

Company Registration Number: 09299605 (England & Wales)

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

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THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mrs R Clayton (resigned 6 December 2021) Mr R Monk (resigned 31 January 2022) Mr J McCann Mr S Gherra Mrs C Kitchen (appointed 30 June 2022) Mrs B Bignold
Trustees	Mr J McCann, Chair of Trustees (appointed 24 March 2022) Mr R Monk (resigned 29 January 2022) Dr M Brewin (resigned 4 November 2022) Mrs G Knowlton-Maile Mrs M Deacon-Viney (resigned 12 May 2022) Mr S Strickland, Principal and Accounting Officer Mrs M Pruthi Mr L Martin, Staff Trustee Mrs A Pratt, Staff Trustee (resigned 15 October 2021) Mr P Gilliam (resigned 22 July 2022) Mr A Crawte Mrs G Stockley (resigned 19 October 2021) Miss C Kitchen Mrs E Wimpress Mrs E Hopkins Mr N Patel (appointed 24 March 2022) Mr T Marston (appointed 24 March 2022) Mrs P Gilbert (appointed 24 March 2022) Mr D J Rogers (appointed 13 September 2022) Mrs K Powell (appointed 13 September 2022)
Company registered number	09299605
Company name	The Duston Education Trust
Principal and registered office	The Duston School Berrywood Road Northampton NN5 6XA

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

**Senior management
team**

Mr S Strickland, Principal
Mr T Wise, Vice Principal
Mrs H Jones, Vice Principal
Mrs N Adams, Vice Principal
Mrs K Loomes, Vice Principal
Mrs S Connor, School Business Manager/CFO
Mrs N Montagu, Vice Principal
Mrs M Jones, Head of KS5, Resigned 31 August 2022
Mrs J Giles, Assistant Principal
Mr C Nelson, Assistant Principal
Mr S Wade, Assistant Principal
Mr P Dewes, Assistant Principal
Mrs K Shires, Assistant Principal
Mr S Mannion, Assistant Principal until 28 February 2022
Mrs S Pragnell, Assistant Principal
Mr A Clarke, Assistant Principal
Mr S Beal, Assistant Principal

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Peterbridge House
The Lakes
Northampton
NN4 7HB

Bankers

Lloyds Bank Plc
2 George Row
Northampton
NN1 1DJ

Solicitors

Browne Jacobson
Mowbry House
Castle Meadow Road
Nottingham
NG2 1BJ

THE DUSTON EDUCATION TRUST

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2021 to 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report and strategic report under company law.

The Academy Trust operates an academy for pupils aged 4 to 19 serving a catchment area primarily in Duston, Northampton. It has a pupil capacity of 1820 and had a roll of 1901 in the school census on 20th January 2022

Structure, governance and management

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Academy Trust. The trustees of The Duston Education Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company operates as The Duston School.

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 pages 1 and 2.

Members' liability

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

Trustees' indemnities

Trustees benefit from indemnity insurance to cover liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Details of the costs can be found in note 11 of the accounts.

Method of recruitment and appointment or election of Trustees

The first Trustees were those named on incorporation. Subject to Articles 48 and 49. The Academy Trust shall have the following Trustees:

- a. Up to 10 Trustees, appointed under Article 50;
- b. A minimum of two Parent Trustees appointed under Articles 53-58;
- c. Up to 2 Staff Trustees, subject to Article 50A; and
- d. The Head of the School.

The Trustees shall each school year, elect a Chair and a Vice-Chair from among their number. A Trustee who is employed by the Academy Trust shall not be eligible for election as Chair or Vice-Chair. Provision for resignation, removal and disqualification of Trustees are specified in the Articles of Association of TDET.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Structure, governance and management (continued)**Policies adopted for the induction and training of Trustees**

New Trustees are given access to documents which specify the remits and roles of the committees and guidance for Trustees along with full induction training. All new Trustees are given the relevant Safeguarding Training. Further Trustee training sessions are organised throughout the year. Relevant training courses (including Safeguarding Training) are organised by the Academy Trust. All Trustees have access to training through the NGA's learning link.

Organisational structure

Subject to these Articles, the constitution, membership and proceedings of any committee shall be determined by the Trustees. The establishment, terms of reference, constitution and membership of any committee of the Trustees shall be reviewed at least once in every twelve months. The membership of any committee of the Trustees may include persons who are not Trustees, provided that a majority of members of any such committee shall be Trustees. The Trustees may determine that some or all of the members of a committee who are not Trustees shall be entitled to vote in any proceedings of the committee. No vote of any matter shall be taken at a meeting of a committee of the Trustees unless the majority of members of the committee present are Trustees.

The appointment and appraisal of the Principal is reserved for Trustees, as is the investigation of any financial irregularities. The appointment of the Chair and Vice-Chair of Trustees is also reserved for the Governing Body. The Academy Trust seeks to involve a Governor in the interview panel for the recruitment and appointment of Vice Principals, Assistant Principals and Directors of Learning.

The Finance and Audit Committee will meet to consider the Academy Trust budget, regular financial reports and the annual accounts. The Committee also approves the internal control mechanisms for ensuring that the Academy is operating efficiently and effectively and that proper accounting records are maintained. Spending against the Academy budget is delegated to Budget Holders. All spending is subject to senior staff authorisation.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting the pay and remuneration of The Academy Trust's key management personnel and any benchmarks, parameters or criteria used in setting their pay are in strict accordance with school teachers pay and conditions and the school pay policy.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Structure, governance and management (continued)**Trade union facility time****Relevant union officials**

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	2
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time £

Total cost of facility time	1,938
Total pay bill	7,946,941
Percentage of total pay bill spent on facility time	0.02 %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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Related parties and other connected charities and organisations

The Duston School works with the Ambition Institute to ensure staff are able to access the suite of new NPQs. This aims to ensure that our staff are fully equipped to apply for leadership roles in the future and enables us to develop a pool of our own leaders. As well as working with Inspiring Leaders to access a range of MAT development training courses. In addition, we have an internalised CPD pathway model, with staff accessing a pathway relevant to their own professional ambitions, delivered by senior staff across the school.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Objectives and activities

Objects and aims

The Trustees have regard to the Charity Commission guidance on public benefit. Knowing the individual is at the heart of our vision. TDET expects the best of everyone involved within it and we recognise the transformative power of self-belief for all. Trustees also have full regard for the objectives mentioned in the Articles of Association of the Academy Trust. We have an inherent belief in the following six principles:

1. Everyone is a leader;
2. Creating a can-do, solution focused culture;
3. Doing it and having impact – make a difference;
4. Attention to detail – follow up and follow through;
5. Understanding that making mistakes is okay – what's important is how we learn from them;
6. Being outward thinking - adopt a mindset of restless excellence.

Our core aim is to help students climb the tree of knowledge so they can access University, Higher Education, Employment or an Apprenticeship and be the very best edit of themselves. All students are inspired to Dream – Believe – Achieve. The School is built upon three core values, Resilience, Respect and Aspiration. We expect all of our students to exhibit and display these core traits in their daily life at The Duston School, within the wider community and as they move into the next phase of their life once they leave our educational setting.

Objectives, strategies and activities

The Trusts aim is to ensure that all children are happy, confident, resilient and self-critical learners who achieve their fullest personal and academic potential. This is achieved through:

1. Providing high quality learning and teaching opportunities on a daily basis through effective classroom resourcing, extra-curricular opportunities, and pastoral care;
2. Raising the standards of educational achievement of all pupils, and in particular closing the achievement gap between disadvantaged and non-disadvantaged pupils;
3. Improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review and complying with curriculum requirements;
4. Providing value for money for the funds expended;
5. Building and maintaining close links with local, national and international industry and commerce to impact on the learning experience of our pupils;
6. Conducting the Academy's business in accordance with the highest standards of professionalism, honesty and integrity.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education. The Trustees have referred to the guidance in the Charity Commissions general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. In particular the Trustees consider how planned activities will contribute to the aim and objectives they have set.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report

Achievements and performance

Primary Phase

Early Years Foundation Stage

The baseline for Early Years Foundation Stage indicated that 49% were on track to reach a good level of development by the end of the academic year and 66% of these children reached GLD.

Phonics Screening Check

65% of children in Year 1 passed the Phonics Screening Check and 93% of Year 2 children in total including the children who retook the screening. National data for the Phonics Screening Check has not yet been released.

End of Key Stage One Assessment

The End of Key Stage One assessments showed that in Reading, 77% of children reached, at least, the expected standard with 23% reaching greater depth within the expected standard. In Writing, 66% of children reached the expected standard with no children gaining greater depth and for Maths, 82% reached, at least, the expected standard with 21% reaching greater depth within the expected standard. For Science 84% reached the expected standard. National data for the End of Key Stage One assessments has not yet been released.

End of Key Stage Two Assessment

The combined percentage for Reading, Writing and Maths for the End of Key Stage Two assessment is 53% with the national being 59%.

68% of children reached, at least, the expected standard for reading with 74% reaching the expected standard nationally. 25% of the cohort achieved the higher standard in reading. 65% of children reached, at least, the expected standard in writing with 69% of pupils reaching this standard nationally. 15% of the cohort achieved greater depth within the expected standard. 70% of children reached, at least, the expected standard for Grammar, Punctuation and Spelling with 72% of pupils reaching this standard nationally. 27% of the cohort achieved the higher standard. 90% of the cohort reached the expected standard in Science with 79% achieving this nationally.

Secondary Phase

In 2021/22 the GCSE outcomes:

- The school had an average KS2 point score below that of the national average when comparing this year to the 2018/19 data. The school continues to exceed the national average results in achieving a grade 4 in English and Maths. (71% in 2019, 75% in 2020, 74% in 2021 and in 2022 72% when comparing to National average – 64% /2019)
- The percentage of students achieving a grade 5 in English and Maths in 2022 was 50.42%, exceeding the 2019 national average of 40%.
- The average attainment grade for The Duston School (4.75) is in line with the 2019 national average of 4.7
- The 2022 Progress 8 is 0.00 (awaiting late results) with a Maths Progress 8 score of 0.37, English as -0.22, EBacc as 0.08 and Open element as -0.18.
- The Duston School has a lower proportion of disadvantaged students to 2019 national (TDS 20% vs National 26.5%) despite their lower starting points, the percentage of students achieving a grade 5 in English and Maths exceeded the 2019 national average for like-for-like students (30% in 2022 vs 25% 2019 national average).
- In 2022 the high prior attainment pupils that achieved English and Maths attainment at grade 5 or above is 93.10%, compared to 2019 nationally at 76.5%. This is a similar situation with the Middle prior attainment with 57.86% vs 22.4% nationally.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Key areas of focus going forward:

- o To continue to drive up outcomes for SEND students
- o To drive up outcomes for High Ability students
- o For all subjects to achieve a positive Subject Progress Score.

In 2021/22 the KS5 results:

- Average point score per A Level entry expressed as a grade is c+
- Average point score per A Level entry is 32.64
- Average point score per applied general entry expressed as a vocation grade is a Distinction
- Average point score per applied general entry is 35.41
- Students that achieved AAB in 2 or more facilitating subjects was 9 (13.6%)
- 81% of students went to University with 12 going to a Russell Group University.

In 2021/22 the KS5 results:

- Academic average grade is 32.85 (C+) with a value added score of -0.45.
- Applied General average grade is 35.41 (Dist=) with a value added score of -0.06.
- Students that achieved AAB in 2 or more facilitating subjects was 9 (15.0%)
- 81% of students went to University with 12 going to a Russell Group University.

Key Performance Indicators

The Academy Trust met its aims and objectives for the academic year 2020/2021 within the grant income and reserves received. The effective management of cash flow and scheduling of capital expenditure meant that the Academy's cash balances were never exceeded by commitments.

The Academy Trust uses a number of Key Financial Indicators to monitor financial successes of the Academy Trust, and progress improvement against the target set. These include:

1. Staffing costs as 80.99% of total income (ex capital) (2021 - 75.39%).
2. Teaching staff costs as 71.80% of total staff costs (2021 - 79.36%).
3. Staff costs as 71.35% of total expenditure (ex capital) (2021 - 90.52 %).
4. For the Y/E 31 August 2022 the PFI costs amounted to of GAG income (2020 - 10.31%).
5. Current Assets / Current Liabilities 1.76 times (2021 - 2.01)

The Academy Trust also uses a number of non-financial key performance indicators to monitor their performances which include:

6. Teaching Staff to Support Staff ratio FTE: 2.13:1 (2021 2.1:1)
7. Average students attendance (Yr R to Yr 11) 91% (2018/19 95.4%) 2019/2020, 2020/2021 and 2021/2022 attendance has been effected by positive Covid cases counting against our overall attendance figure.
8. The Duston School has a similar proportion of disadvantaged students to national, despite their lower starting points, the percentage of disadvantaged students achieving a grade 5 in English and Maths at The Duston School was 37%. When comparing this to the national average in 2019, we exceeded this percentage of 25%.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Strategic report (continued)**Achievements and performance (continued)****Pupil Premium**

	All	Non-PP	%Non-PP	PP	%PP
2014	227	168	57.1	59	28.8
2015	234	170	61.2	64	35.9
2016	230	162	70.4	68	29.6
2017	224	171	76.3	53	23.7
2018	230	168	73	62	27
2019	235	171	75	58	25
2020	237	187	79	50	21
2021	239	187	78	51	21
2022	240	191	79.6	49	20.4

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

Achievements and performance (continued)

Promoting the success of the company

In June 2021 The Duston School received a full section 5 inspection and was judged to be a Good school, with good judgements in all sub-categories. The inspection report noted the following key points:

- Since the previous inspection the school has improved considerably. Staff have high expectations of what pupils can learn and achieve.
- Staff have high expectations of pupils' behaviour. Pupils behave very well in lessons and during social times. The school is calm and orderly. Low-level disruption is not tolerated. This consistent approach to managing behaviour enables all pupils to focus on their learning.
- Staff and pupils develop trusting relationships because of the school's clear expectations and values.
- Leaders and governors lead with a clear moral purpose. They have high expectations for pupils' learning and behaviour.
- Staff, overwhelmingly, say that they are proud to work at the school. They know what leaders want to achieve.
- The curriculum is broad and ambitious.
- Leaders have ensured that reading is a priority. They have provided effective training for staff.
- Leaders have established a calm and orderly environment that is focused on learning.
- Since the previous inspection, leaders have established the 'positive impact centre', working with specific pupils to address their social, emotional and behavioural needs. It has contributed to improving attendance and behaviour as well as reducing exclusions.

The full inspection report can be found here: <https://files.ofsted.gov.uk/v1/file/50169203>

Since the 2021 inspection The Duston School has moved forwards at pace. Of note are the following:

1. The school has become a national Behaviour Hub Lead School, providing extensive support nationally to other schools and Trusts.
2. The school has established and embedded its own Army Cadet Troop.
3. The school has become a GEC school.
4. The school has retained its IQM Flagship School status and maintained its Investor's In People Gold award.
5. The school has retained its ACE School of Character status.
6. Sector wide training and support, most notably in leadership development and behaviour, coupled with supporting the Exemplary Leadership Programme.

Financial review

Most of the Academy Trust income is obtained from the DfE in the form of recurrent grants disbursed via the Education Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2022 and the associated expenditure are shown as restricted funds in the statement of financial activities. The in-year surplus amounted to £180,844 (2021 - surplus £329,607). The pension cost is not included when calculating restricted funds in-year surplus or deficit.

The Academy Trust also received grants for fixed assets from the ESFA. In accordance with the charities statement of recommended practice, 'Accounting and Reporting Charities' (SORP 2005), such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The Local Government Pension Scheme (LGPS) for the Academy Trust has a deficit which is detailed in note 22 to the financial statements.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Strategic report (continued)

In response to the Covid-19 pandemic the schools responded accordingly in an extremely agile and professional manner, placing the safeguarding of our pupils and staff at the heart of all that we do and continue to do so. Covid continues to be a key reason for absence and the cost of supply which is monitored closely by the leadership of the school.

The Swimming pool reopened and the school was able to benefit through lettings income albeit much of this offset to support the running costs and repairs. The Before and After school club was opened to children of staff only during the year due to impact of covid and inability to recruit which limited income opportunities.

Additional Covid related funding was received in year and ring-fenced in accordance with conditions of funding:

- Recovery funding £38,570
- Tutor Led Funding £40,500
- Funding to support Asymptomatic testing £18,887

The budget was closely managed with regular forecasting to ensure the schools finances remained secure.

Reserves policy

The Academy Trust's reserve policy takes into account the risk of fluctuations in grant income and spending needs. In year reserves are set to cover staffing costs, PFI costs and other commitments, to fund changes in the curriculum, and to meet unexpected emergencies such as urgent maintenance.

Unrestricted funds are used for the general purposes of the Academy Trust, at the discretion of the Trustees. Restricted funds will be spent in accordance with the terms of the particular funds. Demands on the Academy Trust restricted income funds will vary over the coming years. The Academy Trust policy is to ensure reserves are held to a prudent level designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies.

The deficit in the pension reserve relates to the non-teaching staff pension scheme where unlike the Teachers' Pension Scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits.

At 31 August 2022 the total funds comprised:

		£
Unrestricted		438,807
Restricted:	Fixed asset funds	35,756,267
	Pension reserve	(597,000)
	Other	743,599

		36,341,673
		=====

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

Investment policy

The Academy Trust's investment policy is for its cash balances to provide for the day to day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balance against inflation. In addition, to invest surplus cash funds to optimise returns but ensuring the investments instruments are such that there is no risk to the loss of these cash funds.

The Academy Trust is authorised to invest funds only in Banks authorised and monitored by the Financial Services Authority (FSA).

Principal risks and uncertainties

Trustees have assessed the major risks to which the Academy Trust is exposed and have identified those responsible for the management of these risks and planned mitigating action where possible. In addition, the Trustees have appointed Moore as internal auditors who will assess risk as part of their review and the Audit and Resource Committee has undertaken to oversee this area of responsibility going forward.

The principle risks identified are:

1. A challenge remains navigating the risks posed by Covid, especially in terms of staff and pupil attendance. There is also necessity for the school to support pupils to catch-up on any lost learning;
2. National/local changes to funding including SEND funding changes, MFG, Pupil premium and PE Sports and longer term financial uncertainty such as:
 - a. Continuation of the supplementary grant
 - b. Unfunded Teachers and Support staff pay awards
 - c. Energy increases and uncertainty regarding CAP
 - d. Risk of staff retention / morale / progression
 - e. Local application of DSG funding in relation to PFI schools and High Needs funding
 - f. Cost of repair and maintenance of the swimming pool
3. The Academy will address any changes brought about by legislation and incorporate them into the financial plan;
4. PFI Costs and delivery of an effective service
5. Changing Demographics in the local area and Primary recruitment into reception
6. LGPS changes to employer contributions following forthcoming triannual valuation.
7. The School has achieved a 'Good' Ofsted outcome. However, a challenge now for TDET is to navigate its own future.

Recruitment remains a concern, with Northamptonshire experiencing a recruitment crisis. There is a need to develop, nurture and promote internal staff whilst equally attracting high quality external applicants.

Fundraising

The Duston Education Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate. Complaints are handled and monitored through the Trust's complaints procedure.

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**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

Plans for future periods

The Academy Trust will strive to maintain and build upon its educational outcomes across all phases of the establishment. The Academy Trust will also work to ensure that the trust provides value for money and work toward further fiscal economies of scale where possible.

The Academy Trust is now at a transitionary phase and is considering seriously moving from a SAT to a MAT, having sought permission from the DfE. The Academy Trust is looking to merge with other schools and smaller MATs, has put in a free school application and is looking at converting outright from a SAT to a MAT. This will change the dynamic and structure of its composition moving forwards.

Funds held as custodian on behalf of others

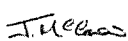
The Academy Trust holds £7,989 (2021: £9,583) of 16-19 bursary funds as an agent for ESFA. Please refer to note 27 for further details.

Auditor

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is 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 auditor is aware of that information.

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


.....
Mr J McCann
Chair of Trustees

Date: 9 December 2022

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GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Duston Education 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 Duston Education Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

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 6 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
Mr J McCann	4	4
Mr A Crawte	5	6
Mrs M Deacon-Viney, resigned 12 May 2022	5	5
Miss C Kitchen	2	6
Mr P Gilliam, resigned 21 July 2022	6	6
Mrs E Hopkins	2	6
Mrs A Jones	2	2
Mrs G Knowlton-Maile	6	6
Mr L Martin	6	6
Mrs M Pruthi	6	6
Mrs G Stockley, resigned 19 October 2021	1	2
Mr R Monk, resigned 31 January 2022	3	3
Dr M Brewin	4	6
Mrs E Wimpres	5	6
Mr S Strickland	6	6
Mr T Marston, appointed 24 March 2022	3	3
Mr N Patel, appointed 24 March 2022	3	3
Mrs P Gilbert, appointed 24 March 2022	3	3

We have Governors linked to the following areas within the school, SEND, Safeguarding, Health and Safety, Finance and Pupil Premium. The outcome of link visits is shared with the full governing body.

Monthly finance reports are sent to all Governors and Members for review via the online platform Governor Hub.

Financial information is discussed further during half termly monitoring meetings between the Business Manager and Chair of Finance, the outcome of these monitoring visits is then shared with the full Governing Body. The staffing structure ensures that the Business Manager has a direct channel to liaise with Governors at all times.

A new Chair of Governors has been in place since March 2022.

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GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Conflicts of interest

The register of interest is completed by all Governors on an annual basis and the finance department also hold a copy.

This is updated and published on the school website, this document is updated and amended as changes are required.

Register of interests is a standing agenda item for each meeting for any changes to be declared by the board.

Meetings

The board have met in accordance with the Academy Trust Handbook.

Governance reviews:

A Governance Self Review was undertaken in June 2021 and a full Governance review is planned to follow this.

All governors complete a skills audit on an annual basis and recruitment and training are then planned accordingly. The School Resource Management Self Assessments is completed on an annual basis.

The Resources and Audit Committee is a sub-committee of the main board of Trustees. Its purpose is to propose a draft budget, scrutinise income and expenditure against the budget, monitor systems of control, and oversee statutory returns of a financial nature.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mrs M Pruthi	3	3
Mrs G Knowlton-Maile	3	3
Mr S Strickland	3	3
Mr R Monk, resigned 31 January 2022	1	1
Mr J McCann	1	1

The Standards committee is a subcommittee of the main Board of Trustees. Its purpose is to be a 'critical friend' to The Duston School (School) providing constructive challenge to the Principal and school leaders on the approach to curriculum, teaching standards, assessment and pupil progress.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Mr A Crawte	2	2
Mr L Martin	2	2
Mrs E Hopkins	0	2
Mr P Gilliam	2	2
Mr S Strickland	2	2

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

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

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

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

- Allocating resources to best promote the aims and values of the school
- Targeting resources deployed to best improve standard and the quality of provision
- Using resources to support the various educational needs of all students
- Annual budget planning plus monthly management reporting of to the Trustees
- Regular auditing of the financial and management information throughout the academic year
- Analysis of student performance data

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 Duston Education Trust for the period 1 September 2021 to 31 August 2022 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 on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period 01 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- Regular reviews by the Finance and General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- Setting targets to measure financial and other performance;

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

- 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 Moore

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

1. Financial procedures (including the Financial Regulations)
2. Income review
3. Cashflow reporting
4. Capital income review and fixed asset review

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

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 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 external auditor;

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

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



.....
Mr S Strickland
Principal

Date: 9 December 2022

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Duston Education 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 funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

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 2021.

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



.....
Mr S Strickland
Accounting Officer

Date: 9 December 2022

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022;
- make 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:



.....
Mr J McCann
Chair of Trustees

Date: 9 December 2022

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DUSTON EDUCATION TRUST

Opinion

We have audited the financial statements of The Duston Education Trust (the 'Academy Trust') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education 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 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2019 and the Academies Accounts Direction 2021 to 2022 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 DUSTON EDUCATION TRUST

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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DUSTON EDUCATION TRUST (CONTINUED)

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the 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.

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DUSTON EDUCATION TRUST (CONTINUED)

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.

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff to identify any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing internal audit reports;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

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

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DUSTON EDUCATION TRUST (CONTINUED)**

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 Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

rhughes

Rebecca Hughes BSc (Hons) FCCA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants

Statutory Auditors

Northampton

Date: *13 December 2022*

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 11 October 2021 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Duston Education Trust during the year 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Duston Education Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Duston Education Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academy Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

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 DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

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

The work undertaken to draw to our conclusion includes:

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

Conclusion

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

MHA MacIntyre Hudson

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors

Date: *13 December 2022*

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:						
Donations and capital grants	3	123,772	1,370	162,477	287,619	317,584
Other trading activities	5	78,555	-	-	78,555	-
Investments	6	243	-	-	243	196
Charitable activities	4	-	10,789,915	-	10,789,915	10,240,483
Total income		202,570	10,791,285	162,477	11,156,332	10,558,263
Expenditure on:						
Raising funds		50,747	120,102	-	170,849	37,667
Charitable activities	8	-	11,227,162	1,082,877	12,310,039	11,342,539
Total expenditure	7	50,747	11,347,264	1,082,877	12,480,888	11,380,206
Net movement in funds before other recognised gains/(losses)		151,823	(555,979)	(920,400)	(1,324,556)	(821,943)
Other recognised gains/(losses):						
Actuarial gains/(losses) on defined benefit pension schemes	22	-	4,447,000	-	4,447,000	(882,000)
Net movement in funds		151,823	3,891,021	(920,400)	3,122,444	(1,703,943)
Reconciliation of funds:						
Total funds brought forward		286,984	(3,744,422)	36,676,667	33,219,229	34,923,172
Net movement in funds		151,823	3,891,021	(920,400)	3,122,444	(1,703,943)
Total funds carried forward		438,807	146,599	35,756,267	36,341,673	33,219,229

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

The notes on pages 30 to 56 form part of these financial statements.

THE DUSTON EDUCATION TRUST**(A Company Limited by Guarantee)**
REGISTERED NUMBER: 09299605

BALANCE SHEET
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	35,731,638	36,676,667
Current assets			
Debtors	13	371,384	332,311
Cash at bank and in hand	20,21	2,421,713	1,657,900
		<u>2,793,097</u>	<u>1,990,211</u>
Creditors: amounts falling due within one year	14	(1,586,062)	(988,649)
Net current assets		1,207,035	1,001,562
Total assets less current liabilities		36,938,673	37,678,229
Defined benefit pension scheme liability	22	(597,000)	(4,459,000)
Total net assets		36,341,673	33,219,229
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	15	35,756,267	36,676,667
Restricted income funds	15	743,599	714,578
		<u>36,499,866</u>	<u>37,391,245</u>
Restricted funds excluding pension asset	15	36,499,866	37,391,245
Pension reserve	15	(597,000)	(4,459,000)
Total restricted funds	15	35,902,866	32,932,245
Unrestricted income funds	15	438,807	286,984
Total funds		36,341,673	33,219,229

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

The financial statements on pages 26 to 56 were approved and authorised for issue by the Trustees and are signed on their behalf, by:

J. McCann

.....
Mr J McCann
Chair of Trustees

Date: 9 December 2022

The notes on pages 30 to 56 form part of these financial statements.

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	17	625,252	592,511
Cash flows from investing activities	19	162,720	(220,887)
Cash flows from financing activities	18	(24,159)	(24,159)
Change in cash and cash equivalents in the year		763,813	347,465
Cash and cash equivalents at the beginning of the year		1,657,900	1,310,435
Cash and cash equivalents at the end of the year	20, 21	2,421,713	1,657,900

The notes on pages 30 to 56 from part of these financial statements

THE DUSTON EDUCATION TRUST

(A Company Limited by Guarantee)

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

1. Accounting policies

The Duston Education Trust is a private company limited by guarantee, incorporated in England. Its registered number and address of registered office are detailed on page 1. The nature of the Academy Trust's operations and principal activity are detailed in the Trustees' Report.

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.

The financial statements are prepared in £ sterling, rounded to the nearest £1.

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 2021 to 2022 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.

THE DUSTON EDUCATION TRUST
(A Company Limited by Guarantee)

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

1. Accounting policies (continued)

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.

• **Other income**

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

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

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

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

1. Accounting policies (continued)

1.4 Expenditure

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

- **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 Taxation

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

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

1.6 Tangible fixed assets and depreciation

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

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

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets less their estimated residual value, basis over their expected useful lives on the following basis:

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

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation (continued)

Depreciation is provided on the following bases:

Freehold land and property	- 50 years straight line (land is not depreciated) or estimated useful life if lower
Furniture and equipment	- 3 years straight line
Computer equipment	- 3 years straight line
Motor vehicles	- 3 years straight line

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

1.7 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.

1.8 Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement 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 13. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

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 note 14. 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.

1.9 Leased assets

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

1.10 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 DUSTON EDUCATION TRUST

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

1. Accounting policies (continued)**1.10 Pensions (continued)**

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 is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.11 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 Academy Trust can use up to 5% 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 27.

THE DUSTON EDUCATION TRUST

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

1. Accounting policies (continued)

1.12 PFI Contracts

The buildings used by the Academy Trust were constructed under a Private Finance Initiative (PFI) Contract between Northamptonshire County Council (Local Authority) and a Private Contractor. The project was completed prior to the School's conversion to Academy status. On conversion, the Academy Trust has entered into a School Agreement with the Local Authority which transfers the Local Authority's main obligations under the PFI Contract to the Academy Trust.

The Academy Trust is responsible for the revenue costs of maintaining the facilities. The payments made to the Local Authority in respect of the PFI Contract unitary charge relating to these revenue costs are therefore expensed to the Statement of Financial Activities in the period to which they relate.

The land was transferred to the Academy Trust by the Local Authority on conversion to an Academy. As the Academy Trust takes on the risks and rewards with the land and buildings, including the long term maintenance of the property once the PFI contract has ended, the land and buildings are capitalised as fixed assets on the Academy Trust's Balance Sheet at valuation using the depreciated replacement cost basis. These assets are then depreciated over their useful economic life.

1.13 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.

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

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability.

Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

3. Income from donations and capital grants

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	123,772	1,370	128,189	253,331	284,927
Capital Grants	-	-	34,288	34,288	32,657
	<u>123,772</u>	<u>1,370</u>	<u>162,477</u>	<u>287,619</u>	<u>317,584</u>

THE DUSTON EDUCATION TRUST

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

4. Funding for the Academy Trust's charitable activities

	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations			
DfE/ESFA grants			
General annual grant (GAG)	9,789,618	9,789,618	8,876,348
Other DfE/ESFA grants			
Pupil premium	283,465	283,465	281,685
Teachers' pay and pension grant	61,790	61,790	449,566
Other DfE/ESFA grants	219,353	219,353	52,436
Universal infant free school meals	63,246	63,246	70,433
	<hr/>	<hr/>	<hr/>
	10,417,472	10,417,472	9,730,468
	<hr/>	<hr/>	<hr/>
Other Government grants			
Local authority grants	274,486	274,486	250,850
	<hr/>	<hr/>	<hr/>
	274,486	274,486	250,850
	<hr/>	<hr/>	<hr/>
COVID-19 additional funding (DfE/ESFA)			
Catch-up Premium	38,570	38,570	134,186
Other DfE/ESFA COVID-19 Funding	59,387	59,387	124,979
	<hr/>	<hr/>	<hr/>
	97,957	97,957	259,165
	<hr/>	<hr/>	<hr/>
	10,789,915	10,789,915	10,240,483
	<hr/>	<hr/>	<hr/>

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

5. Income from other trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Hire of facilities	78,555	78,555	-

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Bank interest receivable	243	243	196

7. Expenditure

	Staff Costs 2022 £	Premises 2022 £	Other 2022 £	Total 2022 £	Total 2021 £
Expenditure on raising voluntary income	-	-	170,849	170,849	37,667
The Academy Trust's educational operations:					
Direct costs	7,881,032	-	291,658	8,172,690	7,474,763
Allocated support costs	1,023,587	1,485,631	1,628,131	4,137,349	3,867,776
	<u>8,904,619</u>	<u>1,485,631</u>	<u>2,090,638</u>	<u>12,480,888</u>	<u>11,380,206</u>

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

Net (income)/expenditure for the period includes:

	2022 £	2021 £
Depreciation	1,038,966	1,017,290
Fees payable to the auditor for audit	10,000	10,000
Fees payable to the auditor for non-audit	15,810	23,140
Operating lease charges	24,159	24,159
	<u>24,159</u>	<u>24,159</u>

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Educational operations	8,172,690	4,137,349	12,310,039	11,342,539
	<u>8,172,690</u>	<u>4,137,349</u>	<u>12,310,039</u>	<u>11,342,539</u>

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
LGPS pension costs	77,000	57,000
Staff costs	1,023,587	941,140
Depreciation	1,038,966	1,017,290
Technology costs	85,568	57,549
Premises costs	1,407,040	1,259,466
Governance costs	27,037	35,373
Other support costs	478,151	499,958
	<u>4,137,349</u>	<u>3,867,776</u>

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

9. Staff

a. Staff costs

Staff costs during the year were as follows:

	2022 £	2021 £
Wages and salaries	6,236,434	5,883,188
Social security costs	682,672	619,132
Pension costs	1,830,133	1,595,549
	<u>8,749,239</u>	<u>8,097,869</u>
Agency staff costs	155,380	58,183
	<u>8,904,619</u>	<u>8,156,052</u>

b. Staff numbers

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

	2022 No.	2021 No.
Teaching	109	99
Administration and support	60	71
Management	16	14
	<u>185</u>	<u>184</u>

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

9. Staff (continued)

c. Higher paid staff

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

	2022	2021
	No.	No.
In the band £60,001 - £70,000	4	6
In the band £70,001 - £80,000	4	1
In the band £80,001 - £90,000	1	-
In the band £130,001 - £140,000	-	1
In the band £140,001 - £150,000	1	-

The above employees participated in the Teachers' Pension Scheme or the Local Government Pension Scheme. During the year ended 31 August 2022, pension contributions for these staff members amounted to £147,364 (2021: £107,315) and £13,076 (2021: £nil) respectively.

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 £1,483,214 (2021: £1,266,705).

10. Related party transactions - 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:

		2022	2021
		£	£
Mr S Strickland, Principal and accounting officer	Remuneration	145,000 - 150,000	130,000 - 135,000
	Pension contributions paid	Nil	Nil
	Mr L Martin	Remuneration	40,000 - 45,000
	Pension contributions paid	5,000 - 10,000	5,000 - 10,000
Mrs A Pratt (resigned 15 October 2021)	Remuneration	0 - 5,000	10,000 - 15,000
	Pension contributions paid	0 - 5,000	0 - 5,000

During the year ended 31 August 2022, expenses totalling £283 were reimbursed or paid directly to 1 Trustee (2021 - £Nil)

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

11. Trustees' and Officers' insurance

The Academy 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 The Academy Trust 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.

12. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2021	42,767,322	242,128	999,983	11,339	44,020,772
Additions	-	20,752	73,185	-	93,937
At 31 August 2022	<u>42,767,322</u>	<u>262,880</u>	<u>1,073,168</u>	<u>11,339</u>	<u>44,114,709</u>
Depreciation					
At 1 September 2021	6,179,756	233,096	919,914	11,339	7,344,105
Charge for the year	965,495	14,389	59,082	-	1,038,966
At 31 August 2022	<u>7,145,251</u>	<u>247,485</u>	<u>978,996</u>	<u>11,339</u>	<u>8,383,071</u>
Net book value					
At 31 August 2022	<u><u>35,622,071</u></u>	<u><u>15,395</u></u>	<u><u>94,172</u></u>	<u><u>-</u></u>	<u><u>35,731,638</u></u>
At 31 August 2021	<u><u>36,587,566</u></u>	<u><u>9,032</u></u>	<u><u>80,069</u></u>	<u><u>-</u></u>	<u><u>36,676,667</u></u>

13. Debtors

	2022 £	2021 £
Trade debtors	127,135	4,155
Other debtors	86,439	50,463
Prepayments and accrued income	157,810	277,693
	<u><u>371,384</u></u>	<u><u>332,311</u></u>

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

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

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade creditors	809,666	379,016
Other taxation and social security	167,912	155,050
Other creditors	168,018	161,315
Accruals and deferred income	440,466	293,268
	1,586,062	988,649
	<hr/> <hr/>	<hr/> <hr/>
	2022	2021
	£	£
Deferred income at 1 September 2021	93,929	49,084
Resources deferred during the year	141,391	93,929
Amounts released from previous periods	(93,929)	(49,084)
	141,391	93,929
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At the Balance Sheet date the Academy Trust was holding funds received in advance for local authority income £101,161 (2021: £52,000), universal infant free school meals £37,530 (2021: £37,736), and other income £2,700 (2021: £4,193) relating to future periods.

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

15. Statement of funds

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Unrestricted funds	286,984	202,570	(50,747)	-	-	438,807
Restricted general funds						
General annual grant (GAG)	509,036	9,851,408	(9,822,387)	-	-	538,057
Other DfE/ESFA grants	38,816	411,387	(411,387)	-	-	38,816
Pupil premium	-	283,465	(283,465)	-	-	-
Inherited funds	159,806	3,870	(3,870)	-	-	159,806
Catch-up premium	6,920	241,155	(241,155)	-	-	6,920
Pension reserve	(4,459,000)	-	(585,000)	-	4,447,000	(597,000)
	(3,744,422)	10,791,285	(11,347,264)	-	4,447,000	146,599

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

15. Statement of funds (continued)

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Restricted fixed asset funds						
Capital expenditure non GAG	142,182	-	(78,332)	93,937	-	157,787
Inherited assets	36,209,511	-	(960,634)	-	-	35,248,877
DfE/ESFA capital grants (unspent)	-	256,414	(137,848)	(93,937)	-	24,629
DfE/ESFA capital grants (spent)	101,296	-	-	-	-	101,296
Donated fixed assets	223,678	-	-	-	-	223,678
	<u>36,676,667</u>	<u>256,414</u>	<u>(1,176,814)</u>	<u>-</u>	<u>-</u>	<u>35,756,267</u>
Total Restricted funds	<u>32,932,245</u>	<u>11,047,699</u>	<u>(12,524,078)</u>	<u>-</u>	<u>4,447,000</u>	<u>35,902,866</u>
Total funds	<u><u>33,219,229</u></u>	<u><u>11,250,269</u></u>	<u><u>(12,574,825)</u></u>	<u><u>-</u></u>	<u><u>4,447,000</u></u>	<u><u>36,341,673</u></u>

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

Restricted general funds will be used for educational purposes in line with the Academy Trust's objects and its funding agreement with the ESFA.

Restricted fixed assets funds amounting to £35,731,638 will be reserved against future depreciation charges.

The balance of £24,629 relates to unspent capital grants.

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

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

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

15. Statement of funds (continued)

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

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Unrestricted funds	263,596	50,819	(27,431)	-	-	286,984
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Restricted funds						
General annual grant (GAG)	215,722	8,876,348	(8,583,034)	-	-	509,036
Other DfE/ESFA grants	32,831	732,136	(691,429)	(34,722)	-	38,816
Pupil premium	-	281,685	(281,685)	-	-	-
Inherited funds	159,806	-	-	-	-	159,806
Restricted Local Authority	-	250,850	(250,850)	-	-	-
Miscellaneous income	-	10,626	(10,626)	-	-	-
Catch-up premium	-	134,186	(127,266)	-	-	6,920
Pension reserve	(3,189,000)	-	(388,000)	-	(882,000)	(4,459,000)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	(2,780,641)	10,285,831	(10,332,890)	(34,722)	(882,000)	(3,744,422)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

15. Statement of funds (continued)

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Restricted fixed asset funds						
Capital expenditure non GAG	198,838	-	(56,656)	-	-	142,182
Inherited assets	37,170,145	-	(960,634)	-	-	36,209,511
DfE/ESFA capital grants (unspent)	-	32,657	(2,595)	(30,062)	-	-
DfE/ESFA capital grants (spent)	71,234	-	-	30,062	-	101,296
Donated fixed assets	-	188,956	-	34,722	-	223,678
	<u>37,440,217</u>	<u>221,613</u>	<u>(1,019,885)</u>	<u>34,722</u>	<u>-</u>	<u>36,676,667</u>
Total Restricted funds	<u>34,659,576</u>	<u>10,507,444</u>	<u>(11,352,775)</u>	<u>-</u>	<u>(882,000)</u>	<u>32,932,245</u>
Total funds	<u><u>34,923,172</u></u>	<u><u>10,558,263</u></u>	<u><u>(11,380,206)</u></u>	<u><u>-</u></u>	<u><u>(882,000)</u></u>	<u><u>33,219,229</u></u>

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

16. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Restricted fixed asset funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	-	35,731,638	35,731,638
Current assets	438,807	2,329,661	24,629	2,793,097
Creditors due within one year	-	(1,586,062)	-	(1,586,062)
Provisions for liabilities and charges	-	(597,000)	-	(597,000)
Total	438,807	146,599	35,756,267	36,341,673

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Restricted fixed asset funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	-	36,676,667	36,676,667
Current assets	286,984	1,703,227	-	1,990,211
Creditors due within one year	-	(988,649)	-	(988,649)
Provisions for liabilities and charges	-	(4,459,000)	-	(4,459,000)
Total	286,984	(3,744,422)	36,676,667	33,219,229

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

17. Reconciliation of net expenditure to net cash flow from operating activities

	2022 £	2021 £
Net expenditure for the year (as per Statement of Financial Activities)	<u>(1,324,556)</u>	<u>(821,943)</u>
Adjustments for:		
Depreciation	1,038,966	1,017,290
Interest receivable	(243)	(196)
Capital grants from DfE and other capital income	(256,414)	(32,657)
Defined benefit pension scheme cost less contributions payable	508,000	331,000
Defined benefit pension scheme finance cost	77,000	57,000
Increase in debtors	(39,073)	(85,848)
Increase in creditors	621,572	127,865
Net cash provided by operating activities	<u><u>625,252</u></u>	<u><u>592,511</u></u>

18. Cash flows from financing activities

	2022 £	2021 £
Repayments of finance leases	<u>(24,159)</u>	<u>(24,159)</u>

19. Cash flows from investing activities

	2022 £	2021 £
Interest receivable	243	196
Purchase of tangible fixed assets	(93,937)	(253,740)
Capital grants from DfE Group	256,414	32,657
Net cash provided by/(used in) investing activities	<u><u>162,720</u></u>	<u><u>(220,887)</u></u>

20. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand and at bank	<u><u>2,421,713</u></u>	<u><u>1,657,900</u></u>

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21. Analysis of changes in net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash at bank and in hand	1,657,900	763,813	2,421,713
	<u>1,657,900</u>	<u>763,813</u>	<u>2,421,713</u>

22. 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 Northamptonshire County Council. Both are multi-employer defined benefit schemes.

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

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

Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

The Teachers' Pension Budgeting and Valuation Account

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

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

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £1,088,133 (2021 - £1,027,549).

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 2022 was £310,000 (2021 - £312,000), of which employer's contributions totalled £234,000 (2021 - £237,000) and employees' contributions totalled £76,000 (2021 - £75,000). The agreed contribution rates for future years are 23.6 per cent for employers and 12.5 per cent for employees.

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

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

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22. Pension commitments (continued)**Principal actuarial assumptions**

	2022	2021
	%	%
Rate of increase in salaries	3.55	3.40
Rate of increase for pensions in payment/inflation	3.05	2.90
Discount rate for scheme liabilities	4.25	1.65
Commutation of pensions to lump sums	50.00	50.00

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

	2022	2021
	Years	Years
Retiring today		
Males	21.7	21.7
Females	24.1	24.1
Retiring in 20 years		
Males	22.8	22.8
Females	25.8	25.8

Sensitivity analysis

	2022	2021
	£000	£000
Discount rate +0.1%	141,000	246,000
Discount rate -0.1%	(141,000)	(246,000)
Mortality assumption - 1 year increase	225,000	384,000
Mortality assumption - 1 year decrease	(225,000)	(384,000)
CPI rate +0.1%	135,000	231,000
CPI rate -0.1%	(135,000)	(231,000)

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22. Pension commitments (continued)

Share of scheme assets

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

	At 31 August 2022 £	At 31 August 2021 £
Equities	3,473,000	3,443,000
Bonds	805,000	1,028,000
Property	705,000	617,000
Cash	50,000	51,000
Total market value of assets	5,033,000	5,139,000

The actual return on scheme assets was £(341,000) (2021 - £828,000).

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

	2022 £	2021 £
Current service cost	(742,000)	(568,000)
Interest income	87,000	71,000
Interest cost	(164,000)	(128,000)
Total amount recognised in the Statement of Financial Activities	(819,000)	(625,000)

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

	2022 £	2021 £
At 1 September	9,598,000	7,251,000
Interest cost	164,000	128,000
Employee contributions	76,000	75,000
Actuarial (gains)/losses	(4,875,000)	1,639,000
Benefits paid	(74,000)	(63,000)
Current service cost	742,000	568,000
At 31 August	5,631,000	9,598,000

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22. Pension commitments (continued)

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

	2022 £	2021 £
At 1 September	5,139,000	4,062,000
Return on plan assets (excluding net interest on the net defined pension liability)	87,000	71,000
Actuarial (losses)/gains	(428,000)	757,000
Employer contributions	234,000	237,000
Employee contributions	76,000	75,000
Benefits paid	(74,000)	(63,000)
At 31 August	5,034,000	5,139,000

	2022 £	2021 £
Total remeasurements recognised in Other Comprehensive Income:		
Changes in financial assumptions	4,865,000	(1,616,000)
Changes in demographic assumptions	27,000	(130,000)
Other experience	(17,000)	107,000
Return on assets excluding amounts included in net interest	(428,000)	757,000
	4,447,000	(882,000)

	2022 £	2021 £
The amounts recognised in the balance sheet are:		
Closing fair value of scheme assets	5,034,000	5,139,000
Closing defined benefit obligation	(5,631,000)	(9,598,000)
	(597,000)	(4,459,000)

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	2022 £	2021 £
Other finance costs		
Interest income on pension scheme assets	87,000	71,000
Interest on pension scheme liabilities	(164,000)	(128,000)
	<u>(77,000)</u>	<u>(57,000)</u>

23. Operating lease commitments

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

	2022 £	2021 £
Amounts payable:		
Within 1 year	<u>24,159</u>	<u>24,159</u>

24. Other financial commitments

The Duston Education Trust is a PFI school (Private Finance Initiative - a procurement method that uses private school sector investment to deliver public sector services). Therefore The Duston Education Trust have a PFI agreement that approximately £457k will be made available each year for the services provided. Based on an expected inflationary rate of 2.5% (2021: 2.5%) per year the commitment is expected to be:

	2022 £	2021 £
Within 1 year	721,671	681,694
Between 1 and 5 years	2,886,686	2,726,776
After more than 5 years	7,216,714	7,498,634
	<u>10,825,071</u>	<u>10,907,104</u>

25. Members' liability

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

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26. 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.

Mr J McCann, Trustee of The Duston Education Trust, is a director of Inclusion Quality Mark (UK) Limited. During the year Inclusion Quality Mark (UK) Limited invoiced the Duston Education Trust for an inclusion review, amount to £1,139 (2021: £1,075).

No other related party transactions took place in the period of account, other than certain Trustees' remuneration and expenses already disclosed in note 10.

27. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the trust received £11,942 (2021: £15,529) and disbursed £13,536 (2021: £18,368) from the fund. An amount of £7,989 (2021: £9,583) is included in other creditors relating to undistributed funds that is repayable to the ESFA.