronger than Maths across the Trust.

This year's data shows that 42% of pupils did not achieve both a Maths and English qualification. **From September 2023 it is mandated that all pupils will be entered into a minimum of an entry level qualification in both Maths and English.** This has been communicated to Principals along with the expectation that Principals take an active involvement in understanding entries and track progress towards achieving qualifications. It is imperative that Principals are clear about their accountability around this and as such appraisal targets have been set accordingly.

Academy Performance and Achievements

Church Lawton School opened in 2015 as a free school for children on the autism spectrum. The school provides a complete education for children aged 4 to 19. Designed and built specifically for autistic children, it aims to be a comfortable, safe, quiet and spacious place to learn.

There are 70 pupils, and this is the maximum PAN. The average class size is between six and eight pupils.

Inspected by Ofsted in November 2022, Church Lawton was judged to be 'Good' overall. In January 2019, the school was Autism Accredited and in December 2021 it achieved Advanced status; an award only given to those schools who can evidence exemplary autism practice.

This academic year, the school has developed its approach to the curriculum and continues to focus on preparation for adulthood; ensuring that the post-16 offer meets the needs and aspirations of its autistic students. During the Ofsted inspection, the school's approach to careers and personal development was commended.

OBJECTIVES AND ACTIVITIES (continued)

Academy Performance and Achievements (continued)

Thames Valley School was purpose-built for autistic pupils and opened in September 2013. There are 54 pupils, and this is the maximum PAN. The school's overall effectiveness was judged Good by Ofsted at its first inspection in May 2016. Significant staff changes and the legacy of the pandemic impacted on the 'Quality of Education'.

The most recent Section 5 Ofsted inspection in December 2021 saw the school downgraded to 'Requires Improvement'. However, the monitoring visit of November 2022 acknowledged the improvements in progress and identified both 'Leadership and Management' and 'Safeguarding' as 'effective'.

As a result of the accelerated improvements made in all areas across the school, a close collaborative working relationship has developed with Brighter Futures in Reading, as the commissioning authority; this is leading to discussions around expansion and the possibility for the school to provide wider support across the area's mainstream schools.

Colleagues work hard to ensure all pupils are supported with their wider interests; in October BBC News reported on the dance skills of one of our pupils who is a regular participant in a dance group and another of our students has been cast as the voice of one of the engines in Thomas the Tank Engine and is also the voice of the new Tom Gates book!

In addition, staff at the school are internationally recognised for their practice; in October 2023 our Occupational Therapist presented at the National Conference for Autism in Greece, thus highlighting our commitment to employing the very best professionals in the sector.

Vanguard School opened in January 2020 as a specialist 11-19 secondary school for autistic children who can access qualifications at GCSE and A-Level, or their vocational equivalents. Despite opening during the global pandemic, admissions have continued to increase and continues to do so.

There are currently 68 pupils with provision for up to 78; pupil numbers continue to increase year-on-year in line with the Free School proposal submitted and the agreed plans for growth. The school admitted its first sixth-form students in September 2021.

The school was first inspected in December 2022 when it was graded as 'Requires Improvement' in all areas; inspectors cited the turnover of Senior Leaders as a key contributing factor and this is something that has been prioritised since separating from the previous sponsors, who had not factored in the growth of leadership roles in their opening plan.

Whilst there is significant school improvement work on-going, colleagues at the school are nevertheless ensuring that students have access to wider opportunities that enhance their educational experience. In July 2023 the Vanguard Art Exhibition (The Big Vanguard) was held at the school and attended by stakeholders across the community, and for National Anti-Bullying Week in November 2023, students from Vanguard School took part in the official 'Make a Noise' secondary video, which is readily available through the Anti-Bullying Alliance and YouTube.

OBJECTIVES AND ACTIVITIES (continued)

Academy Performance and Achievements (continued)

The school has also been recognised by Apple for the contributions students made to the 2023 'Reframe – Inspire Schools Project'; this culminated in a celebration event held at the Southbank Centre, London in July 2023.

FINANCIAL REVIEW

Income and expenditure

Total income for the year was £10,266k (2022: £7,467k) made up of £9K of start-up funding, £1,649K of capital grant income, including £1,599K of capital grant funding from the Denise Coates Foundation, £1,661K of General Annual Grant (Pre-16 & Post-16 High Needs), £384K of other DfE grants, £6,376K of local authority funding, and £187K of voluntary and other income.

Before accounting for the pension deficit, the net year end position of the general restricted fund was £2,218K. £1,111K has been designated to support Trust improvement initiatives. The pension deficit was £411k at the year end, meaning the total General Restricted Income Fund, including those funds designated from Government funding was £2,918k.

During the year, £104k was spent on acquiring fixed assets.

Net expenditure for the year excluding fixed assets and before the actuarial movement in the Local Government Pension Scheme valuation was £868k (2022 – net income of £303k) made up of net income of £100k (2022 – net income of £44k) in the unrestricted fund and net expenditure of £968k (2022 – net expenditure of £254k) in the restricted funds.

Based on the actuarial valuation, the Local Government Pension Scheme liability increased by £198k to £411k.

Reserves policy and position

The definition of reserves in the SORP is 'that part of a charity's income funds that is freely available for its general purposes'. This definition of reserves therefore normally excludes:

- ◆ Permanent endowment funds.
- ◆ Expendable endowment funds.
- ◆ Restricted income funds.
- ◆ Any part of unrestricted funds not readily available for spending, specifically income funds which could only be realised by disposing of fixed assets held for charitable use.

Reserves are therefore the resources the Academy Trust has or can make available to spend for any or all of the Trust's purposes once it has met its commitments and covered its other planned expenditure. More specifically, 'reserves' are income which becomes available to the Trust and is to be spent at the Trustees' discretion in furtherance of any of the Trust's objects (sometimes referred to as 'general purpose' income) but which is not yet spent, committed, or designated (i.e., it is 'free').

FINANCIAL REVIEW (continued)

Reserves policy and position (continued)

The level of reserves held considers the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The Trustees will keep this level of reserves under review at each Board meeting and aim to build and maintain the reserves level by entering into cost effective agreements whilst in keeping with the principal object of the Trust.

Due to the previous governance structure, reserves had built up to an unreasonable amount with no plan for reinvestment into the schools. On appointment, the CEO referred to the Academy Trust Handbook and submitted a Business Case to Trustees for the drawdown of reserves. This Business Case proposed the use of reserves to reinvest into all schools, addressing support staff pay which did not meet the national living wage and providing discrete and specialist support to bring about improvements to the quality of education.

Total reserves at the end of the period amounted to £19,698k (2022 – £19,590k). This balance includes unrestricted funds of £396K (2022 – £296K), restricted fixed asset funds of £16,384K (2022 – £15,210K) restricted funds of £3,329K (2022 – £4,297K) and a pension deficit of £411K (2022 – £213K).

The Trust has a fiduciary responsibility to carry sufficient free reserves to manage potential future financial risks as a result of structural deficits by maintaining schools with historic and/or structural deficits whilst executing robust deficit recovery plans, and by providing working capital and short-term deficit funding for new schools joining the Trust.

The Trustees have determined that the appropriate level of free reserves should be a sum equivalent to 12 weeks salary, which is approximately £1,800k. The reason for this reserve is to provide sufficient working capital, and to provide a cushion to deal with unexpected emergencies, as a specialist Trust supporting children with additional and complex needs.

The current level of reserves, restricted general and unrestricted of £19,698k includes free reserves of £3,725K, of which £1,111K is designated as detailed below. We recognise this level of free reserve is £1,925k higher than the amount in our reserves policy. We are actively looking at the ongoing reserve policy. The Balance Sheet indicates a significant amount of reserves allocated to designated funds. This has been deliberately allocated as such to ensure reinvestment into the schools as per the Business Case submitted to and approved by Trustees.

FINANCIAL REVIEW (continued)

Reserves policy and position (continued)

Project(s)	Amount Designated	Time Scale	Reserves
<ul style="list-style-type: none"> Development of central team infrastructure to support Trust growth. Enhancing staff pay and non-staff benefits to enhance recruitment, retention, and rates of attrition. Improving the quality of teaching and learning through investment in curriculum development and staff training. 	£0.695m	2023-24	£3.03m
<ul style="list-style-type: none"> Improving the school environment to reflect needs of autistic pupils, including improvements to ICT and sensory rooms. 	£0.416k	2024-25	£2.614m
Total	£1.111m		

For the academic year 2022/23, the following activities and impact have been achieved as a result of the structured use of reserves:

- All support staff now paid in line with the National *Living Wage* and the Trust undergoing accreditation as a National Living Wage employer
- Enhanced staff benefits package, which includes access to physical and mental health support
- Introduction of a full online learning platform for all staff to access
- Enhanced curriculum materials to support the redevelopment of the curriculum at Thames Valley School
- Redesign and rebuild of the sensory provision at Thames Valley School
- Stabilisation of leadership and appointment of a substantive and highly experienced Principal at Vanguard School
- Appointment of Autism Lead Practitioners in every school who lead on the development of pedagogy and practice to support autistic learners
- Introduction of cross-Trust networks and communities of practice to enhance collaboration and provision
- Partnership with a high-performing University to develop Postgraduate courses bespoke to the needs of Liberty staff and pupils

FINANCIAL REVIEW (continued)

Reserves policy and position (continued)

- Successful reinspection of Church Lawton School in March 2023 (following a negative inspection in December 2022 and a complaint submitted by the CEO)
- Successful visit by DfE colleagues at Thames Valley School who could see the improvements made.

Subsequent years will also report on the use and impact of the reserves.

Within the reserves policy, it should be noted that, because of accounting for the Local Government Pension Scheme (LGPS), the Trust recognises a significant pension fund deficit totalling £411k (2022 – £213k). This deficit is included within restricted funds. This does not lead to an immediate liability for this amount. Similarly, if there were a pension surplus included in the restricted fund this would not create an immediately realisable asset that can be released straight away and expended for the specific purposes of that fund.

It should also be noted that a surplus or deficit position of the pension scheme would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employers' pension contributions over a period of years. The Trust thus takes this fact into account when reviewing current business plans and budgets, ascertaining how the pension costs might affect budgets in the future. On the basis that increased pension contributions should generally be met from the Trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund or direct impact on the unrestricted reserves of the Trust due to the recognition of the deficit.

Investment Policy

Investment policies are determined by the Trust Board. This ensures the level of funds the Trust holds can cover any immediate expenditure, without exposing the Trust to additional risk. Should any potential investment opportunity arise this is escalated to the Trust Board for consideration.

In order that the Academies Trust has cash readily available to meet working capital and other needs, the Trustees continue to adopt a cautious policy to maintain diversified cash deposits rather than to invest in stocks, shares, property or any other investment products.

As of 31 August 2022, Liberty Academy Trust had £3.0m (2022: £3.7m) invested in interest bearing accounts.

Fundraising

Most fundraising activities for the Trust are carried out by the schools' staff with assistance from the parents and pupils in the running of specific fundraising events. These fundraising activities are managed by the school senior leadership team and are monitored by the School Business Manager, with overall oversight by the members of the governing body or local committee and the Principal.

FINANCIAL REVIEW (continued)

Fundraising (continued)

No complaints relating to fundraising activities have been received by Liberty Academy Trust during this financial period. However, the Trust has in place procedures that would be followed in the event of a complaint being received, with the initial response being the responsibility of the School Business Manager. Any continuing issues would then be passed to the governing body to determine what further action might be required.

PRINCIPAL RISKS AND UNCERTAINTIES

The Companies Act 2006 s417(3b) requires disclosure of the principal risks and uncertainties facing a company. The Trust is exposed to several financial risks including credit, cash flow and liquidity risks. Given the Trust's exposure to financial instruments being limited, the exposure principally relates to bank balances, cash, and trade creditors, with limited trade (and other) debtors. The Trust's system of internal controls ensures risk is managed in these areas.

The Trustees fully recognise their responsibilities for the management of risk, and these are considered on a regular basis at each board meeting. The Board is charged with identifying, assessing, and minimising the major risks (based on likelihood of occurrence and potential impact) to which the Trust is exposed. Internal controls are implemented by the Principal Finance Officer and regularly reviewed by both the Board of Trustees and the local committees.

A Trust risk register has been established and is reviewed and updated regularly. The full Trust Board reviews this on a minimum of an annual basis and the Finance, Audit and Risk Committee review this at each meeting (five times a year).

Systems and procedures have been established to mitigate the risks the Trust faces. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Trustees have assessed the significant risks to which the Trust is exposed, in particular those relating to teaching, provision of facilities, and other operational areas of the Trust and its finances.

The risk register is reviewed at each Board meeting along with the agreed mitigating actions taken and controls in place to ensure that each risk is managed appropriately.

Trustees have implemented several systems to assess risks that the schools face, especially in the operational areas (e.g., concerning recruiting staff, teaching, health and safety) and in relation to the control of finances. They have introduced systems, including operational procedures (e.g., vetting of new staff and visitors ensuring they can work with pupils, supervision of school grounds etc) and internal financial controls (see below) to minimise risk.

Where significant risk remains, trustees have ensured that the Trust has adequate insurance cover. As part of its risk management strategy, the Trust currently uses the 'Risk Protection Arrangements' (RPA) which is designed explicitly for academies as an alternative to commercial insurance to transfer some risks. Under RPA, the UK government covers any losses arising, instead of commercial insurance.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Liberty Academy Trust has an effective system of internal financial controls, and this is explained in more detail in the Governance Statement.

It should also be noted that procedures are in place to ensure compliance with the health and safety of staff and pupils.

Our Chair of Trustees is an Architect who has designed a significant number of special schools; he is therefore available to offer guidance and expertise on estates management at a high level. To ensure Executive level assurance, all schools have been subject to an Estates Condition Survey, which include the development of a 10-year Planned Preventative Management (PPM) Schedule to inform capital expenditure.

All schools, on separation from the former sponsor, were subject to an external audit of Health and Safety by an independent and IOSH qualified consultant. This was followed by an internal audit of Health and Safety and the development of a management response to ensure compliance and best practice.

The Trust completed the DfE requested RAAC Surveys within the requested timeframes and confirmed there to be no RAAC present in any of our schools.

There are three principal operational risks and uncertainties relating to the Trust, as illustrated below.

Risk	Mitigation
<p>Operational</p> <p><u>System failure</u> (failure in key infrastructure, such as IT, energy, telecoms, finance systems) impacting on expected school operations, including safeguarding</p>	<p>Treat</p> <p>1) Internal assurance audit completed for cyber security, actions identified, and management response developed</p> <p>2) Alternate means of communication in place in event of systems failure</p> <p>3) IT Support desk in place.</p>
<p>Compliance</p> <p><u>Health and Safety</u> (failure to properly maintain Health and Safety standards results in injury and/or compliance breach</p>	<p>Treat</p> <p>1) Internal assurance audit completed for Health and Safety, actions identified, and management response developed</p> <p>2) Progress on actions reported to Chair of FARC regularly</p> <p>Transfer</p> <p>1) Insurance (liability) Cover in place.</p>

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Risk	Mitigation
<p>Strategic and Reputational</p> <p><u>Negative Ofsted Inspections</u> (TVS currently RI (Dec 21) and 'double RI' would trigger rebrokerage conversations; VGS RI (December 22); Quality of education inconsistent across schools; Curriculum at differing stages of development across schools</p>	<p>Treat</p> <ol style="list-style-type: none"> 1) CEO line managing all Principals 2) Performance Management targets for Principals include a focus on attendance and attainment 3) Statement of Action (SofA) in place for TVS and VGS as not yet 'Good' by Ofsted 4) Implementation of standardised policies for <i>Teaching and Learning, Curriculum, Reading Strategy, and Model of School Improvement</i> 5) CEO undertaking QA visits monthly to evaluate successful implementation and embedding of policy and practice.

PLANS FOR THE FUTURE

Following a number of Trustee Strategy Days, the vision for Liberty Academy Trust has been refined, as illustrated below.

PRIORITY 1: Leading through Accountability and Moral Responsibility

- ◆ To ensure financial accountability as per ESFA Targets / Academy Trust Handbook.
- ◆ To ensure financial systems and processes are appropriately controlled and produce efficiencies in financial management.
- ◆ To ensure HSE regulations are met, without exception, securing a safe learning and working environment for all.
- ◆ To ensure the Capital Investment Strategy articulates clearly the approach to maintenance and investment, which effectively maintains and enhances the school estate.
- ◆ To ensure appraisal systems are consistent at all levels of the organisation and leads to high expectations and performance.
- ◆ To ensure the Trust provides support and guidance to special and mainstream schools alike, to enhance the experience for autistic children and young people.
- ◆ To ensure the Trust acts as a system leader to influence the sector for good and contribute positively for the public benefit.

PLANS FOR THE FUTURE (continued)

PRIORITY 1: Leading through Accountability and Moral Responsibility (continued)

- ◆ To ensure Trust governance is seen as a strength within the sector.
- ◆ To ensure the Safeguarding Strategy articulates clearly the approach to safeguarding, which promotes a culture of vigilance.
- ◆ To ensure the EDI Strategy articulates clearly how inclusion and diversity is central to our development as a strong Trust.

PRIORITY 2: Driving Excellence in Education for Autistic Children and Young People

- ◆ For all schools to be good or better by Ofsted.
- ◆ For attendance to be higher than national ASD and moving towards the national for 'all'.
- ◆ For persistent absence to be lower than national ASD and moving towards national for 'all'.
- ◆ For pupil progress to be accelerated from starting points, ensuring all are well-prepared for the next stages in education / employment / training.
- ◆ For safeguarding to be recognised as leading practice.
- ◆ For Autism Lead Practitioners to act as pedagogy experts to accelerate learning in all Key Stages and Phases.
- ◆ For the Quality-of-Life framework to be recognised as a key driver of excellence in supporting pupils' independence and success.
- ◆ To ensure the Digital Strategy articulates clearly how the approach to technology ensures and infrastructure which is safe, meets need, accelerates learning and productivity, and embraces innovation.

PRIORITY 3: Supporting Resilience and Wellbeing

- ◆ To ensure targeted early support is available and accessible by all who need it.
- ◆ To ensure staff turnover is low and that opportunities for career progression within the Trust is strong.
- ◆ To ensure staff absence is low.
- ◆ To ensure staff surveys show an improvement over time, with a particular focus on support and wellbeing, including workload.
- ◆ To ensure parent and family surveys show an improvement over time, with a particular focus on communication and the quality of education.
- ◆ To ensure pupil, staff and family voice actively drives improvements, which are quantifiable.

PLANS FOR THE FUTURE (continued)

PRIORITY 3: Supporting Resilience and Wellbeing (continued)

- ◆ To ensure the Quality-of-Life framework for staff is recognised as a key driver of excellence, which supports flexible working and learning opportunities that get the best out of individuals.
- ◆ To ensure the People Strategy articulates clearly how the approach to workforce recruitment, retention, and development supports our desire to be recognised as an employer of choice.
- ◆ To ensure staff engagement is high, with networks well attended and internal career development securing quality staff.

In support of this revised vision, key performance indicators (KPIs) for 2023-24 have been agreed, as below; the Executive Board and Principals have all adopted the KPIs appropriate to their role and responsibility.

KPIs for PRIORITY 1: Leading through Accountability and Moral Responsibility

- ◆ Reserves position maintained at less than 20% of income.
- ◆ Achieve agreed revenue budget of: -£980k for 23/24 (-£421k for 24/25, -£61k for 25/26).
- ◆ No 'Red' actions on Health and Safety audits by the end of the academic year.
- ◆ Reduction in 'Red' actions identified through Internal Audit, based on 2022-23 (Finance 0, H&S 14, Cyber Security 15).
- ◆ 100% of Internal Audit 'Red' actions addressed within 4 weeks.
- ◆ 100% of Internal Audit 'Amber' actions addressed within 3 months.
- ◆ The Trust reports on Gender and Ethnicity pay gaps and these are published on the website.
- ◆ Trust achieves Disability Confident Leader Status (Level 3).
- ◆ All conditions of the NTI are met by December 2023.

KPIs for PRIORITY 2: Driving Excellence in Education for Autistic Children and Young People

- ◆ All schools are 'good' or better by Ofsted.
- ◆ All schools continue to be 'effective' for Safeguarding.
- ◆ Attendance in all schools meets or exceeds 2020-21 National ASD (90.3%).
- ◆ Persistent Absence in all schools meets or is lower than 2020-21 National ASD (30.1%).

PLANS FOR THE FUTURE (continued)

KPIs for PRIORITY 2: Driving Excellence in Education for Autistic Children and Young
(continued)

Pupil Attainment in Primary

- ◆ Y1 Phonics 25%.
- ◆ KS1 Reading 50%; Writing 50%; Maths 50%.
- ◆ KS2 Expected Standard in Reading, Writing and Maths 30%.
- ◆ KS2 Reading 60%; Writing 30%; Maths 40%.

Pupil Attainment at KS4

- ◆ A8 22.0; P8 -1.9; 9-5 E/M 20%; 9-4 E/M 30%.

Pupil Attainment at Post-16:

- ◆ KS5 attainment achieves expected targets based on prior attainment.
- ◆ KS5 progress exceeds National SEND.

KPIs for PRIORITY 3: Supporting Resilience and Wellbeing

- ◆ The Trust achieves National Living Wage status.
- ◆ Staff absence rates reduce from 3.3% to better than national average (2.6%, ONS).
- ◆ Staff turnover reduces from 38% (education average) to better than national average ALL (35%).
- ◆ 25% of staff engage and complete CPD, which is separate to mandated training, as recorded on Blue Sky.
- ◆ Staff surveys show an improvement in 'feeling overworked' from baseline of 2.6 (Summer 2023).
- ◆ Staff surveys show an improvement in 'appropriateness of employee benefits' from baseline of 2.7.
- ◆ Staff surveys show an improvement in 'feeling part of the Trust community' from baseline of 2.6.
- ◆ Parent surveys show an improvement in 'how well you know what your child and their therapist are working on' from baseline of 2.6.
- ◆ Parent surveys show an improvement in 'how well informed you are about your child's progress' from baseline of 3.1.
- ◆ Pupil surveys show an improvement in 'how well problems which make you feel unsafe are sorted' from baseline of 3.0.

PLANS FOR THE FUTURE (continued)

KPIs for PRIORITY 3: Supporting Resilience and Wellbeing (continued)

- ◆ Pupil surveys show an improvement in 'how much you enjoy your learning' from baseline of 3.4.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Trust and/or its trustees did not act as custodian trustee during the current or previous period.

GOING CONCERN

After consideration of the Trust's financial position, the level of reserves held, its financial plans, (including projected pupil numbers at Thames Valley School, Church Lawton and Vanguard Schools), the demand for places and the broader environment, the Board of Trustees has a reasonable expectation that the Trust has adequate resources to continue to operate for the foreseeable future.

For this reason, it continues to adopt the going concern basis in preparing its financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

AUDITOR

Insofar as the Trustees are aware:

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

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



David Tucker
Chair of Trustees

Date: 20 December 2023

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Liberty Academy Trust Ltd and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met 5 times during the year, with additional meetings undertaken by the Chair and Vice Chair as necessary.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
David Tucker, Chair (appointed 30 September 2022 as Trustee and as Chair 17 March 2023)	10	10
Libby Nicholas, Vice Chair (appointed 30 September 2022)	8	10
Michael Stanton	8	10
Stuart McDougall, Chair of FAR Committee (appointed 13 March 2023)	5	5
Anita Etheridge (appointed 27 March 2023)	4	5
Phil Harrison (appointed 27 March 2023)	4	5
Dr Jason Howard (appointed 29 March 2023)	2	5
Fleur Katherine Bothwick (resigned 16 March 2023)	5	5
Nathan Nagaiah (resigned 1 March 2023)	0	5
Jo Southby (resigned 17 March 2023)	3	5

Review of the Year

The Trust's governance professional has worked with Local Governing Bodies to ensure clarity of roles and responsibilities at academy level. The Trustees will consider, support and challenge information reported by the Executive team in terms of the delivery of the Trust's strategic and operational plans.

During the course of the year the Trust has operated under the conditions of the Notice to Improve and therefore the focus and scrutiny on governance at all levels has been significant. The following actions have been undertaken in order to strengthen the approach to governance across the Trust:

- ◆ Founding members stepped down following the external review of governance findings and three new independent members appointed;

Review of the Year (continued)

- ◆ Founding Trustees stepped down following the external review of governance findings and a number of new Trustees appointed – these new Trustees bring a range of skills and experience from the education and business sectors and are therefore of the highest quality offering appropriate levels of support and challenge to the Executive Directors;
- ◆ Cooperated with an external review of Financial Controls, as requested by the DfE and ESFA, and are currently working through the actions of the management response;
- ◆ Cooperated with a review of Finance undertaken by the ESFA in November 2023 as part of their annual sampling activity – this did not raise any significant concerns, however, a management response is in development;
- ◆ Cooperated with an external review of Safeguarding, as requested by the DfE and ESFA – this highlighted many examples of best practice, however, a management response has been developed and the actions of this are currently being worked through;
- ◆ Cooperated with the SRMA review, as requested by DfE and ESFA, and are currently working through the actions of the management response;
- ◆ Updated further the Scheme of Delegation, following sector-wide discussions of best practice examples.

Committees

The Trust has made significant progress in the constitution of sub-committees. Committees currently in place are:

- ◆ Finance, Audit and Risk
- ◆ Education and Standards
- ◆ Pay and Remuneration

Finance, Audit and Risk met three times and Education and Standards met twice in academic year 2022-23, due to the change in Trustees.

Focus for the Next Academic Year

For academic year 2023-24, Finance, Audit and Risk and Education and Standards will both meet five times a year; both have already met this year and colleagues from the DfE attended Education and Standards to observe the support and challenge offered.

Pay and Remuneration will meet twice and have already met in October 2023 to agree teacher pay.

Trust Board will meet six times over the course of the academic year.

In our drive to continue to strengthen governance at all levels across the Trust, we will be adding to our members, so that we align with best practice in the Academy Trust Handbook of five.

Review of value for money

As Accounting Officer, the Chief Executive Officer has responsibility for ensuring that Liberty Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The CEO reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Trust has delivered improved value for money during the year through:

- ◆ Reporting on Trust performance compared to National benchmarking comparators for central team salaries, based on the report published by the Confederation of School Trusts (CST) in partnership with Xpert HR and Browne Jacobson (August 2023).
- ◆ Commissioning a review of support staff salaries across the Trust, which rationalises roles and routes for progression – the impact of which will be implemented by September 2024 at the latest.
- ◆ Reviewing existing service contracts for ICT support and requesting greater efficiencies are made in terms of service provision and costs. The impact of this will be seen in April 2024.
- ◆ Continually reviewed commissioned external support designed to accelerate school improvement, ensuring impact is measurable and actions do not replicate or duplicate the activities and skillset of the central team.
- ◆ Where gaps in central team have been identified, ensured opportunities for school-based staff to be seconded, thus offering wider development for them and cost efficiencies for the Trust in paying only for what is needed.
- ◆ Monthly finance reporting at Trust and academy level of financial performance vs agreed budgets, along with clear reasons for and variances (and the drivers of) and actions to mitigate any potential adverse variances going forward.
- ◆ Ongoing development of a Capital Spend programme to satisfy requirements of Estates Condition Surveys and subsequent Planned Preventative Maintenance (PPM) Schedules, as well as supporting on-going improvements to enhance the educational and working environments of all students and staff.
- ◆ Worked closely with the Finance Team and Trustees to review the Budget Forecast Return (BFO) and make revisions to secure the future sustainability of the Trust, that is self-sufficient and not dependent solely on growth.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Liberty Academy Trust's 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 Liberty Academy Trust for the period 1 September 2022 to 31 August 2023 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 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 Liberty Academy Trust's significant risks that has been in place for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures, including the segregation of duties and a system of delegation and accountability, which is supported by the Scheme of Delegation and the Financial Scheme of Delegation.

It includes:

- ◆ Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the CEO and the Board of Trustees.
- ◆ Regular reviews by the Trust Board of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- ◆ Setting targets to measure financial and other performance.
- ◆ Clearly defined purchasing (asset purchase or capital investment) guidelines.
- ◆ Delegation of authority and segregation of duties.
- ◆ Identification and management of risks.

The internal auditor's role includes giving expert advice and performing a range of checks on the Trust's system of internal controls. The outputs from these reviews are discussed at the Trust Board.

The Risk and Control Framework (continued)

The Board of Trustees has appointed SWAP Internal Audit Services as Liberty Academy Trust's internal auditor. The checks undertaken in the current period include:

- ◆ Financial Oversight and Control.
- ◆ Health and Safety.
- ◆ Cyber Security.

On a termly basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. On an annual basis, the internal auditor prepares an annual summary report outlining the areas reviewed, key findings, recommendations, and conclusions to help the Trust Board consider actions and assess year-on-year progress.

The agreed schedule of work has been delivered as planned. No material control issues were identified as a result of the work undertaken in respect of Financial Oversight and Control, and Health and Safety. However, the Cyber Security internal audit produced a 'no assurance' rating. The main areas of concern related to Cyber Security Cover Arrangements, Contract Management of ICT Systems, and Training and Reporting of Cyber Incidents.

Since the report, extensive work has been undertaken, as evidenced in the Management Response and accompanying action plan, and as a result, the limiting factors have been addressed and resolved. The actions taken include an update to the Cyber Policy to ensure RPA eligibility criteria is met and that the RPA recommended template is fully adopted. The contract with the ICT Management provider has been terminated and a new contract established with a provider who has significant Trust experience. Training is in development and quality assurance of this is on-going.

In order to manage conflicts of interest the Academy keeps a register of personal and pecuniary interest of all Governors. Additionally, a minuted check is carried out at the beginning of Board and Committee meetings where relevant business is being discussed. Anyone with a conflict would recuse themselves from any debate or decision making.

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:

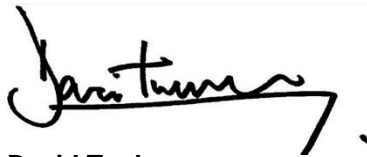
- ◆ Adherence to the conditions of the Notice to Improve.
- ◆ The work of the internal auditor.
- ◆ The work of the external auditor.
- ◆ The work of the external reviewer responsible for evaluating financial controls.

Review of effectiveness (continued)

- ◆ The work of the external reviewer responsible for evaluating leadership of safeguarding.
- ◆ The work of the School Resource Management Advisor (SRMA).
- ◆ The financial management and governance self-assessment process.
- ◆ The work of the Executive Directors 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 results of their review of Financial Oversight and Controls, their review of Health and Safety, and their review of Cyber Security across the Trust by the Assistant Director for Client Delivery at SWAP Internal Audit, and management responses and action plans are in place, as standard, to ensure continuous and rapid improvements are in place.

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



David Tucker
Chair of Trustees



Dr Nicola Crossley
Accounting Officer

Date: 20 December 2023

Statement of regularity, propriety and compliance 31 August 2023

As Accounting Officer of Liberty Academy Trust Ltd, I have considered my responsibility to notify the Academies Trust Board of Trustees and the Education Skills Funding Agency of material irregularity, impropriety, and non-compliance with ESFA terms and conditions of funding, including for estates safety and management under the funding agreement in place between Liberty Academy Trust Ltd 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.

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

I confirm that the school is managed effectively. Estates Condition Surveys have been undertaken in every school and a 10-year schedule of planned preventative maintenance (PPMs) implemented. As a result, I can confirm that the school estate is safe, well-maintained and complies with regulations.

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.



Dr Nicola Crossley
Accounting Officer

Date: 20 December 2023

Statement of trustees' responsibilities 31 August 2023

The Trustees (who act as governors of Liberty Academy Trust and are also directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education 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 (FRS 102) and the Academies Accounts Direction 2022 to 2023.
- ◆ Make judgments and accounting estimates that are reasonable and prudent.
- ◆ State whether applicable United Kingdom Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements.
- ◆ Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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



David Tucker
Chair of Trustees

Date: 20 December 2023

Independent auditor's report to the members of Liberty Academy Trust Ltd.

Opinion

We have audited the financial statements of Liberty Academy Trust Ltd. (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, 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), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP (FRS102)) and the Academies Accounts Direction 2022 to 2023.

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 2023 and of its income and expenditure, for the period 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 FRS102 and Academies Accounts Direction 2022 to 2023.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 charitable company'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.

Conclusions Relating to Going Concern (continued)

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

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law and includes the strategic 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 and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of Trustees

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

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the academy's or to cease operations, 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.

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

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

- ◆ the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP FRS102, the Academies Accounts Direction 2022 to 2023, the Academies Trust Handbook 2022, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

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

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

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ reviewed journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

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

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

Use of our report

This report is made solely to the 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.

A handwritten signature in black ink that reads "Buzzacott LLP". The signature is written in a cursive, stylized font.

Gumayel Miah (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP,
Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 22 December 2023

Independent Reporting Accountant's Report on Regularity 31 August 2023

In accordance with the terms of our engagement letter dated 22 March 2023 and further to the requirements of the Education Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Liberty Academy Trust Ltd during the period from 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective Responsibilities of Liberty Academy Trust's Accounting Officer and the Reporting Accountant

The Accounting Officer is responsible, under the requirements of Liberty Academy Trust's funding agreement with the Secretary of State of Education and the Academy Trust Handbook, for ensuring that expenditure disbursed, and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 issued by the 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 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.

Independent Reporting Accountant's Report on Regularity 31 August 2023

Approach (continued)

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 our conclusions includes sample testing of the following:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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 2022 to 31 August 2023 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Date: 22 December 2023

Statement of financial activities
(including income and expenditure account) Year to 31 August 2023

	Notes	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed assets funds £'000	Total funds 2023 £'000	Total funds 2022 £
Income and endowments from:						
. Donations and capital grants	1	1	—	1,649	1,650	40
Charitable activities:						
. Funding for the academy trust's educational operations	2	—	8,430	—	8,430	7,383
Other trading activities	3	80	—	—	80	34
Investments	4	106	—	—	106	10
Total		187	8,430	1,649	10,266	7,467
Expenditure on:						
. Charitable activities:						
. Academy trust educational operations	6	87	9,476	522	10,085	8,230
Total	5	87	9,476	522	10,085	8,230
Net income (expenditure)		100	(1,046)	1,127	181	(763)
Transfers between funds		—	(47)	47	—	—
Other recognised (losses) gains:						
Actuarial (losses) gains on defined benefit pension schemes	21	—	(73)	—	(73)	3,292
Net movement in funds		100	(1,166)	1,174	108	2,529
Reconciliation of funds:						
Total funds brought forward		296	4,084	15,210	19,590	17,061
Total funds carried forward		396	2,918	16,384	19,698	19,590

All recognised gains and losses are included in the above statement of financial activities.

All of the Academy Trust's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	12	14,785	15,203
Current assets			
Debtors	13	2,929	2,390
Cash at bank and in hand		3,100	4,878
		6,029	7,268
Liabilities:			
Creditors: Amounts falling due within one year	14	(705)	(2,668)
Net current assets		5,324	4,600
Total assets less current liabilities		20,109	19,803
Defined benefit pension scheme liability	21	(411)	(213)
Total net assets		19,698	19,590
Funds of the Academies Trust			
Restricted funds			
Fixed asset fund	15	16,384	15,210
Restricted income fund	15	2,218	1,411
Designated funds	15	1,111	2,886
Pension reserve	15	(411)	(213)
Total restricted funds		19,302	19,294
Unrestricted income funds	15	396	296
Total funds		19,698	19,590

The principal accounting policies and notes on pages 49 to 70 form part of these financial statements.

Approved and authorised for issue by the Board of Trustees on and signed on its behalf by:



David Tucker
Chair of Trustee

Date: 20 December 2023

Company Registration No: 07954396

Statement of cash flows 31 August 2023

	Notes	2023 £'000	2022 £'000
Cash flows from operating activities			
Net cash (used in) provided by operating activities	A	(1,930)	1,398
Cash flows from investing activities			
Net cash provided by (used in) investing activities	B	152	(171)
Change in cash and cash equivalents		(1,778)	1,227
Reconciliation of net cash flows to movement in net funds:			
Cash and cash equivalents at 1 September 2022	C	4,878	3,651
Cash and cash equivalents at 31 August 2023	C	3,100	4,878

A Reconciliation of net income (expenditure) to net cash flow from operating activities

	2023 £'000	2022 £'000
Net income (expenditure) for the year (as per the statement of financial activities)	181	(763)
Adjusted for:		
Depreciation (note 12)	522	572
Capital grants from DfE and other capital income	(1,649)	(19)
Interest receivable (note 4)	(106)	(10)
Defined benefit pension scheme service cost adjustment (note 21)	122	701
Defined benefit pension scheme finance cost adjustment (note 21)	3	—
Decrease in debtors	960	348
(Decrease) increase in creditors	(1,963)	569
Net cash (used in) provided by operating activities	(1,930)	1,398

B Cash flows from investing activities

	2023 £'000	2022 £'000
Dividends, interest and rents from investments	106	10
Purchase of tangible fixed assets	(104)	(200)
Capital grants from DfE/ESFA	150	19
Net cash provided by (used in) investing activities	152	(171)

C Analysis of changes in net debt

	At 1 September 2022 £'000	Cash flows £'000	At 31 August 2023 £'000
Cash at bank and in hand	4,878	(1,778)	3,100

The company is a company limited by guarantee registered in England and registered as a charity in England and Wales and Scotland. The address of the registered office is 391-393 City Road, London EC1V 1NG. Liberty Academy Trust Ltd. is an exempt charity regulated by the Secretary of State for Education through the Education Funding Agency, and a company limited by guarantee, incorporated in England (No.07954396) on 17 February 2012. Its charitable purpose relates to the advancement of education for the public benefit; it is not autism exclusive.

Liberty Academy Trust meets the definition of a public benefit entity under FRS102.

Statement of Accounting Policies Basis of Preparation

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

Going Concern

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

Income

All income is recognised when the academy trust has entitlement to the funds, receipt is probable and the amount can be measured with sufficient reliability.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Income (continued)

Donations

Donations are recognised on a receivable basis 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 goods have been provided or on completion of the service.

Expenditure

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

Expenditure on Raising Funds

This includes all expenditure incurred by the 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.

All resources expended are inclusive of irrecoverable VAT.

Tangible Fixed Assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment, which is provided in equal instalments over the estimated useful lives of the assets.

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

Tangible Fixed Assets (continued)

No depreciation is charged on freehold land. The rates of depreciation applied to other assets are:

◆ Freehold properties	2%
◆ Leasehold properties	over the terms of the leases
◆ Major refurbishment	20%
◆ Motor vehicles	25%
◆ Fixtures and office equipment	33%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

Debtors

Short term debtors are measured at transaction price.

Cash and Cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with no significant risk of change in value.

Creditors

Short term creditors are measured at transaction price.

Liabilities

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

Provisions

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

Leased Assets

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

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.

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 and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll.

The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in the notes to the accounts, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognized as they are paid each year.

The LGPS is a funded 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities.

The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education/sponsor/other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

Financial instruments

The Trust has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the notes to the accounts, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Other than LGPS income noted above, the Governors consider that there are no other material judgements in applying accounting policies or key sources of estimation uncertainty.

Notes to the financial statements Year to 31 August 2023

1 Donations and capital grants

	Unrestricted funds £'000	Restricted fixed asset funds £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants	—	50	50	19
Other capital grants	—	1,599	1,599	—
Other donations	1	—	1	21
	1	1,649	1,650	40

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Capital grants	—	19	19
Other donations	—	21	21
	—	40	40

2 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
DfE/ESFA revenue grants				
. General Annual Grant (GAG)	—	1,661	1,661	1,650
Other DfE/ESFA grants				
. UIFSM	—	5	5	2
. Pupil Premium	—	96	96	60
. Others	—	292	292	225
	—	2,054	2,054	1,937
Other government grants				
. COVID-19 additional funding: Mass Testing	—	—	—	15
. Local Authority grants	—	6,376	6,376	5,431
	—	8,430	8,430	7,383

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
DfE/ESFA revenue grants			
. General Annual Grant (GAG)	—	1,650	1,650
Other DfE/ESFA grants			
. UIFSM	—	2	2
. Pupil Premium	—	60	60
. Others	—	225	225
	—	1,937	1,937
Other government grants			
. COVID-19 additional funding: Mass Testing	—	15	15
. Local Authority grants	—	5,431	5,431
	—	7,383	7,383

Notes to the financial statements Year to 31 August 2023

3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Catering Income	20	—	20	5
Other Income	60	—	60	29
	80	—	80	34

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Catering Income	5	—	5
Other Income	29	—	29
	34	—	34

4 Investment income

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Bank interest receivable	106	—	106	10

	Unrestricted funds £'000	Restricted funds £'000	2022 Total funds £'000
Bank interest receivable	10	—	10

5 Expenditure

	Staff costs (note 8) £'000	Non pay expenditure		2023 Total funds £'000	2022 Total funds £'000
		Premises £'000	Other costs £'000		
Academy's educational operations					
. Direct costs	5,884	—	718	6,602	6,163
. Allocated support costs	1,647	958	878	3,483	2,067
	7,531	958	1,596	10,085	8,230

	Staff costs £'000	Non pay expenditure		2022 Total funds £'000
		Premises £'000	Other costs £'000	
Academy's educational operations				
. Direct costs	5,320	—	843	6,163
. Allocated support costs	953	777	337	2,067
	6,273	777	1,180	8,230

Notes to the financial statements Year to 31 August 2023

5 Expenditure (continued)

This is stated after charging:

Net income/(expenditure) for the period includes:	2023 £'000	2022 £'000
Operating lease rentals	15	26
Depreciation	522	572
Fees payable to auditor for:		
. Audit	24	17
. Other services	6	5

6 Charitable activities – Academy's educational operations

	2023 Total funds £'000	2022 Total funds £'000
Direct costs – educational operations	6,602	6,163
Support costs – educational operations	3,483	2,067
	10,085	8,230

Analysis of support costs	2023 Total funds £'000	2022 Total funds £'000
Support staff costs	1,647	953
Depreciation	522	572
Technology costs	151	70
Legal costs	—	5
Premises costs	436	310
Other support costs	542	125
Governance costs	185	32
Total support costs	3,483	2,067

Notes to the financial statements Year to 31 August 2023

7 Comparative statement of financial activities

Analysis of income and expenditure in the year ended 31 August 2022 between restricted and unrestricted funds:

	Notes	Un-restricted funds £'000	Restricted general funds £'000	Restricted fixed assets funds £'000	Total funds 2022 £'000
<i>Income and endowments from:</i>					
. Donations and capital grants	1	—	21	19	40
<i>Charitable activities:</i>					
. Funding for the academy trust's educational operations	2	—	7,383	—	7,383
Other trading activities	3	34	—	—	34
Investments	4	10	—	—	10
Total		44	7,404	19	7,467
<i>Expenditure on:</i>					
<i>Charitable activities:</i>					
. Academy trust educational operations	5,6	—	7,658	572	8,230
Total		—	7,658	572	8,230
Net income (expenditure)		44	(254)	(553)	(763)
<i>Transfers between funds</i>		—	188	188	—
<i>Other recognised gains</i>					
Actuarial gains on defined benefit pension schemes		—	3,292	—	3,292
Net movement in funds		44	2,850	(365)	2,529
<i>Reconciliation of funds:</i>					
Total funds brought forward		252	1,234	15,575	17,061
Total funds carried forward		296	4,084	15,210	19,590

8 Staff

(a) Staff costs

Staff costs during the year were:

	2023 Total funds £'000	2022 Total funds £'000
Wages and salaries	4,695	3,321
Social security costs	467	338
Pension costs	1,029	1,312
	6,191	4,971
Supply teacher costs	1,182	1,285
Other agency costs	153	—
Staff restructuring costs	5	17
	7,531	6,273

Notes to the financial statements Year to 31 August 2023

8 Staff (continued)

(b) Severance payments

The academy trust paid 2 severance payments in the year, disclosed in the following bands:

	2023 No.	2022 No.
£0 - £25,000	2	4

(c) Special staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £nil (2022 – £7,957). Individually, the payments made during the prior period were: £1,957 and £6,000.

(d) Staff numbers

The average numbers of persons (including the Executive team) employed by the Academy Trust during the year was as follows:

Charitable activities	2023 No.	2022 No.
Teachers	37	35
Learning Support	60	56
Administration and support	46	30
Management	16	9
	159	130

(e) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2023 No.	2022 No.
£60,001 – £70,000	4	6
£70,001 – £80,000	3	1
£80,001 – £90,000	—	1
£90,001 – £100,000	2	1
£100,001 – £110,000	1	—
£150,001 – £160,000	1	—

(f) Key management personnel

The key management personnel of the academy trust comprise the trustees and the Executive Team as listed in the annual report on page 1.

The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £585,053 (2022 – £nil). This figure includes agency fees in respect of interim staff.

During the year ended 31 August 2022, the Executive Team was employed by the National Autistic Society and the services they provided were included within the management charge made by that charity to the academy trust.

Notes to the financial statements Year to 31 August 2023

9 Trustees' remuneration and expenses

The Trustees did not receive any payments or remuneration from the Trust in respect of their role as Trustees.

10 Central services

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

- ◆ Human resources;
- ◆ Financial services;
- ◆ Legal services;
- ◆ Educational support services;
- ◆ Governance services;
- ◆ Marketing services and
- ◆ Insurance.

The trust charges for these services on the following basis:

- ◆ Flat rate of 5% of income

The actual amounts charged during the year were as follows:

	2023 £'000	2022 £'000
Church Lawton	143	137
Thames Valley	122	119
Vanguard	141	98
	406	354

11 Trustees' and officers' insurance

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

Notes to the financial statements Year to 31 August 2023

12 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	Computer equipment £'000	Motor Vehicles £'000	Total £'000
Cost						
At 1 September 2022	3,979	13,151	340	405	13	17,888
Additions	—	18	34	52	—	104
At 31 August 2023	<u>3,979</u>	<u>13,169</u>	<u>374</u>	<u>457</u>	<u>13</u>	<u>17,992</u>
Depreciation						
At 1 September 2022	605	1,436	286	350	8	2,685
Charge for the year	67	378	38	39	—	522
At 31 August 2023	<u>672</u>	<u>1,814</u>	<u>324</u>	<u>389</u>	<u>8</u>	<u>3,207</u>
Net book value						
At 31 August 2023	<u>3,307</u>	<u>11,355</u>	<u>50</u>	<u>68</u>	<u>5</u>	<u>14,785</u>
At 31 August 2022	<u>3,374</u>	<u>11,715</u>	<u>54</u>	<u>55</u>	<u>5</u>	<u>15,203</u>

13 Debtors

	As at 31 August 2023 £'000	As at 31 August 2022 £'000
Trade debtors	883	2,105
Prepayments and accrued income	1,503	40
VAT	543	245
	<u>2,929</u>	<u>2,390</u>

14 Creditors: amounts falling due within one year

	As at 31 August 2023 £'000	As at 31 August 2022 £'000
Trade creditors	350	247
Other taxation and social security	87	78
Fees in advance	—	2,142
Other creditors	76	5
Accruals	192	196
	<u>705</u>	<u>2,668</u>

15 Funds

	Balance at 1 September 2022 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2023 £'000
Restricted general funds					
. General Annual Grant (GAG)	—	1,661	(877)	1,182	1,966
. UIFSM	—	5	(5)	—	—
. Pupil Premium	—	96	(96)	—	—
. Other DfE grants	200	292	(292)	—	200
. Local authority grants	1,705	6,376	(8,081)	—	—
. Voluntary income	52	—	—	—	52
. NASAT	(546)	—	—	546	—
. Local Government Pension Scheme	(213)	—	(125)	(73)	(411)
	1,198	8,430	(9,476)	1,655	1,807
Designated funds – Trust Improvement Initiatives					
	2,886	—	—	(1,775)	1,111
Total restricted funds	4,084	8,430	(9,476)	(120)	2,918
Restricted fixed asset funds					
. DfE/ESFA capital grants	14,103	50	(484)	—	13,669
. Capital expenditure from GAG	—	—	—	47	47
. Private sector capital sponsorship	291	—	(10)	—	281
. Denise Coates Foundation	—	1,599	—	—	1,599
. Local authority grants	816	—	(28)	—	788
Total restricted fixed asset funds	15,210	1,649	(522)	47	16,384
Unrestricted funds					
. Total unrestricted funds	296	187	(87)	—	396
Total Funds	19,590	10,266	(10,085)	(73)	19,698

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

Restricted General Funds

These funds represent ESFA grants (including GAG and local authority top-up funding) which must be used to meet the cost of running the academy trust. It also includes those funds, described above as “voluntary income”, being donations, trip and fundraising income generated by the Academy for restricted uses.

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

15 Funds (continued)

Designated funds – Trust Improvement Initiatives

These funds, represent monies that have been set aside to support Trust improvement initiatives including development of a central team infrastructure, enhancing staff pay and non-staff benefits, improving the quality of teaching and learning and improving the school environment. The improvement initiatives were directed by the ESFA and as such, these funds were originally designated from monies within the restricted general fund.

Restricted Fixed Asset Funds

These funds represent the value of fixed asset held by the academy trust in addition to capital grant funding which remains unspent at the year end. This includes amounts committed by the Denise Coates Foundation in respect of building improvement works at Church Lawton School.

Unrestricted Funds

Represents income generated by the Academy (such as lettings and hire of facilities) and any other donations or investment income, which is not restored for any specific purpose and can be spent is determined by the Governing Body.

Transfers

Transfers from restricted and unrestricted general funds and to the fixed assets fund represent the purchase of fixed assets financed by revenue reserves.

15 Funds (continued)

Comparative information

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

	<i>Balance at 1 September 2021 £'000</i>	<i>Income £'000</i>	<i>Expenditure £'000</i>	<i>Gains, losses and transfers £'000</i>	<i>Balance at 31 August 2022 £'000</i>
<i>Restricted general funds</i>					
. General Annual Grant (GAG)	—	1,650	(1,650)	—	—
. UIFSM	—	2	(2)	—	—
. Pupil Premium	—	60	(60)	—	—
. Mass Testing Grant	12	15	(2)	—	25
. Recovery Premium	—	19	(19)	—	—
. National Tutoring Programme	—	7	(7)	—	—
Other Covid-19 funding	—	5	(5)	—	—
. Start up	125	43	(43)	—	125
. Other DfE grants	50	151	(156)	5	50
Local authority grants	4,343	5,431	(5,013)	(3,056)	1,705
Voluntary income	54	21	—	(23)	52
NASAT	(546)	—	—	—	(546)
Local Government Pension Scheme	(2,804)	—	(701)	3,292	(213)
Total restricted funds	1,234	7,404	(7,658)	218	1,198
<i>Restricted fixed asset funds</i>					
DfE/ESFA capital grants	14,661	19	(572)	(5)	14,103
Capital expenditure from GAG					
Private sector capital sponsorship	268	—	—	23	291
Private sector long leasehold grant	—	—	—	—	—
Local authority grants	646	—	—	170	816
Total restricted fixed asset funds	15,575	19	(572)	188	15,210
<i>Unrestricted funds</i>					
Total unrestricted funds	252	44	—	—	296
<i>Designated funds - Trust Improvement Initiatives</i>					
	—	—	—	2,886	2,886
Total Funds	17,061	7,467	(8,230)	3,292	19,590

16 Analysis of funds by school

	2023 £'000	2022 £'000
Fund balances at 31 August 2023 were allocated as follows:		
Unrestricted	396	296
Thames Valley	352	57
Church Lawton	708	74
Vanguard	339	50
Academies Trust & other reserves	1,930	4,116
Total before fixed assets and pension reserve	<u>3,725</u>	<u>4,593</u>
Restricted Fixed Asset Fund	16,384	15,210
Pension reserve	(411)	(213)
Total	<u>19,698</u>	<u>19,590</u>

17 Analysis of net assets between funds

Fund balances as at 31 August 2023 were represented by:

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2023 Total funds £'000
Tangible fixed assets	—	—	14,785	14,785
Current assets	396	4,034	1,599	6,029
Current liabilities	—	(705)	—	(705)
Pension Scheme liability	—	(411)	—	(411)
	<u>396</u>	<u>2,918</u>	<u>16,384</u>	<u>19,698</u>

Fund balances as at 31 August 2022 were represented by:

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed assets funds £'000	2022 Total funds £'000
Tangible fixed assets	—	(7)	15,210	15,203
Current assets	296	6,972	—	7,268
Current liabilities	—	(2,668)	—	(2,668)
Pension Scheme liability	—	(213)	—	(213)
	<u>296</u>	<u>4,084</u>	<u>15,210</u>	<u>19,590</u>

18 Capital commitments

	2023 £'000	2022 £'000
Contracted for, but not provided in the financial statements	44	—

The above capital commitments relate to contracted capital projects at Vanguard School. This commitment will be funded by unspent capital funding carried forward from 2022/23.

19 Commitments under operating leases

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

	2023 £'000	2022 £'000
Amounts due within one year	13	15
Amounts due between two and five years inclusive	14	17
	27	32

20 Members' Liability

Every member of the Trust undertakes to contribute to the assets of the Trust 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.

21 Pension and similar obligations

The Academy Trusts' employees belong to three principal pension schemes:

- ◆ the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff
- ◆ the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Barnett Waddingham
- ◆ a Scottish Widows Personal Pension Scheme, again for non-teaching staff.

The first two schemes are multi-employer defined benefit schemes; the third is a defined contribution scheme.

Prior to 31 August 2023, the latest actuarial valuation of the TPS related to the period ended 31 March 2016 and the latest actuarial valuation of the LGPS related to the period ended 31 March 2022. A further valuation of the TPS scheme, relating to the period ended 31 March 2020 was published in October 2023.

There are no contributions payable to the schemes at 31 August 2023 (2022 – £ nil).

Teachers' Pension Scheme

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

The TPS is an unfunded scheme to which both 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.

21 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The actuarial valuation of the TPS which applied during the year ended 31 August 2023 was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The valuation result is due to be implemented from 1 April 2024. From this date, employer contribution rates will increase to 28.68% (including a 0.08% administration levy).

The employer's pension costs paid to TPS in the period amounted to £456,507 (2022 – £334,851).

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

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

Local Government Pension Scheme

The LGPS is a defined benefit career average pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £552,000 (2022 – £388,000), of which employer contributions totalled £411,000 (2022 – £297,000) and employees' contributions totalled £141,000 (2022 – £91,000).

21 Pension and similar obligations (continued)**Local Government Pension Scheme** (continued)

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 the GOV.UK website.

Principal Actuarial Assumptions	2023 %	2022 %
Rate of increase of salaries	3.90%	3.90%
Rate of increase for pensions in payment/inflation	2.90%	2.90%
Discount rate for scheme liabilities	5.25%	4.20%
Inflation assumption (CPI)	2.90%	2.90%

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

	2023	2022
<i>Retiring today</i>		
Males	20.7	21.0
Females	23.6	23.8
<i>Retiring in 20 years</i>		
Males	22.0	22.3
Females	25.0	25.3

Sensitivity analysis	2023 %
Discount rate +0.1%	(71)
Discount rate -0.1%	73
Mortality assumption -1 year increase	68
Mortality assumption -1 year decrease	(66)
CPI rate +0.1%	73
CPI rate -0.1%	(71)

21 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

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

	Fair value at 31 August 2023 £'000	Fair value at 31 August 2022 £'000
Public equities	1,174	973
Private equities	307	339
Infrastructure	294	228
Real Estate	219	281
Credit	278	327
Cash	17	35
Longevity insurance	(107)	(85)
Total market value of assets	2,182	2,098
Present value of scheme liabilities	(2,593)	(2,311)
Deficit in the scheme	(411)	(213)

The actual return on scheme assets was (£7,000) (2022 – £156,000).

	2023 £'000	2022 £'000
Amounts recognised in statement of financial activities		
Current service cost (net of employee contributions)	(122)	(641)
Net interest cost	(3)	(47)
Total operating charge	(125)	(688)

Analysis of pension finance costs

Interest income	99	31
Interest on pension liabilities	(100)	(76)
Administration expenses	(2)	(2)
Pension finance costs	(3)	(47)

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

	2023 £'000	2022 £'000
At 1 September 2022	2,311	4,420
Current service cost	533	938
Interest cost	100	76
Employee contributions	141	91
Change in financial assumptions	(916)	(3,152)
Benefits paid	(6)	(21)
Change in demographic assumptions	(106)	(54)
Actuarial loss	536	13
At 31 August 2023	2,593	2,311

21 Pension and similar obligations (continued)

Local Government Pension Scheme (continued)

Changes in the fair value of the Academy Trust's share of scheme assets:	2023 £'000	2022 £'000
At 1 September 2022	2,098	1,616
Interest income	99	31
Expected return on assets	(106)	86
Actuarial loss	(453)	—
Administration expenses	(2)	(2)
Employer contributions	411	297
Employee contributions	141	91
Benefits paid	(6)	(21)
At 31 August 2023	2,182	2,098

Defined contribution scheme

The Scottish Widows Personal Pension Scheme is also available as an alternative to the local Government Pension scheme and is a defined contribution scheme. There are currently 6 active members. The assets of the scheme are held separately from those of the Liberty Academy Trust Ltd. Pension costs charged in the SOFA represent the contributions payable by Liberty Academy Trust Ltd in the year.

22 Related party transactions

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being linked to local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Trustees may have interest.

Liberty Academy Trust Ltd (previously known as NAS Academies Trust) operated as a wholly owned subsidiary of The National Autistic Society, a registered charity (registered number: 269425) and company limited by guarantee (registered number: 01205298) until 19 December 2022. The National Autistic Society (NAS) exercised control over the affairs and accounts of the Academy Trust until 19 December 2022, and was therefore considered its ultimate parent company up to this point. The principal activities of The National Autistic Society are the development, delivery and promotion of education, health, welfare, care and support of people affected by autism and related conditions. In the period from 1 September 2022 to 19 December 2022, the Academy Trust procured £72,000 (2022 – £240,000 for the full academic year) of support from The National Autistic Society for support services, management and educational support, of which £5,000 was accrued at year end (2022: a balance of £118 was owed which was included within year end creditors).

22 Related party transactions (continued)

In addition, the Academy Trust entered into transactions with two companies in which partners of members of the Academy Trust's Key Management Personnel hold a significant interest as follows:

- Expenditure relating to transactions with MMA Education Limited, a company in which the partner of Jo Galloway, Director of Education of the Academy Trust, holds a controlling interest amounted to £10,710. At 31 August 2023, no amounts were owed by the Academy Trust in relation to these transactions.
- Expenditure relating to transactions with Scoundrel Limited, a company in which the partner of Nicola Law, Director of Safeguarding of the Academy Trust, holds a controlling interest amounted to £2,450. At 31 August 2023, no amounts were owed by the Academy Trust in relation to these transactions.

Other than being reported retrospectively, the above transactions were undertaken in line with ESFA Academy Trust Handbook requirements.

Other than the above transactions and those transactions disclosed in notes 8 and 11, there were no other related party transactions during the year (2022 – none).