

Registered number: 06346630

**The JCB Academy Trust**

**Trustees' report and financial statements**

**for the year ended 31 August 2023**



**The JCB Academy Trust**  
**(A company limited by guarantee)**

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**The JCB Academy Trust**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS**

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<b>Members</b>	J C Bamford Excavators Limited A Ross M Turner
<b>Trustees</b>	JC Bamford Excavators Limited (nominated representative is M Jeffery), Chair of Trustees and Finance Link Committee <sup>1</sup> D R Bell, Vice Chair A J Geer (resigned 23 November 2022) P Gwinnett J McGuirk, Principal and Accounting Officer (resigned 3 November 2023) <sup>1</sup> J R Hubinger, Chair of Audit and Risk Committee <sup>1</sup> H Soloman (resigned 31 August 2023) L J Holmes H Ashraf W Gorman E Pilsworth-Straw G E Turner <sup>1</sup> J P Wandless (appointed 23 November 2022)

<sup>1</sup> Member of the Finance Link and Audit and Risk committees

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<b>Company registered number</b>	06346630
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<b>Company name</b>	The JCB Academy Trust
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<b>Principal and registered office</b>	Mill Street Rocester Staffordshire ST14 5IX
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**REFERENCE AND ADMINISTRATIVE DETAILS (continued)**  
**for the year ended 31 August 2023**

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<b>Company secretary</b>	J Cox
<b>Principal</b>	J McGuirk (until 3 November 2023) J Bailey (appointed Acting Principal from 3 November 2023)
<b>Senior management team</b>	J McGuirk, Principal and Accounting Officer (until 3 November 2023) J Bailey, Vice Principal and Acting Accounting Officer (from 3 November 2023) T Greene, Vice Principal J Cox, Finance and Operations Director (until 31 July 2023) J Gardner, Director of Safeguarding, Standards and Culture P Povey, Director of Apprenticeships P Stanmore, Director of KS5 H Bailey, Raising Standards Leader
<b>Independent auditors</b>	Dains Audit Limited Suite 2, Albion House 2 Etruria Office Village Forge Lane Etruria Stoke on Trent ST1 5RQ
<b>Bankers</b>	Barclays Bank Plc 15 Colmore Row Birmingham B3 2BH
<b>Solicitors</b>	Eversheds LLP 1 Wood Street London EC2V 7WS  Knights Solicitors LLP The Brampton Newcastle-Under-Lyme Staffordshire ST5 0QW

**The JCB Academy Trust**  
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**Trustees' report**  
**for the year ended 31 August 2023**

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

**Structure, governance and management**

The Academy Trust operates an Academy in Rocester, Staffordshire. It has a combined learner capacity at year 9 to 11 of 600 and has a roll of 601 at the October 2023 census date and also 223 at Post 16 learner and 333 apprentices.

**a. Constitution**

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Trustees of The JCB Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as The JCB Academy.

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

**b. 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.

**c. Trustees' indemnities**

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

**d. 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 Memorandum of Association.

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**Structure, governance and management (continued)**

**e. Policies adopted for the induction and training of Trustees**

The training and induction provided for new Trustees will depend on their existing experience. A skills matrix is completed for each Trustee and updated annually. All new Trustees receive an induction pack and induction training. Where necessary, induction will provide training on charity, educational, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, budgets, plans and other documents that they will require to undertake their role as Trustee.

**f. Organisational structure**

The Academy provides Trustee oversight by the establishment of a number of Trustee Link meetings that act as sub committees of the main Board of Trustees. These Link Committees normally meet three times per year and provide recommendations and insight to the main Trust meeting that will normally meet four times per year.

The Link Committees operating in the year ended 31 August 2023 were as follows:

- Apprentice Programme Outcomes
- Finance
- Audit and Risk
- Property and Health & Safety
- Leadership and Management including PR
- Pre-16 and Post 16 Core Curriculum
- Pre-16 and Post 16 Business and Engineering Curriculum
- Legal and HR
- Quality Assurance
- Safeguarding and Learner Welfare.

The meetings are attended by representatives of the Trustee Board and Academy staff with relevant expertise in the areas under discussion.

Day to day operational decisions are delegated to the Academy Principal with reference to Trustees. The Principal is supported in their duties by a Senior Leadership team.

**g. Arrangements for setting pay and remuneration of key management personnel**

The Board of Trustees Pay Committee which comprises the Principal and two Trustees make determinations of pay in accordance with the Pay policy. Key personnel undertake a midterm and full year Performance management review with the Principal and her recommendations on pay and conditions are then provided to the Pay Committee.

The determination of the Principal's pay and conditions will be decided following a formal Performance Management review with a committee of Trustees. This review body will then make recommendations to the main Trust board who will meet in private to make a final pay decision.

**h. Related parties and other connected charities and organisations**

J C Bamford Excavators Limited is the principal sponsor to the Academy.

**i. Trade union facility time**

The JCB Academy Trust has no employees who were relevant union officials during the year.

**The JCB Academy Trust**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**Objectives and activities**

**a. Objects and aims**

The principal object and activity of the charitable Company is the operation of The JCB Academy Trust to advance, for public benefit, education for learners of different abilities from the ages of 13 upwards with an emphasis on engineering, manufacturing and international business.

The main objectives of the Academy are summarised below:

Changing lives by developing the engineers and business leaders of the future

This education is provided at no cost to parents of children from the following four local authorities: Staffordshire, Stoke on Trent, Derbyshire and Derby City. The JCB Academy will consider all applications for places and will not select learners on the basis of ability for admission at Y9 or Y10.

**b. Objectives, strategies and activities**

The JCB Academy's main strategy is encompassed in its mission statement which is "Changing lives by developing the engineers and business leaders of the future". To this end, the activities provided include:

- Developing the following attitudes amongst the young people who join the academy:
  - can do, will do attitudes;
  - passion for quality;
  - desire to achieve through actions;
  - pursuit of technical and academic excellence;
  - creative and enterprising behaviour;
  - team and leadership capacity.
- Implementing a unique curriculum which enables the objectives, vision and above attitudes to be achieved by all young people.
- Providing a learning environment which enables the objectives, vision and above attitudes to be achieved by all young people.
- Appointing and developing staff who have the abilities and approach which will enable them to develop the engineers and business leaders of the future.
- Developing partnerships with industry, higher education and other local providers to ensure that the vision can be achieved and that the curriculum is embedded within real world experiences.
- Providing a wide range of enrichment activities which will allow learners to explore engineering manufacturing and business in a wide range of contexts.
- Providing careers education and guidance which enables all young people who attend the academy to obtain employment or move on to higher education.

The JCB Academy welcomed its first learners in September 2010 in Y10 and Y12 and introduced an apprenticeship programme in September 2013. In September 2018 the academy welcomed its first cohort of learners into Y9.

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**Objectives and activities (continued)**

**c. Public benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing The JCB Academy's aims and objectives and in planning future activities.

The object of The JCB Academy is to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing an academy offering a broad curriculum with a strong emphasis on engineering, manufacturing and international business.

**Strategic report**

**Achievements and performance**

**a. Key performance indicators**

- Learners achieved excellent individual results in 2023 and were able to demonstrate employability skills and knowledge.
- 47.6% of year 11 learners progressed into a JCBA P16 or JCBA apprenticeship education programme.
- 99.5% of year 11 learners progressed into sustained employment, education or apprenticeships.
- At KS5, 60% of leavers gained an apprenticeship (70% being higher or degree apprenticeships). The vast majority of our P16 move onto fantastic destinations, with local and national employers, or secure places on engineering, business or science courses.

**b. 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the 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.

**Financial review**

Most of the Academy's income is obtained from the Department for Education via the Education and Skills Funding Agency in the form of recurrent and capital grants, the use of which is restricted to particular purposes. During 2013/14 the Academy established an apprenticeship programme that is funded by the Education and Skills Funding Agency. The grants received during the year and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year ended 31 August 2023, total income in relation to Restricted General Funds was £8,378,000 (2022 - £7,375,000). Total expenditure in relation to Restricted General Funds was £8,265,000 (2022 - £7,798,000).

The local government pension scheme liability, valued in accordance with FRS102 is explained in note 25 to the accounts. As at 31 August 2023 the valuation of the Academy element of the Staffordshire Pension Fund shows an asset of £851,000 although this has not been recognised in the financial statements (2022 - asset not recognised of £145,000).



**The JCB Academy Trust**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**Strategic report (continued)**

The deficit on restricted funds excluding fixed assets and pension liability at 31 August 2023 was £387,000 (2022- £509,000 deficit).

At 31 August 2023, the net book value of fixed assets was £22,171,000 (2022 - £22,310,000) and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively in providing education and the associated support services to the learners of the Academy.

**Financial effect of significant events on the financial performance and financial position of the Trust**

The Academy has achieved an operating surplus for the year and has continued to meet its obligations to the ESFA with regard to loan repayments. The Academy is in a stronger position at year end to meet the increase challenges of inflation, soaring energy costs and budget cuts.

**Key factors that will affect the Trusts financial performance going forward.**

Creditors due with and after more than one year include loan from the ESFA totalling £518,000 at year end. It is key to the operation of the academy that the scheduled repayments on these loans are manageable, and can be met, whilst allowing the Academy to meet its normal trading obligations. A revised repayment plan has now been agreed with the ESFA that should allow sufficient cash flow to meet all forecast obligations.

**Overall financial position of the Trust at the reporting date.**

At the Balance Sheet date, the Trust was presenting a net current asset position of £149,000 (2022 - £504,000).

Loans located in Creditors due within and after one year have reduced by £60,000 to £518,000. A revised repayment plan has been agreed with the ESFA.

Defined benefit pension scheme liability for the Local Government Pension Scheme has remained at £nil. Depreciation was the principal cause for an decrease in total funds from £22,296,000 to £22,628,000 at year end.

**Circumstances giving rise to the deficit and the steps being taken to eliminate the deficit.**

Restricted income funds remain in deficit as a result of historical General Annual Grant losses, though this deficit has reduced in the year end 31 August 2023. Financial plans for current and future periods are targeted at maintaining an operating surplus to further reduce, and eventually eliminate this negative balance.

**a. Reserves policy**

Any reserves held will be in accordance with the requirements laid down by the Department for Education.

Excluding the pensions reserve there was a deficit on Restricted Income funds of £387,000 which was reduced from £509,000 in 2021-22. Unrestricted funds had a small deficit of £44,000 (2022 - £nil) .

The Trustees have identified reserves representing 60 days trading as appropriate for normal operations. The current deficits, though reduced on previous periods, were still considered to be unsatisfactory, and the Trustees were taking steps to manage resources to move to the required level of surplus.

There is a surplus on the defined benefit pension scheme reserve of £851,000 (2022: asset £145,000). The Academy has not received confirmation of a significant reduction in contributions or a potential refund, therefore no pension asset has been reflected within the financial statements in relation to the Trust.

**The JCB Academy Trust**  
(A company limited by guarantee)

**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**b. Investment policy**

The Trust has no investments at year end apart from bank balances held with the Trust's Bankers: Barclays, at normal commercial interest rates.

**c. Principal risks and uncertainties**

The Trustees maintain a risk register of the major risks to which the Academy is exposed. Risks identified are reviewed and systems are in place to mitigate identified risks. Trustees discussed the risk register at the Audit and Risk Committee meeting held on 9 November 2022.

Principal Risks included:

That the ongoing energy crisis results in price increases that become unaffordable by the Academy, combined with material and food cost inflation, all of which has a detrimental effect on the provision of education for learners.

Funding does not increase with inflation increases. There is pressure due to pay wage increases higher than budget due to national wage settlements and the need to retain and employ key staff and shortage staff. This leads to deficits and pressure on future cashflows which are necessary to meet the ESFA loan repayment schedule.

The Academy adopts T level qualifications and invests in staff and resources but funding and recruitment are insufficient to the extent that there is a detrimental affect on Academy finances.

**Fundraising and donations**

The Trust has the benefit of support from the Futures Foundation, a charitable company limited by guarantee, established to advance the education of learners of the JCB Academy, past, present and future. Through the Futures Foundation donations are periodically received.

Lord Bamford also supports the Trust to improve facilities for learning.

The Trust also receives contributions from parents to help fund buses, trips and revision materials.

The Trust will also receive donations from companies who may assist with asset purchases, contribute to awards or may assist with curriculum-based projects.

The Trust has been the grateful beneficiary of a legacy in the current and previous years.

**The JCB Academy Trust**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**Plans for future periods**

The JCB Academy currently admits 133 learners in Year 9 and an additional 66 learners in Year 10 making 200 learners. In 24/25 the proposal is to admit 182 learners into Year 9 and 22 into Year 10 resulting in 182 learners in both year 9 and 10.

The JCB Academy Trust has the following agreed admission numbers for the year 2022/23 and, subject to any changes approved or required by the Secretary of State, for subsequent years:

- (a) 132 for students in Year 9;
- (b) 66 for students in Year 10 (total year group size to remain at 198 including the 132 admitted in the previous year into Year 9);
- (c) 50 for students in Year 12. The JCB Academy has capacity for 200 students in the sixth form. The total Year 12 group size will be 105, including students who transfer from The JCB Academy's Year 11. If fewer students transfer from Year 11, The JCB Academy will admit over the admission number up to the overall size of the Year 12 group if sufficient applications are received. The JCB Academy Trust may set a higher admission number than The JCB Academy's agreed admission number for an applicable year group.

**Quality of Education**

The quality of education is enhanced for learners who enter the academy in Year 9 as they have a business and engineering enhanced curriculum which prepares the baseline knowledge for the curriculum in Year 10 and 11. Importantly, learners' needs are identified before they commence their Key Stage 4 studies and they receive robust advice regarding options and pathways. Information from former schools is never sufficiently complete to enable this to happen.

**Size and learner population**

There is an intention to admit 182 learners at Year 9 and 22 at Year 10 to move towards 182 per academic year group.

**Demand**

There are approximately 3 applications for every place in Year 9 and each year there are a number of learners disappointed that they did not get a place, who then apply in Year 10.

The learners entering Year 9 come from wide catchment area and the impact on any one area or an individual school would be minimal.

**Funds held as custodian on behalf of others**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The trust can use a percentage of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 29.

**The JCB Academy Trust**  
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**Trustees' report (continued)**  
**for the year ended 31 August 2023**

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**Disclosure of information to auditor**

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 23 November 2023 and signed on its behalf by:

  
**M Jeffery**  
**For and on behalf of JCB Bamford Excavators Limited**  
**Chair of Trustees**

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Governance Statement**

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**Scope of responsibility**

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

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

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

**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.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
JC Bamford Excavators Limited (nominated representative is M Jeffery), Chair of Trustees and Finance Link Committee	5	5
D R Bell, Vice Chair	5	5
A J Geer	2	2
P Gwinnett	2	5
J McGuirk, Principal and Accounting Officer	5	5
J R Hubinger, Chair of Audit and Risk Committee	4	5
H Soloman	1	5
L J Holmes	5	5
H Ashraf	5	5
W Gorman	4	5
E Pilsworth-Straw	4	5
G E Turner	5	5
J P Wandless	4	4

The board maintains effective oversight in fewer than 6 meetings annually through the use of a subcommittee structure. The Trust Board through its range of sub Committees was able to monitor and review the operation of the Academy. The Sub Committee meetings were held 3 times during the year, and prepared reports to inform and update the main Trust Board, highlighting any issues or concerns.

The Trustees through their meetings structure were able to make meaningful contributions on a strategic level to the operation of the Academy, providing valuable challenge. Proper recording of the challenge, and issues raised was correctly noted in the Trust and Sub Committee minutes.

The Trustees receive detailed written and numeric reports, that were provided before committees met. The reports included Financial and Academic data on the performance of the Academy, with comparisons with different periods or other establishments. The quality of the information was considered to be good.

**The JCB Academy Trust**  
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**Governance Statement (continued)**

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**Governance (continued)**

The Finance link committee is a sub committee of the main Board of Trustees. Its purpose is to prepare and present their analysis of the financial performance and position of the Academy to the Board of Trustees throughout the year. The committee meets on a regular basis prior to full Board of Trustees meetings and will subsequently present their findings.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J C Bamford Excavators Limited (nominated representative is M Jeffery)	3	3
J McGuirk	3	3
R Hubinger	2	3
G Turner	3	3

The Audit and Risk Committee is also a sub committee of the main Board of Trustees. Its purpose is to consider the financial and other risks relevant to the academy, and to review the Internal Control structure for relevance and effectiveness. The Committee will also direct the work of internal auditors to identify risks and to test the effectiveness of Internal Controls. The Committee will recommend the appointment of the external auditors and obtain reports from them on the completion of the annual financial statement audit.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J C Bamford Excavators Limited (nominated representative is M Jeffery)	3	3
J McGuirk	3	3
R Hubinger	2	3
G Turner	3	3

**Conflicts of Interest**

The Academy maintains a current date register of interests. All Trustees and senior staff are required to complete a Disclosure of Interests Proforma document which updates this register. The information held on the register will inform senior staff and Trustees of any instances where a Trustee or Senior member of staff should not be involved in a decision on behalf of the Academy.

All formal meetings of the Trust or Sub committees will begin by recording any conflict of interest declarations with regard to the agenda and business of the meeting.

**Governance Reviews**

The last formal Governance review was undertaken in the Autumn of 2018. The Trust Board intends to undertake another review in the forthcoming year 2023-24.

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Governance Statement (continued)**

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**Review of value for money**

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

The accounting officer considers how the Academy Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate.

The JCB Academy was established to develop 'Engineers and Business Leaders for the Future'. It provides a unique educational experience for young people linked to a problem solving approach. Central to this is the involvement of local partner business organisations. A Department of Education Advisor described the integrated curriculum as 'outstanding' and 'unique'.

In September 2018 Ofsted endorsed our approach rating the Academy as good. Inspectors particularly praised progress in Mathematics and English.

**The purpose of the system of internal control**

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

**Capacity to handle risk**

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

**The risk and control framework**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- identification and management of risks

The Board of Trustees has decided to buy-in an internal audit service from PKF Smith Cooper LLP.

The work of internal audit included a review of the budgeting process and a review of information for completing budget reports.

On an annual basis, the reviewer reports to the Board of Trustees through the Audit and Risk committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities and

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**Governance Statement (continued)**

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**The risk and control framework (continued)**

annually prepares a short annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress.

The internal auditors, have delivered their schedule of work as planned and remedial action was taken for any of the points identified.

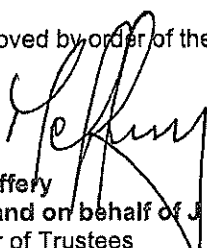
**Review of effectiveness**

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

- the work of the reviewer;
- the financial management and governance self-assessment process;
- the school resource management self-assessment tool;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.
- the work of the internal auditors and external auditors;

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Risk committee and a plan to address any weaknesses and ensure continuous improvement of the system is in place.

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

  
**M Jeffery**  
For and on behalf of J C Bamford Excavators Limited  
Chair of Trustees  
Date: 23 November 2023

  
**J Bailey**  
Acting Accounting Officer



**The JCB Academy Trust**  
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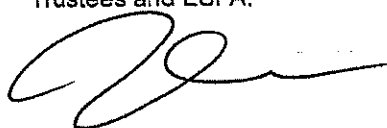
**Statement on Regularity, Propriety and Compliance**

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

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

I confirm that 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.



**J Bailey**  
Acting Accounting Officer  
Date: 23 November 2023

**The JCB Academy Trust**  
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**Statement of Trustees' responsibilities**  
**for the year ended 31 August 2023**

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

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

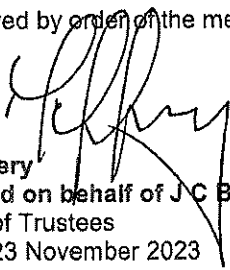
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

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

  
**M Jeffery**  
**For and on behalf of J C Bamford Excavators Limited**  
**Chair of Trustees**  
**Date: 23 November 2023**

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Independent auditors' Report on the financial statements to the Members of The JCB Academy Trust**

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**Opinion**

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

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Independent auditors' Report on the financial statements to the Members of The JCB Academy Trust**  
**(continued)**

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**Other information**

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities, the Trustees (who are also the directors of the 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 Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Independent auditors' Report on the financial statements to the Members of The JCB Academy Trust**  
**(continued)**

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**Auditors' responsibilities for the audit of the financial statements**

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

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

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

- The senior statutory auditor 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 academy trust through discussions with directors and other management, and from our commercial knowledge and experience of the academy sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the academy trust, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- 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 assessed the susceptibility of the academy trust'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;
- 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;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- Investigated the rationale behind significant or unusual transactions.

**The JCB Academy Trust**  
(A company limited by guarantee)

**Independent auditors' Report on the financial statements to the Members of The JCB Academy Trust**  
(continued)

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

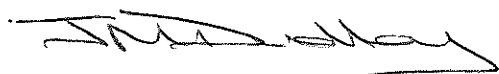
- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims;
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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

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

**Use of our report**

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



**Jonathan Dudley (Senior Statutory Auditor)**

for and on behalf of  
**Dalns Audit Limited**

Statutory Auditor  
Chartered Accountants

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Etruria  
Stoke on Trent  
ST1 5RQ

01 December 2023

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to The JCB Academy Trust and the Education & Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 7 October 2022 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2022 to 2023, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The JCB Academy Trust during the year 1 September 2022 to 31 August 2023 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The JCB Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The JCB Academy Trust's funding agreement with the Secretary of State for Education dated 6 November 2008 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

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

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

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

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

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Independent Reporting Accountant's Assurance Report on Regularity to The JCB Academy Trust and the Education & Skills Funding Agency (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 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.

*Dains Audit Limited*

**Dains Audit Limited**

Suite 2, Albion House  
2 Etruria Office Village  
Forge Lane  
Etruria  
Stoke on Trent  
ST1 5RQ

Date: *01 December 2023*



**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating income and expenditure account)**  
**for the year ended 31 August 2023**

		Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
	Note					
<b>Income from:</b>						
Donations and capital grants	3	-	9	220	229	749
Other trading activities	5	14	-	-	14	11
Investments	6	22	-	-	22	-
Charitable activities	4	283	8,369	-	8,652	7,582
<b>Total income</b>		<b>319</b>	<b>8,378</b>	<b>220</b>	<b>8,917</b>	<b>8,342</b>
<b>Expenditure on:</b>						
Raising funds	7	3	-	-	3	8
Charitable activities	8	360	8,265	699	9,323	8,642
<b>Total expenditure</b>		<b>363</b>	<b>8,265</b>	<b>699</b>	<b>9,327</b>	<b>8,650</b>
<b>Net (expenditure) /income</b>		<b>(44)</b>	<b>113</b>	<b>(479)</b>	<b>(410)</b>	<b>(308)</b>
Transfers between funds	18	-	(27)	27	-	-
<b>Net movement in funds before other recognised gains/(losses)</b>		<b>(44)</b>	<b>86</b>	<b>(452)</b>	<b>(410)</b>	<b>(308)</b>
<b>Other recognised gains/(losses):</b>						
Actuarial gains on defined benefit pension schemes	25	-	742	-	742	4,104
Pension surplus not recognised	25	-	(706)	-	(706)	(145)
<b>Net movement in funds</b>		<b>(44)</b>	<b>122</b>	<b>(452)</b>	<b>(374)</b>	<b>3,651</b>

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating income and expenditure account) (continued)**  
**for the year ended 31 August 2023**

	<b>Unrestricted funds 2023 £000</b>	<b>Restricted funds 2023 £000</b>	<b>Restricted fixed asset funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	-	(509)	22,805	22,296	18,645
Net movement in funds	(44)	122	(452)	(374)	3,651
<b>Total funds carried forward</b>	<b>(44)</b>	<b>(387)</b>	<b>22,353</b>	<b>21,922</b>	<b>22,296</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 28 to 56 form part of these financial statements.

**The JCB Academy Trust**  
**(A company limited by guarantee)**  
**Registered number: 06346630**

**Balance sheet**  
**As at 31 August 2023**

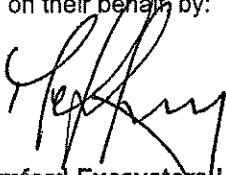
	Note	2023 £000	2022 £000
<b>Fixed assets</b>			
Tangible assets	13	22,171	22,310
		<u>22,171</u>	<u>22,310</u>
<b>Current assets</b>			
Stocks	14	19	14
Debtors	15	213	307
Cash at bank and in hand		1,083	937
		<u>1,315</u>	<u>1,258</u>
Creditors: amounts falling due within one year	16	(1,166)	(754)
<b>Net current assets</b>		<u>149</u>	<u>504</u>
<b>Total assets less current liabilities</b>		<u>22,320</u>	<u>22,814</u>
Creditors: amounts falling due after more than one year	17	(398)	(518)
<b>Net assets excluding pension asset</b>		<u>21,922</u>	<u>22,296</u>
Defined benefit pension scheme asset	25	-	-
<b>Total net assets</b>		<u>21,922</u>	<u>22,296</u>
<b>Funds of the Academy Trust</b>			
<b>Restricted funds:</b>			
Fixed asset funds	18	22,353	22,805
Restricted income funds	18	(387)	(509)
<b>Total restricted funds</b>	18	<u>21,966</u>	<u>22,296</u>
Unrestricted income funds	18	(44)	-
<b>Total funds</b>		<u>21,922</u>	<u>22,296</u>

**The JCB Academy Trust**  
**(A company limited by guarantee)**  
**Registered number: 06346630**

**Balance sheet (continued)**  
**As at 31 August 2023**

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The financial statements on pages 23 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf by:



**JC Bamford Excavators Limited (nominated  
representative is M Jeffery)**  
Chair of Trustees  
Date: 23 November 2023

The notes on pages 28 to 56 form part of these financial statements.

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**for the year ended 31 August 2023**

	<b>Note</b>	<b>2023 £000</b>	<b>2022 £000</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	545	68
<b>Cash flows from investing activities</b>	22	(339)	447
<b>Cash flows from financing activities</b>	21	(60)	(115)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		146	400
Cash and cash equivalents at the beginning of the year		937	537
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	23, 24	<u>1,083</u>	<u>937</u>

The notes on pages 28 to 56 form part of these financial statements

**1. Accounting policies**

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

**1.1 Basis of preparation of financial statements**

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

**1.2 Going concern**

The 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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Academy Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Income**

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

• **Grants**

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

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

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

• **Sponsorship income**

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

• **Donations**

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

**1. Accounting policies (continued)**

**1.3 Income (continued)**

- **Other income**

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

**1.4 Expenditure**

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

- **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.

**1.5 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

**1.6 Taxation**

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

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

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.7 Tangible fixed assets**

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

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

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

Depreciation is provided on the following bases:

Freehold property	- 50 years
Furniture and equipment	- 10-15 years
Computer equipment	- 4-5 years

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

**1.8 Stocks**

Stocks are valued at the lower of cost or net realisable value.

**1.9 Debtors**

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

**1.10 Cash at bank and in hand**

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

**1.11 Liabilities**

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



**1. Accounting policies (continued)**

**1.12 Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments.

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

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

**1.13 Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

**1.14 Pensions**

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

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

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

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

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2023**

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**1. Accounting policies (continued)**

**1.15 Agency arrangements**

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the trust does not have control over the charitable application of the funds. The trust can use a percentage of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid and any balances held are disclosed in note 29.

**1.16 Fund accounting**

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

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

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

**2. Critical accounting estimates and areas of judgment**

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

Critical accounting estimates and assumptions:

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

**Local Government Pension Scheme**

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, 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.

**Depreciation and residual values**

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**3. Income from donations and capital grants**

	<b>Restricted funds 2023 £000</b>	<b>Restricted fixed asset funds 2023 £000</b>	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Donations	9	100	109	133
Capital Grants	-	120	120	616
	<u>9</u>	<u>220</u>	<u>229</u>	<u>749</u>
<b>Total 2022</b>	<u>13</u>	<u>736</u>	<u>749</u>	

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**4. Funding for the Academy Trust's charitable activities**

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
<b>Educational Operations</b>				
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	3,852	3,852	3,802
<b>Other DfE/ESFA grants</b>				
Apprentice Funding	-	1,588	1,588	1,167
Post 16 Funding	-	1,418	1,418	1,160
Pupil Premium	-	107	107	113
Other DfE/ESFA Grants	-	272	272	51
Teachers Pension grant	-	1	1	41
Rates relief	-	24	24	30
	-	7,262	7,262	6,364
<b>Other Government grants</b>				
Local Authority Income	-	144	144	129
	-	144	144	129
<b>Other income from the Academy Trust's educational operations</b>	283	963	1,246	1,046
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Other DfE/ESFA covid grants	-	-	-	8
Catch-up Premium	-	-	-	14
	-	-	-	22
<b>COVID-19 additional funding (non-DfE/ESFA)</b>				
Mass testing	-	-	-	20
	-	-	-	20
	283	8,369	8,652	7,581
	283	8,369	8,652	7,581
<b>Total 2022</b>	219	7,362	7,581	

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**Notes to the financial statements**  
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**5. Income from other trading activities**

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Consultancy Income	1	1	-
Lettings Income	7	7	3
Uniform Sales	3	3	5
Other Income	3	3	3
	<u>14</u>	<u>14</u>	<u>11</u>
<b>Total 2022</b>	<u>11</u>	<u>11</u>	

**6. – Investment Income**

	Unrestricted funds 2023 £000	Total funds 2023 £000	Total funds 2022 £000
Investment income	16	16	-
Pension income	6	6	-
	<u>22</u>	<u>22</u>	<u>-</u>
<b>Total 2022</b>	<u>-</u>	<u>-</u>	

**The JCB Academy Trust**  
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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**7. Expenditure**

	<b>Staff Costs</b>	<b>Premises</b>	<b>Other</b>	<b>Total</b>	<b>Total</b>
	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Expenditure on fundraising trading activities:					
Direct costs	-	-	3	3	8
Educational Operations:					
Direct costs	4,289	-	1,046	5,335	4,820
Allocated support costs	1,495	233	2,255	3,983	3,823
	<u>5,784</u>	<u>233</u>	<u>3,304</u>	<u>9,321</u>	<u>8,651</u>
<b>Total 2022</b>	<u>5,417</u>	<u>242</u>	<u>2,992</u>	<u>8,651</u>	

**8. Analysis of expenditure by activities**

	<b>Activities</b>	<b>Support</b>	<b>Total</b>	<b>Total</b>
	<b>undertaken</b>	<b>costs</b>	<b>funds</b>	<b>funds</b>
	<b>directly</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<b>2023</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
Educational Operations	<u>5,335</u>	<u>3,983</u>	<u>9,318</u>	<u>8,643</u>
<b>Total 2022</b>	<u>4,820</u>	<u>3,823</u>	<u>8,643</u>	

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**Notes to the financial statements**  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Staff costs	4,289	4,088
Depreciation	142	107
Educational supplies	110	145
Examination fees	238	149
Staff development and other staff costs	12	7
Technology costs	6	7
Consultancy	121	68
Other Costs	391	237
Recruitment and other staff expenses	26	12
	<b>5,335</b>	<b>4,820</b>

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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**8. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	<b>Total funds 2023 £000</b>	<b>Total funds 2022 £000</b>
Pension finance costs	(6)	61
Staff costs	1,495	1,329
Depreciation	557	555
Catering	222	190
Staff development and other staff costs	1	19
Technology costs	151	145
Consultancy	10	6
Travel, subsistence and expenses	-	3
Other Costs	114	107
Maintenance of premises and special facilities	190	174
Cleaning and caretaking	129	129
Equipment rental costs	131	199
Rates	24	29
Security	1	13
Energy	108	101
Legal and professional	26	28
Transport	787	697
Other premises costs	43	38
	<b>3,983</b>	<b>3,823</b>

**9. Net (expenditure)/Income**

Net (expenditure)/income for the year includes:

	<b>2023 £000</b>	<b>2022 £000</b>
Operating lease rentals	68	187
Depreciation of tangible fixed assets	700	662
Fees paid to auditors for:		
- audit	9	9
- other services	2	1



**The JCB Academy Trust**  
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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**10. Staff**

**a. Staff costs**

Staff costs during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Wages and salaries	4,289	3,763
Social security costs	429	369
Pension costs	989	1,252
	<u>5,707</u>	<u>5,384</u>
Agency staff costs	77	31
Staff restructuring costs	-	2
	<u>5,784</u>	<u>5,417</u>

Staff restructuring costs comprise:

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Redundancy payments	-	2
	<u>-</u>	<u>2</u>

**b. Staff numbers**

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
Teachers	60	57
Administration and support	50	52
Management	8	8
	<u>118</u>	<u>117</u>

**The JCB Academy Trust**  
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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**10. Staff (continued)**

**c. Higher paid staff**

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

	2023 No.	2022 No.
In the band £60,001 - £70,000	3	4
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

**d. Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £809,000 (2022 - £773,000).

**11. Trustees' remuneration and expenses**

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

		2023 £	2022 £
J McGuirk, Principal and Accounting Officer	Remuneration	120,000 - 125,000	115,000 - 120,000
	Pension contributions paid	25,000 - 30,000	25,000 - 30,000

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

**12. Trustees' and Officers' insurance**

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect 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.

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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**13. Tangible fixed assets**

	Freehold property £000	Furniture and equipment £000	Computer equipment £000	Total £000
<b>Cost or valuation</b>				
At 1 September 2022	27,900	1,862	1,781	31,543
Additions	89	344	126	559
At 31 August 2023	<u>27,989</u>	<u>2,206</u>	<u>1,907</u>	<u>32,102</u>
<b>Depreciation</b>				
At 1 September 2022	6,316	1,211	1,706	9,233
Charge for the year	557	119	24	700
At 31 August 2023	<u>6,873</u>	<u>1,330</u>	<u>1,730</u>	<u>9,933</u>
<b>Net book value</b>				
At 31 August 2023	<u>21,116</u>	<u>876</u>	<u>177</u>	<u>22,169</u>
At 31 August 2022	<u>21,584</u>	<u>651</u>	<u>75</u>	<u>22,310</u>

Included within freehold property is freehold land at a valuation of £200,000 (2022 - £200,000) which is not depreciated.

**14. Stocks**

	2023 £000	2022 £000
Stocks	<u>19</u>	<u>14</u>

**The JCB Academy Trust**  
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**Notes to the financial statements**  
**for the year ended 31 August 2023**

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**15. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>Due within one year</b>		
Trade debtors	39	79
Other debtors	73	75
Prepayments and accrued income	101	153
	<u>213</u>	<u>307</u>

**16. Creditors: Amounts falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Other loans	120	60
Trade creditors	512	330
Other taxation and social security	107	99
Other creditors	110	98
Accruals and deferred income	317	167
	<u>1,166</u>	<u>754</u>

Other loans represent loans from the ESFA. These loans are interest free and the balance shown in these Financial Statements as falling due within one year reflects the repayment profile agreed with the ESFA. For more details of the repayment schedule see note 17.

**The JCB Academy Trust**  
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**Notes to the financial statements**  
**for the year ended 31 August 2023**

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**Creditors: Amounts falling due within one year (continued)**

Deferred income

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Deferred income at 1 September	106	96
Resources deferred during the year	240	106
Amounts released from previous periods	(106)	(96)
	<u>240</u>	<u>106</u>

At 31 August 2023, the Academy Trust was holding funds received in advance for school trips to take place in 2023/24, bus sales relating to travel in 2023/24 and other 2023/24 income.

**17. Creditors: Amounts falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Other loans	<u>398</u>	<u>518</u>

Other loans represent loans from the ESFA. These loans are interest free and the balance shown in these Financial Statements as falling due after one year reflects the repayment profile agreed with the ESFA.

The repayment agreement with the ESFA details the following future repayments:

Year ending 31 August 2024: £120,000;  
Year ending 31 August 2025: £150,000;  
Year ending 31 August 2026: £150,000 &  
Year ending 31 August 2027: £97,578.

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**Notes to the financial statements**  
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**18. Statement of funds**

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Unrestricted funds</b>						
General Funds	-	319	(363)	-	-	(44)
<b>Restricted general funds</b>						
General Annual Grant (GAG)	(509)	3,879	(3,730)	(27)	-	(387)
Pupil Premium	-	107	(107)	-	-	-
Apprenticeship Income	-	1,588	(1,588)	-	-	-
Other DfE/ESFA grants	-	271	(271)	-	-	-
Post-16 Funding	-	1,418	(1,418)	-	-	-
Other Government Grants	-	144	(144)	-	-	-
Other Income	-	971	(971)	-	-	-
Pension reserve	-	-	(36)	-	36	-
	(509)	8,378	(8,265)	(27)	36	(387)

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Notes to the financial statements  
for the year ended 31 August 2023

18. Statement of funds (continued)

	Balance at 1 September 2022 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2023 £000
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	21,687	55	(588)	-	-	21,154
ESFA Emergency Funding	32	-	(3)	-	-	29
Bamford Trust capital	177	100	(17)	-	-	260
Capital expenditure from GAG	6	-	(1)	-	-	5
Legacy Donation	125	-	(12)	-	-	113
LEP Grant	162	-	(16)	-	-	146
T-Level SEA	569	65	(57)	-	-	577
Capital expenditure from unrestricted reserves	27	-	(3)	27	-	51
DfE/ESFA donated fixed assets	20	-	(2)	-	-	18
	<u>22,805</u>	<u>220</u>	<u>(699)</u>	<u>27</u>	<u>-</u>	<u>22,353</u>
<b>Total Restricted funds</b>	<u>22,296</u>	<u>8,598</u>	<u>(8,964)</u>	<u>-</u>	<u>36</u>	<u>21,966</u>
<b>Total funds</b>	<u>22,296</u>	<u>8,917</u>	<u>(9,327)</u>	<u>-</u>	<u>36</u>	<u>21,922</u>

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**Notes to the financial statements**  
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**18. Statement of funds (continued)**

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

General Annual Grant (GAG) must be used for the normal running costs of an Academy. Each Academy is allowed to carry forward up to 12% of the current year's GAG. Of the carried forward amount, up to 2% of the carry forward GAG can be used for general purposes at the discretion of the Academy, but any balance over 2% must be used for capital purposes.

Other restricted general funds were funded by government grants or donations from sponsors. Any unexpended balances of these grants must be surrendered to the grant-maker or donor at the end of the contract.

Restricted fixed asset funds were funded by government grants or sponsor donations.

The Academy Trust is carrying a net deficit of £431,000 on restricted general funds (excluding pension reserve) plus unrestricted funds for the following reason:

The running costs of The JCB Academy Trust differ to that of traditional state secondary schools. The Academy Trust normally has 40% more teaching time per year with longer terms and school days. Engineering normally accounts for 40% of our curriculum which results in additional staffing, materials, maintenance and equipment costs. Our students are drawn from four local authorities and a catchment radius of 18 miles, resulting in significant transport costs.

The Academy Trust is taking the following action to return these funds to surplus:

The Academy Trust has financial plans that intend to maintain the Academy Trust in annual surplus position, and the deficit brought forward will be addressed within the short to medium term.



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**Notes to the financial statements**  
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**18. Statement of funds (continued)**

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

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Unrestricted funds</b>						
General Funds	(13)	230	(190)	(27)	-	-
<b>Restricted general funds</b>						
General Annual Grant (GAG)	(560)	3,802	(3,751)	-	-	(509)
Pupil Premium	-	113	(113)	-	-	-
Apprenticeship Income	-	1,167	(1,167)	-	-	-
Other DfE/ESFA grants	-	122	(122)	-	-	-
Post-16 Funding	-	1,160	(1,160)	-	-	-
Covid Mass Testing	-	20	(20)	-	-	-
Other Covid Grants	-	22	(22)	-	-	-
Other Government Grants	-	129	(129)	-	-	-
Other Income	-	840	(840)	-	-	-
Pension reserve	(3,485)	-	(474)	-	3,959	-
	(4,045)	7,375	(7,798)	-	3,959	(509)

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Notes to the financial statements  
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18. Statement of funds (continued)

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains/ (Losses) £000	Balance at 31 August 2022 £000
<b>Restricted fixed asset funds</b>						
DfE/ESFA capital grants	22,316	19	(648)	-	-	21,687
ESFA Emergency Funding	33	-	(1)	-	-	32
Bamford Trust capital	78	100	(1)	-	-	177
Capital expenditure from GAG	11	-	(5)	-	-	6
Legacy Donation	125	-	-	-	-	125
LEP Grant	140	29	(7)	-	-	162
T-Level SEA	-	569	-	-	-	569
Capital expenditure from unrestricted reserves	-	-	-	27	-	27
DfE/ESFA donated fixed assets	-	20	-	-	-	20
	<u>22,703</u>	<u>737</u>	<u>(662)</u>	<u>27</u>	<u>-</u>	<u>22,805</u>
<b>Total Restricted funds</b>	<u>18,658</u>	<u>8,112</u>	<u>(8,460)</u>	<u>27</u>	<u>3,959</u>	<u>22,296</u>
<b>Total funds</b>	<u><u>18,645</u></u>	<u><u>8,342</u></u>	<u><u>(8,650)</u></u>	<u><u>-</u></u>	<u><u>3,959</u></u>	<u><u>22,296</u></u>

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Notes to the financial statements  
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19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Restricted fixed asset funds 2023 £000	Total funds 2023 £000
Tangible fixed assets	-	-	22,171	22,171
Current assets	(44)	1,177	182	1,315
Creditors due within one year	-	(1,166)	-	(1,166)
Creditors due in more than one year	-	(398)	-	(398)
<b>Total</b>	<b>(44)</b>	<b>(387)</b>	<b>22,353</b>	<b>21,922</b>

Analysis of net assets between funds - prior year

	Restricted funds 2022 £000	Restricted fixed asset funds 2022 £000	Total funds 2022 £000
Tangible fixed assets	-	22,310	22,310
Current assets	763	495	1,258
Creditors due within one year	(754)	-	(754)
Creditors due in more than one year	(518)	-	(518)
<b>Total</b>	<b>(509)</b>	<b>22,805</b>	<b>22,296</b>

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**Notes to the financial statements**  
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**20. Reconciliation of net expenditure to net cash flow from operating activities**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Net expenditure for the year (as per statement of financial activities)	(410)	(308)
<b>Adjustments for:</b>		
Depreciation	700	662
Capital grants from DfE and other capital income	(220)	(737)
Defined benefit pension scheme cost less contributions payable	42	413
Defined benefit pension scheme finance cost	(6)	61
Increase in stocks	(4)	(11)
Decrease/(increase) in debtors	94	(30)
Increase in creditors	349	18
<b>Net cash provided by operating activities</b>	<b>545</b>	<b>68</b>

**21. Cash flows from financing activities**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Repayments of borrowing	(60)	(115)
<b>Net cash used in financing activities</b>	<b>(60)</b>	<b>(115)</b>

**22. Cash flows from investing activities**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Purchase of tangible fixed assets	(559)	(359)
Capital grants from DfE Group and other capital income	220	806
<b>Net cash (used in)/provided by investing activities</b>	<b>(339)</b>	<b>447</b>

**23. Analysis of cash and cash equivalents**

	<b>2023</b> <b>£000</b>	<b>2022</b> <b>£000</b>
Cash in hand and at bank	1,083	937
<b>Total cash and cash equivalents</b>	<b>1,083</b>	<b>937</b>

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**Notes to the financial statements**  
**for the year ended 31 August 2023**

**24. Analysis of changes in net debt**

	At 1 September 2022 £000	Cash flows £000	Other non- cash changes £000	At 31 August 2023 £000
Cash at bank and in hand	937	146	-	1,083
Debt due within 1 year	(60)	60	(120)	(120)
Debt due after 1 year	(518)	-	120	(398)
	<u>359</u>	<u>206</u>	<u>-</u>	<u>565</u>

**25. Pension commitments**

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

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

Contributions amounting to £110,000 were payable to the schemes at 31 August 2023 (2022 - £98,000) and are included within creditors.

**Teachers' Pension Scheme**

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

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

**25. Pension commitments (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 31 March 2016 TPS actuarial valuation results were implemented from 1 September 2019. The key elements of the valuation and subsequent consultation were:

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

The latest actuarial TPS valuation results, as at 31 March 2020, were released in October 2023. The revised employer contribution rate, arising from this valuation, is due to be implemented from 1 April 2024.

The employer's pension costs paid to TPS in the year amounted to £702,000 (2022 - £620,000).

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2023 was £290,000 (2022- £284,000), of which employer's contributions totalled £224,000 (2022- £219,000) and employees' contributions totalled £66,000 (2022 - £65,000). The agreed contribution rates for future years are 27.2 per cent for employers and 5.5 to 12.5 per cent for employees.

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

**The JCB Academy Trust**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 August 2023**

**25. Pension commitments (continued)**

**Principal actuarial assumptions**

	<b>2023</b>	<b>2022</b>
	<b>%</b>	<b>%</b>
Rate of increase in salaries	<b>3.45</b>	<b>3.45</b>
Rate of increase for pensions in payment/inflation	<b>2.95</b>	<b>3.05</b>
Discount rate for scheme liabilities	<b>5.20</b>	<b>4.25</b>
Inflation assumption (CPI)	<b>2.95</b>	<b>3.05</b>
Commutation of pensions to lump sums -pre April 2008	<b>65</b>	<b>50</b>
Commutation of pensions to lump sums -post April 2008	<b>65</b>	<b>75</b>

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

	<b>2023</b>	<b>2022</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
Males	<b>20.0</b>	<b>21.2</b>
Females	<b>23.6</b>	<b>23.8</b>
Retiring in 20 years		
Males	<b>21.6</b>	<b>22.2</b>
Females	<b>25.5</b>	<b>25.5</b>

**Sensitivity analysis on obligations**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Discount rate +0.1%	<b>(106)</b>	<b>(122)</b>
Discount rate -0.1%	<b>106</b>	<b>122</b>
Mortality assumption - 1 year increase	<b>166</b>	<b>180</b>
Mortality assumption - 1 year decrease	<b>(166)</b>	<b>(180)</b>
CPI rate +0.1%	<b>100</b>	<b>115</b>
CPI rate -0.1%	<b>(100)</b>	<b>(155)</b>
Rate of increase in salaries +0.1%	<b>8</b>	<b>8</b>
Rate of decrease in salaries -0.1%	<b>(8)</b>	<b>8</b>

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**Notes to the financial statements  
for the year ended 31 August 2023**

**25. Pension commitments (continued)**

**Share of scheme assets**

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

	At 31 August 2023 £000	At 31 August 2022 £000
Equities	3,345	3,241
Corporate bonds	1,148	720
Property	399	405
Cash and other liquid assets	100	136
<b>Total market value of assets</b>	<b>4,992</b>	<b>4,502</b>

The actual return on scheme assets was £139,000 (2022 - £128,000).

The amounts recognised in the Statement of financial activities are as follows:

	2023 £000	2022 £000
Current service cost	(266)	(632)
Interest income	203	76
Interest cost	(197)	(137)
<b>Total amount recognised in the Statement of financial activities</b>	<b>(260)</b>	<b>(693)</b>

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

	2023 £000	2022 £000
<b>At 1 September</b>	<b>4,502</b>	<b>7,978</b>
Current service cost	266	632
Interest cost	197	137
Employee contributions	66	65
Actuarial gains	(848)	(4,288)
Benefits paid	(42)	(22)
<b>At 31 August</b>	<b>4,141</b>	<b>4,502</b>



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**for the year ended 31 August 2023**

**25. Pension commitments (continued)**

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
<b>At 1 September</b>	<b>4,647</b>	<b>4,493</b>
Interest income	203	76
Actuarial losses	(106)	(184)
Employer contributions	224	219
Employee contributions	66	65
Benefits paid	(42)	(22)
<b>At 31 August</b>	<b>4,992</b>	<b>4,647</b>

As at 31 August 2023, there was an unrecorded pension asset of £851,000 (2022 - £145,000).

**26. Operating lease commitments**

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

	<b>2023</b>	<b>2022</b>
	<b>£000</b>	<b>£000</b>
Not later than 1 year	92	91
Later than 1 year and not later than 5 years	131	97
	<b>223</b>	<b>188</b>

**27. Members' liability**

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

**28. Related party transactions**

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Academy Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

Five Trustees/Members of the Academy Trust hold senior positions in J C Bamford Excavators Limited. The Academy Trust received income of £21,346 from the Company during the year in respect of apprenticeship training and donations (2022 - £128,094). The amount outstanding in debtors at the year-end was £4,835 (2022: £19,722).

**29. Agency arrangements**

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2023 the Trust received £29,395 (2022 - £24,425) and disbursed £17,930 (2022 - £28,814) from the fund. An amount of £26,812 (2022 - £16,071) is included in other creditors relating to undistributed funds that is repayable to ESFA.