

**Company Registration Number: 09440033 (England and Wales)**

**Future Generation Trust  
(A Company Limited by Guarantee)  
Annual Report and Financial Statements  
Year Ended 31 August 2023**

**Future Generation Trust**

**Annual Report and Financial Statements**  
**Year Ended 31 August 2023**

<b>Contents</b>	<b>Page</b>
Reference and Administrative Details	1 to 2
Trustees' Report	3 to 11
Governance Statement	12 to 16
Statement on Regularity, Propriety and Compliance	17
Statement of Trustees' Responsibilities	18
Independent Auditor's Report to the Members	19 to 20
Independent Reporting Accountant's Assurance Report on Regularity	21
Statement of Financial Activities incorporating Income & Expenditure Account	22
Balance Sheet	23
Statement of Cash Flows	24
Notes to the Financial Statements	25 to 42

**Future Generation Trust**

**Reference and Administrative Details**

**Year Ended 31 August 2023**

Members	F Dale R Grinsted P Bishop (resigned 07/09/22) S Davenport S Maxfield (appointed 15/03/22)
Trustees/Directors	S Ayres L Bowen (appointed 29/09/22) N Boys F Dale (Chair) P Farrow J Macey C Martin H Southern C Steel M Whitehouse P Woodhead (Vice Chair)
Principal and Registered Office	St John's Primary Academy Hobnock Road Essington Wolverhampton United Kingdom WV112RF
Company Registration Number	09440033 (England and Wales)
Senior Leadership Team	
• Chief Executive Officer	S Ayres
• Chief Financial Officer	J Burns
• Headteacher (St John's Primary Academy)	J McMullan
• Headteacher (Gentleshaw Primary Academy)	G Saunders (previously Parsons)
• Headteacher (St Peter's CE Primary Academy)	W Stevens
• Headteacher (Etching Hill CE Primary Academy)	M Smith
• Headteacher (Moat Hall Primary Academy)	J King

**Future Generation Trust**

**Reference and Administrative Details**  
**Year Ended 31 August 2023**

Independent Auditor	Cooper Parry Group Limited Cubo Birmingham Office 401 4th Floor Two Chamberlain Square B3 3AX
Bank	Lloyds Bank PLC Queen Street Wolverhampton BX1 1LT
Solicitors	Browne Jacobson LLP Victoria Square House Victoria Square Birmingham B2 4BU
<b>Directory of academies</b>	
St John's Primary Academy	Hobnock Road Essington Wolverhampton WV11 2RF
Gentleshaw Primary Academy	Darlings Lane Gentleshaw Rugeley WS15 4LY
St Peter's CE Primary Academy	Reservoir Road Hednesford Cannock WS12 1BE
Etching Hill CE Primary Academy	Penk Drive North Etching Hill Rugeley WS15 2XY
Moat Hall Primary Academy	John's Lane Great Wyrley Walsall WS6 6BX

## **Future Generation Trust**

### **Trustees' Report** **Year Ended 31 August 2023**

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

The Trust operates five primary academies for pupils aged 3 to 11 serving a catchment area in Essington, Gentleshaw, Hednesford, Etching Hill and Great Wyrley. Its academies have a combined pupil roll of 1,853 pupils in the Autumn 23 school census for Reception to year 6 children. All academies also offer a popular funded nursery and pre-school service for 2 and 3 year old children which is in addition to the statutory provision.

#### **Organisation overview and current position**

During 2022/23 the structure of Future Generation Trust (FGT) has remained stable as a sponsored Academy with a structure of Members and Trustees above the Local Governing Bodies. The Trust has a strong team of Trustees/Directors with a broad skill set. The Trust is in an excellent position to expand in a controlled and effective manner.

There has been a change in 1 Member during the year with a current vacancy at the time of the report. The Members are fully committed to the Trust and have a wealth of experience to enable them to fulfil their responsibilities.

At Trustee level we are building a balanced team of people who have the necessary skill set and expertise to adequately support effective practice. During the 2022/23 academic year the ICT lead was recruited and the addition of this specific skill will enhance the Trust Board and improve overall capacity.

Future Generation Trust is committed to a controlled journey of sustainable and effective growth towards establishing a team of ten Good or Outstanding Primary Academies. In December 2022, St Peter's CE Primary Academy achieved a Good outcome from the Ofsted visit and in January 2023 St John's Primary Academy achieved a Good outcome with 4 Outstanding areas. We believe the model the Trust is promoting is an attractive proposition to Staffordshire schools who are looking to convert.

#### **Structure, Governance and Management** **Constitution**

Future Generation Trust (the 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 Trust.

The Members act as the Trustees for the charitable activities of Future Generation Trust with Trustees/Directors who report to the Members of the charitable company for the purposes of company law. The charitable company is known as Future Generation Trust.

Details of the Members and Trustees who served throughout the year are included in the reference and administrative details on page 1.

#### **Members' Liability**

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

#### **Trustees' Indemnities**

In accordance with the normal commercial practice the Trust has purchased insurance to protect its Members, Trustees/Directors, academy representatives and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The Risk Protection Arrangement (RPA) provides up to £10 million (2022: up to £10 million) in aggregate claims.

#### **Principal Activities**

The principal activities of the Trust are as set out in its Articles of Association namely:

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- Academies other than those designated Church of England, whether with or without a designated religious character; and
- Church of England academies designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship, and in having regard to any advice and following any directives issued by the Diocesan Board of Education, but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

## **Future Generation Trust**

### **Trustees' Report** **Year Ended 31 August 2023**

#### **Method of Recruitment and Appointment or Election of Trustees**

The Directors of the Company comprise: (Article 12)

- (a) The signatories to the Memorandum;
- (b) CECET acting corporately by hand of its Director;
- (c) The Chair of the Directors;
- (d) The Vice Chair of the Directors; and
- (e) Any person appointed under any of Articles 16, 16A or 16B

The Members with the written consent of the Diocesan Board of Education may agree by passing a special resolution in writing to appoint such additional Members as they think fit. (Article 16).

When appointing new Trustees, the Board of Trustees will give consideration to the skills and experience mix of existing Trustees in order to ensure the Board of Trustees has the necessary skills to contribute fully to the Trust's ongoing development.

The appointment of an Academy's Local Governing Body is detailed in the Terms of Reference of which the Trust Board elects the Chair. With regards to the appointment of parent governors, procedures are in place for their nomination, election and appointment.

#### **Policies and Procedures Adopted for the Induction and Training of Trustees**

Trustees bring a variety of experience from a number of different backgrounds in education, industry and commerce. The training and induction provided for new Trustees will depend upon their existing experience. Those coming via a role with a local governing body will receive governor training. Where necessary additional training will be provided on charity, educational, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents they will need to undertake their role as Trustees. Assistance and advice is always available from Trust staff or professional advisors. Regular training sessions are offered by the Trust, the Local Authority and appropriate professional bodies.

#### **Organisational Structure**

Future Generation Trust has, as at 31 August 2023, five Academies within its Trust; St John's Primary Academy, Gentleshaw Primary Academy, St Peter's CE Primary Academy, Etching Hill CE Primary Academy and Moat Hall Primary Academy.

The Trustees of the Trust Board meet at least 6 times a year to discuss the strategic management and development of the Trust. The Trustees approve all strategic decisions within the Trust and each Academy.

The Board of Trustees establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of Committees of the Board of Trustees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings and through direct reporting from the elected Chair of each Committee. The Board of Trustees may from time to time establish working groups to perform specific tasks over a limited timescale.

There are three Committees of the Board of Trustees as follows:

- Audit and Risk Committee
- Finance and Resources Committee
- Curriculum Committee

Each Committee has its own terms of reference detailing the responsibilities discharged to it.

The Academy Governors of the Local Governing Body and the respective committees meet at least once each term to discuss the specific relevant and strategic matters of the Academy. Each committee has Terms of Reference detailing their roles and responsibilities.

As of 1 September 2023, Future Generation Trust has a 0.8FTE CEO/Accounting Officer who leads the Central Team that composes of a 0.4FTE Director of Education; a full time Director of Finance; a full time Head of Estates; and a full time Head of Governance and Administration. This team oversee all aspects of Trust's reporting and support staff within the individual academies. Each academy functions with a headteacher, an appropriately-sized leadership team and administrative support on site. They are responsible for the day-to-day organisation of the academy and delivering Trust policies.

## **Future Generation Trust**

### **Trustees' Report** **Year Ended 31 August 2023**

#### **Organisational Structure - continued**

The CEO oversees individual academy improvement plans and supports initiatives within each academy. They also provide advice and guidance while holding individual headteachers to account. The CEO also co-ordinates all joint initiatives across the academies which include training events and the contributions of specialist teachers. They also chair the Headteacher Board which meets at least termly.

The objectives of the Schemes of Delegation are to ensure that:

- the exercise of delegated powers and functions occur at the correct level of the corporate governance structure;
- the process of delegating powers or functions is clear, open and transparent;
- the lines of accountability for the exercise of powers or functions are clearly understood by those it is delegated to.

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

The Trustees of the Trust Board do not currently receive any remuneration for their services to the Trust in their capacity. The pay and remuneration of key management personnel of each Academy is the responsibility of the Trust's Pay Committee, with annual performance appraisals being presented, and where applicable, feedback from the Local Governing Body's. The parameters and criteria used in setting the pay are the scales provided by the Local Authority for Teaching and Support Staff.

#### **Trade Union Facility Time**

##### **Relevant union officials**

<b>Number of employees who were relevant union officials during the relevant period</b>	<b>Full-time equivalent employee number</b>
None	None

##### **Percentage of time spent on facility time**

<b>Percentage of time</b>	<b>Number of employees</b>
0%	None
1%-50%	None
51%-99%	None
100%	None

##### **Percentage of pay bill spent on facility time**

Provide the total cost of facility time	None
Provide the total pay bill	As accounts
Provide the percentage of the total pay bill spent on facility time	0%

##### **Paid trade union activities**

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as:	None
--	------

#### **Related Parties and other Connected Charities and Organisations**

There are no related parties or connected organisations which either control or significantly influence the decisions and operations of the Trust.

Future Generation Trust was incorporated on 13 February 2015 as a Multi-Academy Trust with one academy, St. John's Primary Academy, converting to academy status on 1 March 2015 from St John's CE (C) Primary School.

During the 2016/17 academic year the Trust applied for and successfully gained approval from the Regional School's Commissioner to become a Sponsored Trust. The relevant structural alterations were made at Member and Trustee level to accommodate this change in status and meet Department for Education requirements.

## Future Generation Trust

### Trustees' Report Year Ended 31 August 2023

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

In March 2022 and 2023 FGT initiated a wide-ranging Employee Engagement Survey for all employees across our organisation. Approximately half of the total workforce responded on both occasions, and the results were analysed in great depth. The findings were almost exclusively positive, highlighted by the significant Employee Net Promoter Score (eNPS) of 63.9 and 58.8 respectively, which equates to excellent on the national scale. The scrutiny of the responses further allowed the trust to identify specific issues and rectify the situation with minor adjustments to practice. This was in turn communicated to all employees through a 'You said, We did' approach. These initial Employee Engagement Surveys provides a valuable reference to benchmark levels of response when it is repeated in the future.

#### **Objectives and Activities**

##### **Objects and Aims**

The principal object of Future Generation Trust as set out in its Articles of Association is specifically restricted to the following:

*To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.*

The profile of St. John's Primary Academy is as follows:

St John's provides education for 3 to 11 year-old pupils. The curriculum is broad and balanced with an emphasis on developing the basic core skills of Literacy and Numeracy. The Academy predominantly draws pupils from the village of Essington and the surrounding areas including Willenhall and Short Heath.

The profile of Gentleshaw Primary Academy is as follows:

Gentleshaw now provides education for 3 to 11 year-old pupils. The curriculum is broad and balanced with an emphasis on developing the basic core skills of Literacy and Numeracy. The Academy predominantly draws pupils from the villages of Cannock Wood and the surrounding areas including Burntwood.

The profile of St Peter's CE Primary Academy is as follows:

St Peter's provides education for 3 to 11 year-old pupils. The curriculum is broad and balanced with an emphasis on developing the basic core skills of Literacy and Numeracy. The Academy predominantly draws pupils from the town of Hednesford and the surrounding areas.

The profile of Etching Hill CE Primary Academy is as follows:

Etching Hill provides education for 3 to 11 year-old pupils. The curriculum is broad and balanced with an emphasis on developing the basic core skills of Literacy and Numeracy. The Academy predominantly draws pupils from the village of Etching Hill and Rugeley.

The profile of Moat Primary Academy is as follows:

Moat Hall provides education for 3 to 11 year-old pupils. The curriculum is broad and balanced with an emphasis on developing the basic core skills of Literacy and Numeracy. The Academy predominantly draws pupils from Great Wyrley

#### **Objectives, Strategies and Activities**

Future Generation Trust continually strives for excellence.

The strong positive culture creates a climate conducive to learning throughout the academies in the Trust.

This climate promotes the acquisition of valuable life skills while supportive teaching built on a foundation of caring relationships established between staff and pupils leads to high levels of attainment and achievement.

Working with our pupils we aim to:

- Develop confidence, high self-esteem and a love of teaming;
- Promote respect of others and help them understand diversity and value everyone;
- Foster tolerance, resilience, perseverance and independence.



## **Future Generation Trust**

### **Trustees' Report** **Year Ended 31 August 2023**

#### **Public Benefit**

All Academies within the Trust will provide high quality, motivated staff that plan and deliver learning opportunities to meet the needs of all its pupils.

The Academies will provide a bright attractive stimulating environment which is safe, warm and dry. The success of the Trust is not only based on teaching and learning but also the environment that the children work in. The Trust will have an ongoing program of facility reviews to ensure that the standards in place are not only maintained but also enhanced.

It will strive to develop strong Christian values in pupils and prepare them for adult lives where they will operate as happy individuals making positive contributions to society.

The sustained high performance of pupils over time in terms of attainment is of significant public benefit.

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

#### **Strategic Report**

##### **Achievements and Performance**

Future Generation Trust continues to evolve and to adapt to the ever-changing educational environment. The Trust is in its 9th year of operation since conversion. The Trust is committed to continual improvement, which is achieved in a number of ways, including improvement planning, review meetings, continual professional development, lesson observations, performance management, self-evaluation, data analysis and action planning.

##### **Key Performance Indicators (KPIs)**

The monthly management accounts and information include KPIs that are both financial and non-financial. These include average teacher cost per pupil, average teacher cost per 1FTE teacher, staff cost percentages of income/expenditure and pupil numbers. All KPIs are shared regularly with Trustees with variances explored, reported and explained.

##### *Ofsted*

During the year ending 31 August 2023, 2 of our academies, St. Peter's and Etching Hill, were considered to be in the Ofsted window for inspection. In the event St Peter's and St John's Primary Academies were in fact inspected by Ofsted who visited in November 2022 and January 2023 respectively. St Peter's maintained their Good rating and St John's achieved Good with 4 Outstanding areas. This success further confirmed that our collaborative approach to school improvement was highly effective and provides a foundation of how we can continue to improve academies as we move forward.

##### **Trust and School Improvement Offer (TSIo)**

The Trust was again involved with the DfE programme for Trust and School Improvement as part of the TSI offer that was available to any school with a current 'requires improvement' (RI) judgement. The DfE believes that strong trusts are the best structure for supporting long-term school improvement and therefore the programme aims to anchor (RI) schools to suitable partners. FGT had previously linked with Flash Ley Primary School and Moat Hall Primary School. The CEO was approached by the Regional Office to work with All Saints C of E (C) Ranton, who are 'twice' RI school. All Saints were particularly receptive to the support offered and the opportunity to work with FGT and this support was delivered by expert teachers and leaders from within FGT. Conversations between the Trust and school were ongoing during the period regarding long term sustainable improvement and the possibility of joining FGT.

## Future Generation Trust

### Trustees' Report Year Ended 31 August 2023

#### Trust Capacity Fund (TCAF)






An application for Trust Capacity Funding was submitted in 2022. As a trust who were anticipating growth, we were able to apply for the fund and with the approved addition of Moat Hall we requested financial support to enhance our Central Team provision. A successful bid attracted significant funding for a planned programme to increase our capacity.

In particular we sought funding for an HR specialist to be recruited to the central team and supplement the work of the current HR partners. A position was created, and a person appointed to work directly with individual academies. We also used funding for a Central Team Finance Support Officer to be seconded to support training and development of staff at new academies.

Funding was used in the area of marketing to second a member of staff from one of the academies to the Central Team to ensure FGT is represented as an attractive employer and an effective, forward-thinking Trust. This brand development was also used to encourage stakeholder engagement. The Lead Governance Professional was provided with current and relevant training funded by the grant. This training further equipped them to deliver the role effectively.

The number of Finance software licenses was increased to facilitate onsite use of the package and additional, remote training arranged. New software to support the collection of individual academy data was purchased to harmonise systems and make the reporting process to Trustees consistent.

#### Academy Performance


											<b>National 2023 (2022 results)</b>
No on roll Yr6	<b>29</b>		<b>51</b>		<b>60</b>		<b>66</b>		<b>59</b>		
	EXP	GDS	EXP	GDS	EXP	GDS	EXP	GDS	EXP	GDS	EXP
Reading	86	45	82	26	70	23	82	32	76	36	73 (-1)
Writing	90	17	83	12	73	7	79	6	83	14	71 (+2)
SPaG	83	45	84	33	73	27	89	53	80	32	72 (=)
Maths	86	17	84	22	80	15	89	32	86	31	73 (+2)
Comb	79	3	69	8	60	3	70	5	71	7	59 (=)

The overall performance of FGT at the end of Key Stage 2 was extremely strong. All academies achieved outcomes that were above the national average in the individual subject areas, with the exception of Moat Hall in Reading. These results demonstrate the high expectations of FGT and the commitment of the Trust to maintaining high academic standards across all academies. It further illustrates the exceptional skill of our teaching complement, and the ongoing development of those teachers through premium quality training and the regular collaborative practices that permeate the Trust.

## Future Generation Trust

### Trustees' Report Year Ended 31 August 2023

#### Key Performance Indicators (KPIs) - continued

 Future Generation Trust	Average % Score 2022	Average % Score 2023
Reading	80	79
Writing	79	81
Spag	79	82
Maths	82	85
Combined	71	70

The Trust average score improved in 3 of the 5 areas, falling by only 1% in the other 2.

#### Collaboration

Collaboration remains a cornerstone of our approach and examples of collaborative practices across the Trust are most evident. At the heart of these procedures remains the Headteacher Board who meet monthly to discuss joint events, influence policy making and share expertise. The importance of this feature in representing Trust culture should not be undervalued. From this shared vision at leadership level, we are able to establish working groups in strategic areas of both teaching and learning and general operations as required.

In the previous 12 months we have maintained collegiate approaches in English, Maths, Science and EYFS while also continuing with support programmes for ECT's, Deputy Head Teachers and Middle Leaders. Newly formed working parties covering Diversity in our academies and the SIAMS requirements of our denominational academies have been created to supplement our existing groups.

A relatively new development has been the engagement with training institutions to allow students to meet all their placement requirements at academies within FGT. This enables our leaders to have a more informed view of students when considering them for employment opportunities once they have qualified. Where a particularly skilled student displays potential we are able to develop stronger relationships with them and provide placements in relevant year groups. In September 2023 one member of staff was appointed after completing their two final placements in FGT academies. A further three students are now completing their second or third placements at FGT academies with the distinct possibility that they will be employed in the Trust for 2024/25.

Collaboration outside of the classroom at pupil level continues to flourish as we strive to provide sporting and cultural experiences. All academies participated in the Year 6, European visit to Paris in March with over 200 pupils in attendance. A full range of sporting events populate the calendar with all academies meeting at least once each half term to compete in a range of sports from cross country to swimming.

#### Operations

The drive towards increased consistency has gathered pace. This move supports the information gathering and sharing process which in turn provides academy leaders with comparative data to help identify potential issues or confirm strong practice. All academies use ScholarPack as the MIS system and this software offers multiple reporting opportunities and all information is readily available to the Central Team. This builds upon the uniform PSF (now IRIS) financial system, BPS budgeting software and the School Money online payment option for parents that the Trust academies use.

Other consistent practice opportunities are being explored with the Evaluate-ed software package that examines self-evaluation and provides a common reporting format. Using this software allows Trustees to consider all academies together using the same terminology and graphics. The administrative and operational support provided by consistent 'best of breed' partners is also being expanded and now includes HR support, Catering consultancy, Legal advice, Buildings condition and Policy compliance.

#### Going Concern

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

## Future Generation Trust

### Trustees' Report Year Ended 31 August 2023

#### **Financial Review**

##### **Financial Performance**

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted. The grants received from the ESFA during the year ended 31 August 2023 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

Key financial policies adopted or reviewed during the period cover Records Management, Whistle Blowing, Health, Safety and Wellbeing and a number of Human Resource policies. The guidance and regulations laid out in the annual Trust Handbook is considered and implemented, as is the Company's Financial Scheme of Delegation.

##### General funds (revenue funds)

Setting aside the pension fund and the fixed asset fund, the underlying position of the Trust's general revenue funds was a surplus of £533K for the year.

At the start of the year, the opening position on the accumulated general funds was a surplus of £1.23M and at the year end the Trust is now carrying forward a cumulative surplus of £1.76M. This is represented by a cumulative surplus on unrestricted general funds of £626K and a cumulative surplus on restricted general funds of £1,141K

The financial impact of the pandemic on self-generated income streams reduced further from the previous year with fees received for childcare and catering increasing near to pre pandemic levels by the end of the year. Further details are shown within the notes to the accounts.

##### Pension deficit fund

The pension deficit 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 the scheme benefits.

The movement on the pension deficit valuation for the year, as notified by the scheme actuary, was a reduction in the deficit of £0.5M, from £0.5M at the beginning of the year to £0.0M at the end of the year. The movement in the year is principally due to actuarial gains of some £0.9M offset by the transfer of a £0.4M relating to Moat Hall Primary when it joined the trust in October 2022. Further details are shown in the notes to the accounts.

##### Fixed assets fund

Capital grant of £126K was received from the DfE in the year and the trust received assets when Moat Hall Primary joined the trust to the value of £5M. Overall, the shortfall on the capital grant obtained versus the total capital expenditure incurred in the year was met by a transfer of £133K from General Funds.

After charging depreciation for the year of £319K, the fixed asset fund balance increased overall by £4M, from £10.4M at the beginning of the year to £14.4M at the end of the year.

##### **Reserves Policy**

The Trust's policy on reserves is to maintain sufficient reserves to enable the Trust to operate effectively in what is becoming a less certain economic and funding environment, to address any current year shortfall in funding, or to use them in the on-going investment in the Trust's estate, subject to satisfying terms and conditions of the grant funding.

The Trust will always ensure to stay within the ESFA guidelines on levels and appropriate use of reserves.

A minimum target level for reserves is considered as one month's salary cost for the Trust and the building up of reserves for capital spend on the estate is maintained. The Trust Board monitors the cashflow to a very granular level and therefore when it is appropriate to consider reserves this will be implemented efficiently.

##### **Investment Policy**

The Board is committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risks and will develop an Investment and Treasury Management Policy, when considered appropriate. At present an agreed level of surplus funds are held in 32-day deposit or fixed term deposit accounts. During the year the Trustees have requested the investing of funds in fixed term deposit accounts of ethical banks.

## Future Generation Trust

### Trustees' Report Year Ended 31 August 2023

#### **Principal Risks and Uncertainties**

The Board of Trustees has assessed the major risks to which the trust is exposed and these are summarised in the trust's Risk Register. The Board of Trustees have implemented a number of systems to assess risks that the Trust faces, focusing on operational areas (e.g. in relation to teaching, health and safety and safeguarding), in the control of finance and the impact they have on the estate to ensure it is safe, well maintained and complies with relevant regulations. They have introduced mitigating controls, including operational procedures and internal financial controls in order to minimise risk. The Trustees have introduced the 3 lines of defence approach into the consideration and recording of risks. Where significant financial risk still remains they have ensured they have adequate insurance cover.

**The key risks identified in the Trust's Risk Register and mitigating controls are as follows:**

<b>Risk</b>	<b>Mitigating controls</b>
Computer systems requiring replacement or hit by virus / hacked / data corruption	Secure servers and adequate back up procedures are in place with regular testing. Review potential improvements within ICT and cloud based server option. Prepare and implement Cyber Response Plan at each academy. Review Cyber Security policy. GDPR legislation adhered to.
Salary, pension and other staff costs increase due to advised pay awards and changes in legislation	Ensure awareness of Government salary pay award recommendations and changes in Employers National Insurance and Pension legislation. Actively seek information to allow planning for any changes in advance.
Fail to continuously recruit suitably trained staff and ensure ongoing development / succession plans across the individual academies in all operational departments and the Central Team.	Advertise positions using a variety of sources to attract a competitive field. Safer recruitment training.  Robust recruitment procedures – shortlisting, interviewing, observations of teaching staff prior to appointment. Development of current staff within the trust using training, regular staff meetings, forums and focus on middle leader progression.  Recruitment for succession planning within Leadership, academies and Central Team.
Mobile classrooms at Etching Hill failing to provide safe, warm and dry learning environments that match sufficiently the condition of other classrooms in the Trust.	Continue to register the connection between of high quality learning environments and pupil attainment with Governors and Trustees.  Plans for the replacement of Etching Hill mobiles to use the academy reserves and CIL grant awarded. Instruct an architect to ensure all building regulations are met, tender the project appropriately and select a reputable contractor to build the classrooms to the required specification.

#### Estates Management

The Trust Board has approved an Estates Strategy and Asset Management Plan which sets out strategic priorities as well as how the MAT will deliver safe, effective and efficient buildings.

- FGT has adopted a risk led approach to prioritising future capital improvements which are detailed in academy specific Asset Development Plans.
- The Central Team has oversight of statutory compliance and health & safety across the MAT. Termly internal audits are undertaken at each academy and the findings are reported to the Audit & Risk Committee along with a position statement on the trust wide Premises Compliance Tracker.
- A Premises and H&S Working Group, which includes a link trustee, meets every half term. Sustainability and energy efficiency are the key drivers for the improvement projects that are being implemented by the group.

#### **Fundraising**

The Trust raises money for nationally recognised charities including Children in Need, Sport Relief and Comic Relief as and when they arise in the calendar, in addition to supporting the local churches and communities.

#### **Plans for Future Periods**

The Trust will focus upon the following areas in the immediate future:

- **Expansion**

Trustees are committed to growing the Trust. The strong performance of the academies demonstrates the effectiveness of the leadership of the Central Team and provides confidence in our ability to develop and improve schools. There is also an understanding that it is essential that any additional schools are aligned with the values and principles that the Trust holds.

## Future Generation Trust

### Trustees' Report Year Ended 31 August 2023

#### **Plans for Future Periods - continued**

Discussions with a number of schools are taking place and it is highly likely that at least one of these will result in an application being made to join FGT. The CEO is also leading a Trust and School Improvement Offer with an under performing Local Authority school who the Regional Office are directing towards academisation. The school has some potential and could be a suitable acquisition.

- **Central Team**

Plans to expand and develop the Central Team are in place. Support provided by the TCaF has provided valuable experience and the team will continue to increase levels of support for our academies across a wide range of areas. The Team will continue the move from simply being operational to focus more upon developing practices, researching new procedures for academies and leading initiatives as the capacity increases.

The growth of the Central Team will include specific roles for leading Safeguarding, SEN and pastoral support. Other positions to address the IT needs of the academies will also be introduced.

- **Financial Management**

Robust financial management remains at the heart of our operation. Systems that allow greater scrutiny of individual academy procedures will continue to be developed. There will be a focus upon staff training and the strengthening of the partnership between individual academy finance staff and the Central Finance Team. There will also be a drive towards increasing capacity, particularly with a view to providing direct support at academy level when the need arises.

- **Director of Education**

The Director of Education role will be embedded with a view to increasing the FTE in the future. A clear remit will be developed and the partnership with the CEO and Director of Finance firmly established. The role will include responsibility for School Improvement, Curriculum Development and Headteacher Performance Management. The Director of Education will work closely, where required with subject groups and support with training activities for teachers.

- **Etching Hill Mobile Buildings**

A CIL grant has been awarded for the building work at Etching Hill to replace the mobile classrooms and reserves of the academy will match the amount to secure an extensive building programme commences at the academy in the 2023-24 academic year.

#### **Funds Held as Custodian Trustee on Behalf of Others**

The Trust does not hold such funds and does not act as the custodian trustees of any other charity.

#### **Auditor**

In so far as the Trustees are aware:

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

The audit business of Haines Watts Birmingham LLP was acquired by Cooper Parry Group Limited on 14 November 2023. Haines Watts Birmingham LLP has resigned as auditor and Cooper Parry Group Limited has been appointed in its place.

The auditors, Cooper Parry Group Limited, will be proposed for reappointment.

This report, incorporating a Strategic Report, was approved by order of the Board of Trustees on 14 December 2023 and signed on their behalf by:



F Dale  
Chair of Trustees

## Future Generation Trust

### Governance Statement Year Ended 31 August 2023

#### **Scope of Responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Future Generation Trust has an effective and appropriate system of control, financial and otherwise. Such a system is, however, 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 Chief Executive 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 Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees and material weaknesses or breakdowns in internal control.

#### **Governance**

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Trustees has formally met six times during the period.

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

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
F Dale (Chair)	6	6
P Woodhead (Vice-Chair)	4	6
J Macey	6	6
S Ayres	6	6
H Southern	5	6
M Whitehouse	4	6
P Farrow	2	6
C Martin	3	6
C Steel	5	6
N Boys	3	6
L Bowen (appointed 29 September 22)	4	6

The Board of Trustees reviewed the Trust's governance structure during the year to evaluate its impact and effectiveness. The Board has a wide range of skills that contribute to the successful governance of the Trust and are satisfied that the current structure in place is appropriate and effective for the Trust.

#### **External Review of Governance**

The West Midlands Regional Delivery Directorate commissioned an external review of Governance during 2022. The final report was extremely positive as illustrated by the following comment from the summary:

*"This is a highly effective board of trustees, which is carrying out its core governance responsibilities"*

Other key findings included:

- *The trust has a clear vision, ethos, and strategic direction, with the 'Strategy Wheel' outlining a clear pathway to achieving its goals by capturing a clear set of actions, aims and objectives.*
- *There are clear lines of accountability for the CEO, as well as the wider trust leadership for school performance.*
- *Clear and consistent financial procedures and management systems are in place.*
- *The board have a dynamic and broad range of skill sets who bring a diversity of thought to discussions. They constantly reflect, review and refine practices and performance.*

It was further noted that:

*Growing the trust will provide increased long-term security and it has been clearly demonstrated that horizon scanning is a key strength of the trust, which continuously refines and improves processes and procedures across all operational and educational areas. Based on these findings the trust is in a strong position to expand as part of their growth strategy."*

#### **Conflicts of Interest**

The Trust has a process in place to ensure that all Trustees declare any potential conflicts of interest whether business, financial or otherwise. These are collated on a register, published on the trust's website and reviewed annually. The entries are considered during any decision-making process. There is an agenda item at all committee meetings to encourage any declarations of interest on the content of the meeting.

## Future Generation Trust

### Governance Statement Year Ended 31 August 2023

#### **Governance Reviews**

All levels of Governance complete the skills matrix showing any areas of development or lack of expertise for both Board of Trustees and at Academy Local Governing Bodies. The summary outcomes of such reviews are discussed at Board and Academy level and appropriate actions put in place to address any shortfalls. For example, areas highlighted for further development for procurement training are discussed and the most appropriate ways to address such gaps considered. It has been identified that additional Governor training is to be offered across the Trust.

The Finance and Resources Committee is a sub-committee of the main board of directors. Its purpose is to:

- Consider the best means of fulfilling the Trust's responsibility to ensure sound management of the Trust and Academy finances and resources, including proper planning, monitoring and probity;
- Receive reports from members of Academy staff about matters relating to any of the issues listed in their terms of reference;
- Scrutinise the Trust and Academy budgets and finance, health and safety, staffing and estates arrangements;

Attendance during the year at meetings was as follows:

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
J Macey (Chair)	4	4
M Whitehouse	4	4
S Ayres	4	4
C Martin	4	4

The Audit and Risk Committee is a sub-committee of the main board of trustees and its purpose is to:

- Receive reports from members of the Central Team and Academy staff about matters relating to any of the issues listed in their terms of reference;
- Oversee all risks both financial and non-financial;
- Scrutinise all matters relating to estates management and cyber security;
- Deal with all matters relating to auditing, internal scrutiny, finance and risk management that may be referred by the Board of Trustees or Central Team.

Attendance during the year at meetings was as follows:

<b>Trustee/Director</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
P Farrow (Chair)	3	3
C Steel	3	3
L Bowen	3	3

#### **Review of Value for Money**

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

The Accounting Officer considers how the 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 Trust has delivered improved value for money during the year by:

#### **HR**

Funding from the TCaf allowed the Central Team to recruit a temporary HR specialist. The administrative assistant was employed to complete extensive work on policy provision and in particular transfer existing Local Authority policies to FGT versions that are bespoke and meet the needs of the Trust. Employing the HR assistant was more cost effective than employing an HR company to complete the task at Service Level Agreement (SLR), day rate.

The HR assistant also completed a detailed tendering exercise with a wide range of HR providers for a SLA to deliver the HR consultant requirements of the Trust. The analysis of costs revealed that the current provider was the most competitively priced and Trustees made the decision to retain their services when presented with all the relevant information.



## Future Generation Trust

### Governance Statement Year Ended 31 August 2023

#### **Catering Support**

The Trust Central Team had identified CMC as the preferred partner to deliver support to catering departments in our academies. It was also arranged for Moat Hall Primary to move from their historical provider to CMC when they joined FGT as had previously been implemented at other academies as they were integrated into the trust. This approach had provided consistency across our academies but had also resulted in a variance of contracts, in terms of both discounted rates that were in place and the end dates of those contracts.

Negotiations were initiated with the company to rectify this position and harmonise contracts. These discussions delivered an agreement of all academies receiving the same discounted rate, that was lower than was in place. The discussions further provided the opportunity to secure the contracts that all expire simultaneously. This will enable FGT to negotiate a preferential agreement for all academies at the same time again. CMC have now delivered a service that was highly valued by each of our academies for several years at a competitive price and our agreement now secures this quality of service at a 'value for money' price for the immediate future.

#### **Project Management**

The knowledge, expertise, and experience in the central team has allowed academies to confidently undertake minor building improvements without the need to engage with an external project manager. This has saved considerable professional fees without compromising upon the quality of the completed project and all compliance considerations.

#### **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 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 is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Future Generation Trust for the period 1 September 2022 to 31 August 2023 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

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

#### **The Risk and Control Framework**

The 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 reviews which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance and Resources committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees considered the need for a specific internal audit function and MLG Education Services Limited have carried out this role throughout the reporting period. This option has been chosen because it employs a third party audit firm to scrutinise the internal processes, systems and procedures of the trust; being a different audit firm to the external auditor.

## Future Generation Trust

### Governance Statement Year Ended 31 August 2023

#### **The Risk and Control Framework - continued**

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

- Energy and Contracts:
  - How the Trust monitored utility consumption at each academy – electricity, gas, water and oil
  - Controls that are in place for costs of utilities are controlled at each academy
  - Contracts register
- Finance and Procurement
  - Ordering, deliveries and invoice processing at the academies
  - Central Team processing and coding of invoices
  - Supplier payments
  - Procurement cards
  - VAT claims
- Review the "Must" areas of the Academies Financial Handbook
- External management letter review

During the year an internal Premise and Health and Safety review was formally carried out by the Head of Estates in the central team and the findings were included at the Audit and Risk committee meeting.

On a regular basis, the internal auditor reports to the Board of Directors, through the Audit and Risk committee on the operation of the systems of control and on the discharge of the Board of Directors' financial responsibilities. On an annual basis the internal auditor prepare a summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. The internal auditor has delivered their schedule of works.

As the Trust's growth plans for 2023/24 may result in academies joining the Trust the Board has a Trustee with specific skills aligned to Risk and Audit to ensure that this area has internal expertise to oversee the framework and to take an active role in the ongoing development.

#### **Review of Effectiveness**

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

- the work of the internal auditor;
- the work of the external auditor;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Audit and Risk 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 on 14 December 2023 and signed on its behalf by:



F Dale  
Chair of Trustees



S Ayres  
Accounting Officer

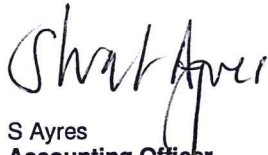
**Future Generation Trust**

**Statement on Regularity, Propriety and Compliance**  
**Year Ended 31 August 2023**

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

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

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



S Ayres  
**Accounting Officer**

14 December 2023

## Future Generation Trust

### Statement of Trustees' Responsibilities Year Ended 31 August 2023

The Directors (who act as Trustees of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report (including the Strategic Report and Directors' Report) and the financial statements in accordance with the Annual 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 in the Charities SORP 2019 and the Academies Accounts Direction 2022 to 2023;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the ESFA and the 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 Board of Trustees on 14 December 2023 and signed on its behalf by:



F Dale  
Chair of Trustees

**Report of the Independent Auditors to the Members of  
Future Generation Trust**

**Opinion**

We have audited the financial statements of Future Generation Trust (the 'charitable company') for the year ended 31 August 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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) and the Accounts Direction 2022 to 2023 issued by the Education and Skills Funding Agency (ESFA).

In our opinion the financial statements:

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

**Basis for opinion**

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

**Conclusions relating to going concern**

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

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

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

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

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

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where 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.

**Report of the Independent Auditors to the Members of  
Future Generation Trust**

**Responsibilities of Trustees**

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

**Our 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 a Report of the Independent Auditors 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:

We obtained an understanding of the legal and regulatory framework applicable to both the charitable company itself and the sector in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the Trustees and other management. The most significant were identified as the Companies Act 2006, the Charities Act 2011, the Charities SORP (FRS102) and the Accounts Direction and Academy Trust Handbook issued by the ESFA.

We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- making enquires of management and Trustees as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the design effectiveness of the controls in place to prevent and detect fraud;
- assessing the risk of management override including identifying and testing journal entries;
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Whilst our audit did not identify any significant matters relating to the detection of irregularities including fraud, and despite the audit being planned and conducted in accordance with ISAs (UK), there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity would likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

**Use of our report**

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



Nichola Venables (Senior Statutory Auditor)  
for and on behalf of Cooper Parry Group Limited  
Cubo Birmingham  
Office 401, 4<sup>th</sup> Floor  
Two Chamberlain Square  
B3 3AX

15 December 2023

**Independent Reporting Accountant's Assurance Report on Regularity to  
Future Generation Trust and the Education and Skills Funding Agency**

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

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

**Respective responsibilities of Future Generation Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Future Generation Trust's funding agreement with the Secretary of State for Education dated 26 February 2015 and the Academy Trust Handbook, extant from 1 September 2022, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2022 to 2023 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety across the academy trust's activities;
- A review of governance procedures;
- A review of financial budgeting and monitoring procedures;
- A review of related/ connected party transactions in accordance with internal processes and the Academy Trust Handbook;
- A review and sample testing of internal financial controls; and
- A review and sample testing of procurement procedures.

**Conclusion**

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



Cooper Parry Group Limited  
Reporting Accountant Cubo Birmingham  
Office 401, 4<sup>th</sup> Floor  
Two Chamberlain Square  
B3 3AX

15 December 2023

**Future Generation Trust**

**Statement of Financial Activities**  
**For the year ended 31 August 2023**

	Note	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2022/23 Total funds £'000	2021/22 Total funds £'000
<b>Income and endowments from</b>						
Donations and capital grants	2	32	-	126	158	604
Transfer on conversion		204	(406)	5,055	4,853	-
Charitable activities						
- Funding for the Academy Trust's educational operations	3	358	10,353	-	10,711	8,145
Other trading activities	4	499	-	-	499	423
Investment income		20	-	-	20	1
<b>Total income</b>		<b>1,113</b>	<b>9,947</b>	<b>5,181</b>	<b>16,241</b>	<b>9,173</b>
<b>Expenditure on</b>						
Raising funds	5	-	-	-	-	-
Charitable activities						
- Academy Trust's Educational operations	5	707	10,149	319	11,175	9,104
Other expenditure		-	-	-	-	-
<b>Total expenditure</b>		<b>707</b>	<b>10,149</b>	<b>319</b>	<b>11,175</b>	<b>9,104</b>
<b>Net income/(expenditure)</b>		<b>406</b>	<b>(202)</b>	<b>4,862</b>	<b>5,066</b>	<b>69</b>
Transfers between funds		-	(133)	133	-	-
<b>Other recognised gains/ (losses):</b>						
Actuarial gains/ (losses) on defined benefit pension schemes		-	983	-	983	5,370
<b>Net movement in funds</b>		<b>406</b>	<b>648</b>	<b>4,995</b>	<b>6,049</b>	<b>5,439</b>
<b>Reconciliation of funds</b>						
<b>Total funds brought forward</b>		<b>220</b>	<b>493</b>	<b>10,355</b>	<b>11,068</b>	<b>5,629</b>
<b>Total funds carried forward</b>		<b>626</b>	<b>1,141</b>	<b>15,350</b>	<b>17,117</b>	<b>11,068</b>

The notes on pages 25 to 42 form part of these financial statements.



**Future Generation Trust**  
**Balance Sheet**  
**For the year ended 31 August 2023**

	Note	2023 £'000	2022 £'000
<b>Fixed assets</b>			
Tangible fixed assets	12	15,563	10,507
<b>Current assets</b>			
Stock	13	21	17
Debtors	14	340	413
Cash at bank		2,755	1,942
		<u>3,116</u>	<u>2,372</u>
<b>Creditors</b>			
Amounts falling due within one year	15	(1,435)	(1,159)
		<u>1,681</u>	<u>1,213</u>
<b>Net current assets</b>		<u>1,681</u>	<u>1,213</u>
<b>Total assets less current liabilities</b>		17,244	11,720
Creditors: amounts falling due after more than one year	16	(127)	(131)
		<u>17,117</u>	<u>11,589</u>
<b>Net assets excluding pension liability</b>		<u>17,117</u>	<u>11,589</u>
<b>Pension liability</b>	20	-	(521)
		<u>17,117</u>	<u>11,068</u>
<b>Total Net assets</b>		<u>17,117</u>	<u>11,068</u>
<b>Funds</b>			
Unrestricted funds:			
General fund	19	626	220
Restricted funds:			
General restricted funds	19	1,141	1,014
Restricted fixed asset funds	19	15,350	10,355
Pension reserve	19	-	(521)
		<u>17,117</u>	<u>11,068</u>
<b>Total funds carried forward</b>		<u>17,117</u>	<u>11,068</u>

The financial statements were approved by the Board of Trustees on 14 December 2023 and were signed on its behalf:

  
F Dale  
**Chair of Trustees**

Company Registration Number - 09440033

The notes on pages 25 to 42 form part of these financial statements.

**Future Generation Trust**

**Statement of Cash Flows**  
**For the year ended 31 August 2023**

		2023	2022
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	23	5,650	1,163
		<hr/>	<hr/>
<b>Net cash provided by (used in) operating activities</b>		<b>5,650</b>	<b>1,163</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(320)	(1,462)
Donated assets		-	513
Fixed assets transferred on conversion		(5,055)	-
Pension deficit transferred on conversion		406	-
Capital grants from DfE/ESFA		126	84
		<hr/>	<hr/>
<b>Net cash provided by (used in) Investing activities</b>		<b>(4,843)</b>	<b>(865)</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Cash flows from financing activities</b>			
New loans		27	23
Repayments of borrowing		(21)	(17)
		<hr/>	<hr/>
<b>Net cash provided by (used in) financing activities</b>		<b>6</b>	<b>6</b>
		<hr/> <hr/>	<hr/> <hr/>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>813</b>	<b>304</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b>1,942</b>	<b>1,638</b>
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the reporting period</b>	23	<b>2,755</b>	<b>1,942</b>
		<hr/> <hr/>	<hr/> <hr/>

The notes on pages 25 to 42 form part of these financial statements.

## Future Generation Trust

### Notes to the Financial Statements For the year ended 31 August 2023

#### **1 Accounting policies**

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

##### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2022 to 2023 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

##### **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 one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **Income**

All income is recognised in the Statement of Financial Activities once the academy trust has entitlement to the funds, it is probable that the income will be received 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

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

Capital grants are recognised 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.

##### **Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

##### **Other income**

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

##### **Donated goods, facilities and services**

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

##### **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.

##### **Raising funds**

Raising funds 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.

## Future Generation Trust

### Notes to the Financial Statements For the year ended 31 August 2023

#### **1 Accounting policies**

##### **Charitable activities**

Costs of charitable activities are incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

##### **Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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

Leasehold land	- 0.8% per year (125 years)
Leasehold buildings	- 2% per year (50 years)
Furniture and equipment	- 10% per year (10 years)
Computer equipment	- 33% per year (3 years)
Motor vehicles	- 25% per year (4 years)

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

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

##### **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.

##### **Provisions**

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

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

##### **Financial instruments**

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 15. 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.

##### **Fund accounting**

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

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

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

## Future Generation Trust

### Notes to the Financial Statements For the year ended 31 August 2023

#### 1 Accounting policies

##### **Leased Assets**

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

##### **Transfer on conversion**

Where assets and liabilities are received by the academy trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the academy trust. An equal amount of income is recognised on conversion within donations and capital grant income to the net assets received.

##### **Taxation**

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

##### **Pension benefits**

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

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. 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 net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

##### **Critical accounting judgements and key sources of estimation uncertainty**

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

##### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact upon the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 August 2023. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

#### 2 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Capital grants		126	126	84
Donated fixed assets	-	-	-	513
Other donations	32	-	32	7
	<u>32</u>	<u>126</u>	<u>158</u>	<u>604</u>

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**3 Funding for the academy's educational operations**

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
<b>DfE/ ESFA grants</b>				
General annual grant	-	7,601	7,601	6,115
Other DfE/ESFA grants				
Pupil Premium	-	461	461	277
UIFSM	-	286	286	231
Teachers pension grant	-	-	-	1
Supplementary grant	-	216	216	52
PE & Sports grant	-	94	94	77
MSAG grant	-	112	112	-
Trust capacity fund	-	132	132	-
Others	-	149	149	114
	<u>-</u>	<u>9,051</u>	<u>9,051</u>	<u>6,867</u>
<b>Other Government grants</b>				
Local authority grants - EY funding	-	1,019	1,019	846
Local authority grants - other	-	20	20	-
Special educational projects	-	263	263	145
	<u>-</u>	<u>1,302</u>	<u>1,302</u>	<u>991</u>
<b>COVID-19 additional funding (DfE/ESFA)</b>				
Catch up premium	-	-	-	1
<b>Other income from the academy trust's educational operations</b>	358	-	358	286
	<u>358</u>	<u>10,353</u>	<u>10,711</u>	<u>8,145</u>

**4 Income from trading activities**

	Unrestricted funds £'000	Restricted funds £'000	2023 Total funds £'000	2022 Total funds £'000
Hire of facilities	10	-	10	4
Other income	489	-	489	419
	<u>499</u>	<u>-</u>	<u>499</u>	<u>423</u>

**5 Expenditure**

	Staff costs £'000	Premises £'000	Other costs £'000	2023 Total £'000	2022 Total £'000
Raising funds	-	-	-	-	-
Academy's educational operations:					
Direct costs	7,541	-	526	8,067	6,085
Allocated support costs	1,714	492	902	3,108	3,019
	<u>9,255</u>	<u>492</u>	<u>1,428</u>	<u>11,175</u>	<u>9,104</u>

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**5 Expenditure - continued**

Net income/(expenditure) is stated after charging/(crediting):

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Auditors' remuneration	13	12
Auditors' remuneration for non audit work	5	4
Depreciation - owned assets	319	258
Operating lease rentals	15	13
	15	13

**6 Charitable activities - academy's educational operations**

	<b>Unrestricted</b>	<b>Restricted</b>	<b>2023</b>	<b>2022</b>
	<b>funds</b>	<b>funds</b>	<b>Total</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Direct costs	-	8,067	8,067	6,085
Support costs	707	2,401	3,108	3,019
	707	10,468	11,175	9,104

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Analysis of support costs</b>		
Support staff costs	1,714	1,879
Depreciation	320	257
Technology costs	116	126
Premises costs	492	347
Other support costs	171	199
Governance costs	24	15
	2,837	2,823

**7 Trustees' remuneration and benefits**

One or more trustees has been paid remuneration or has received other benefits from 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:

		<b>2023</b>	<b>2022</b>
		<b>£'000</b>	<b>£'000</b>
Mr S Ayres (CEO and trustee)	Remuneration	75-80	65-70
	Employer's pension	-	-

During the year ended 31 August 2023 no Trustee expenses have been incurred (2022: £Nil)

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**8 Staff costs**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Wages and salaries	6,898	5,130
Social security costs	632	464
Operating costs of defined benefit pension schemes	1,707	1,922
	<b>9,237</b>	7,516
Agency staff costs	5	38
Staff restructuring costs	13	51
	<b>9,255</b>	7,605
 <u>Staff restructuring costs comprise:</u>		
Other restructuring costs	13	51
	<b>13</b>	51

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	<b>2023</b>	<b>2023</b>	<b>2022</b>	<b>2022</b>
	<b>Average</b>	<b>FTE</b>	<b>Average</b>	<b>FTE</b>
Teachers	77	72	66	61
Admin and support	214	156	171	115
Management	19	19	13	13
	<b>310</b>	<b>246</b>	250	189

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

	<b>2023</b>	<b>2022</b>
	<b>No.</b>	<b>No.</b>
£60-001 - £70,000	4	3
£70-001 - £80,000	2	1
	<b>6</b>	4

**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) received by key management personnel for their services to the academy trust was received by key management personnel for their services to the academy trust was £1,378,017 (2022: £917,653).

**9 Trustees' and officers' insurance**

The Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on 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



**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**10 Comparatives for the statement of financial activities 31 August 2022**

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Total funds £'000
<b>Income and endowments from</b>				
Donations and capital grants	7	-	597	604
<b>Charitable activities</b>				
Funding for the academy trust's educational operations	286	7,859	-	8,145
<b>Other trading activities</b>	423	-	-	423
<b>Investment income</b>	1	-	-	1
<b>Total income</b>	<u>717</u>	<u>7,859</u>	<u>597</u>	<u>9,173</u>
<b>Expenditure on</b>				
Raising funds	-	-	-	-
<b>Charitable activities</b>				
Academy trust's educational operations	721	8,125	258	9,104
<b>Other expenditure</b>				
<b>Total expenditure</b>	<u>721</u>	<u>8,125</u>	<u>258</u>	<u>9,104</u>
<b>Net income/(expenditure)</b>	(4)	(266)	339	69
Transfers between funds	-	(337)	337	-
<b>Other recognised gains (losses)/ gains:</b>				
Actuarial gains on defined benefit pension schemes	-	5,370	-	5,370
<b>Net movement in funds</b>	(4)	4,767	676	5,439
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>	<u>224</u>	<u>(4,274)</u>	<u>9,679</u>	<u>5,629</u>
<b>Total funds carried forward</b>	<u><u>220</u></u>	<u><u>493</u></u>	<u><u>10,355</u></u>	<u><u>11,068</u></u>

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**11 Central services**

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

- \* Human Resources
- \* Financial services
- \* Legal services
- \* Education support services
- \* Other as arising

The trust has charged a fee for these services for the period on the following basis:

- \* Flat percentage of 5% of GAG income
- \* Additional recharges relating to the finance function are recharged to all academies.

The actual amounts charged during the year were as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
St John's Primary Academy	130	112
Gentleshaw Primary Academy	71	39
St Peter's CE Primary Academy	96	83
Etching Hill CE Primary Academy	97	82
Moat Hill Primary Academy	125	-
	<b>519</b>	<b>316</b>
	<b>519</b>	<b>316</b>

**12 Tangible fixed assets**

	<b>Leasehold Land and Buildings £'000</b>	<b>Furniture and Equipment £'000</b>	<b>Computer Hardware £'000</b>	<b>Assets under construction £'000</b>	<b>Total £'000</b>
<b>Cost or valuation</b>					
At the 1 September 2022	11,136	184	101	11	11,432
Additions	5,266	47	62	-	5,375
Transfer	11	-	-	(11)	-
	<b>16,413</b>	<b>231</b>	<b>163</b>	<b>-</b>	<b>16,807</b>
<b>Depreciation</b>					
At the 1 September 2022	807	69	49	-	925
Charge for the year	266	19	34	-	319
	<b>1,073</b>	<b>88</b>	<b>83</b>	<b>-</b>	<b>1,244</b>
<b>NBV</b>					
At 31 August 2023	<b>15,340</b>	<b>143</b>	<b>80</b>	<b>-</b>	<b>15,563</b>
At 31 August 2022	<b>10,329</b>	<b>115</b>	<b>52</b>	<b>11</b>	<b>10,507</b>
	<b>15,340</b>	<b>143</b>	<b>80</b>	<b>-</b>	<b>15,563</b>
	<b>10,329</b>	<b>115</b>	<b>52</b>	<b>11</b>	<b>10,507</b>

Land is included in the total leasehold land and buildings valuation at £2,472,500 (2022: £2,472,500).

**13 Stock**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Stationery	15	11
Clothing	2	2
Catering	5	5
	<b>21</b>	<b>17</b>
	<b>21</b>	<b>17</b>

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**14 Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Trade debtors	13	9
Prepayments and accrued income	185	242
VAT recoverable	64	84
Other debtors	78	78
	340	413
	340	413

**15 Creditors: falling due within one year**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	273	278
Other taxation and social security	136	101
Other creditors	259	209
Loans (see note 16)	36	27
Accruals and deferred income	731	544
	1,435	1,159
	1,435	1,159

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Deferred income</b>		
At 1 September	222	178
Resources deferred	463	222
Amounts released from previous periods	(222)	(178)
	463	222
	463	222

At the balance sheet date the academy trust was holding funds of £463,309 received in advance for UIFSM, rates relief, childcare income, trip income and DfE grants received ahead of the delivery of services in 2023/24 .

**16 Creditors: falling due after more than one year**

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Loans	127	131
	127	131
	127	131

Included within creditors is a CIF loan of £23,489 from the Education and Skills Funding Agency which is provided to Gentleshaw Primary Academy on the following terms:

Loan duration (years):	3	Annual loan repayment:	£12,429
Interest rate (p.a):	1.98%	Total loan repayment:	£37,647

Included within creditors is a CIF loan of £76,381 from the Education and Skills Funding Agency which is provided to St Peter's Primary Academy on the following terms:

Loan duration (years):	5	Annual loan repayment:	£16,200
Interest rate (p.a):	1.99%	Total loan repayment:	£81,001

Included within creditors is a salix loan of £16,834 inherited on conversion which was provided to Etching Hill C of E Primary from Salix Finance Limited on the following terms:

Loan duration (years):	8	Annual loan repayment:	£4,810
Interest rate (p.a):	0.0%	Total loan repayment:	£38,477

Included within creditors is a CIF loan of £23,638 from the Education and Skills Funding Agency which is provided to Gentleshaw Primary Academy on the following terms:

Loan duration (years):	5	Annual loan repayment:	£4,911
Interest rate (p.a):	1.28%	Total loan repayment:	£24,554

Included within creditors is salix loan of £27,880 inherited on conversion which is provided to Moat Hill Primary Academy from Salix Finance on the following terms:

Loan duration (years):	8	Annual loan repayment:	£5,069
Interest rate (p.a):	0.00%	Total loan repayment:	£40,554

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**18 Leasing agreements**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023 £'000	2022 £'000
Within one year	15	16
Between one and five years	25	10
	40	26
	40	26

**19 Analysis of net assets between funds**

	Unrestricted fund £'000	Restricted fund £'000	Restricted fixed assets fund £'000	Total funds 2022 £'000
Fixed assets	-	-	15,563	15,563
Current assets	635	2,437	44	3,116
Current liabilities	(9)	(1,296)	(130)	(1,435)
Long term liabilities	-	-	(127)	(127)
Pension liability	-	-	-	-
	626	1,141	15,350	17,117
	626	1,141	15,350	17,117

	Unrestricted fund £'000	Restricted fund £'000	Restricted fixed assets fund £'000	Total funds 2021 £'000
Fixed assets	-	-	10,507	10,507
Current assets	220	1,975	177	2,372
Current liabilities	-	(961)	(198)	(1,159)
Long term liabilities	-	-	(131)	(131)
Pension liability	-	(521)	-	(521)
	220	493	10,355	11,068
	220	493	10,355	11,068

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**19 Movement in funds**

	Balance at 1 September 2022 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 August 2023 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	1,014	7,601	(7,341)	(133)	1,141
Other DfE/EFA grants					
Pupil Premium	-	461	(461)	-	-
UIFSM	-	286	(286)	-	-
Supplementary grant	-	216	(216)	-	-
PE & Sports grant	-	94	(94)	-	-
MSAG grant	-	112	(112)	-	-
Trust capacity fund	-	132	(132)	-	-
Others	-	149	(149)	-	-
Local authority	-	1,302	(1,302)	-	-
	<u>1,014</u>	<u>10,353</u>	<u>(10,093)</u>	<u>(133)</u>	<u>1,141</u>
<b>Restricted pension fund</b>	<u>(521)</u>	<u>(406)</u>	<u>(56)</u>	<u>983</u>	<u>-</u>
	<u>493</u>	<u>9,947</u>	<u>(10,149)</u>	<u>850</u>	<u>1,141</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	7,970	5,055	(211)	(320)	12,494
Donated assets	509	-	(8)	-	501
DfE/Capital grants	1,146	126	-	(1,272)	-
Capital expenditure from GAG	730	-	-	(730)	-
Cumulative fixed assets	-	-	(100)	2,455	2,355
	<u>10,355</u>	<u>5,181</u>	<u>(319)</u>	<u>133</u>	<u>15,350</u>
<b>Total restricted funds</b>	<u>10,848</u>	<u>15,128</u>	<u>(10,468)</u>	<u>983</u>	<u>16,491</u>
<b>Unrestricted funds</b>	<u>220</u>	<u>1,113</u>	<u>(707)</u>	<u>-</u>	<u>626</u>
<b>Total funds</b>	<u>11,068</u>	<u>16,241</u>	<u>(11,175)</u>	<u>983</u>	<u>17,117</u>

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

General Annual Grant (GAG): must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2023.

Other DfE/ESFA Grants: are utilised for the purposes intended by the donor.

Other Restricted General Funds: include payments made towards Academy trips.

The Pension Fund: is the (deficit)/ surplus in the Local Government Pension Scheme.

Restricted Fixed Asset Funds: include the fixed assets transferred on conversion to Academy, capital grants, additions and

Unrestricted Funds: are all those income and expenses for general use in the Academy.

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**19 Movement in funds - continued**

	Balance at 1 September 2021 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, losses and Transfers £'000	Balance at 31 August 2022 £'000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	903	6,115	(5,667)	(337)	1,014
Other DfE/EFA grants					
Pupil premium	-	277	(277)	-	
UIFSM	-	231	(231)	-	
Teachers pay	-	1	(1)	-	
Teachers pension	-	31	(31)	-	
COVID catch up	-	73	(73)	-	
COVID JRS	-	77	(77)	-	
Others	-	49	(49)	-	-
Local authority	-	1,005	(1,005)	-	-
	<u>903</u>	<u>7,859</u>	<u>(7,411)</u>	<u>(337)</u>	<u>1,014</u>
<b>Restricted pension fund</b>	<u>(5,177)</u>	-	<u>(714)</u>	<u>5,370</u>	<u>(521)</u>
	<u>(4,274)</u>	<u>7,859</u>	<u>(8,125)</u>	<u>5,033</u>	<u>493</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	8,012	-	(42)	-	7,970
DfE/Capital grants	1,221	84	(159)	-	1,146
Donated assets	-	513	(4)	-	509
Capital expenditure from GAG	446	-	(53)	337	730
	<u>9,679</u>	<u>597</u>	<u>(258)</u>	<u>337</u>	<u>10,355</u>
<b>Total restricted funds</b>	<u>5,405</u>	<u>8,456</u>	<u>(8,383)</u>	<u>5,370</u>	<u>10,848</u>
<b>Unrestricted funds</b>	<u>224</u>	<u>717</u>	<u>(721)</u>	<u>-</u>	<u>220</u>
<b>Total funds</b>	<u>5,629</u>	<u>9,173</u>	<u>(9,104)</u>	<u>5,370</u>	<u>11,068</u>

**Future Generation Trust**

**Notes to the Financial Statements  
For the year ended 31 August 2023**

**19 Movement in funds - continued**

**Analysis by Fund balance**

Fund balances at 31 August 2023 were allocated as follows:

	2023 £'000	2022 £'000
St John's Primary Academy	335	383
Gentleshaw Primary Academy	99	25
St Peter's CE Primary Academy	352	262
Etching Hill CE Primary Academy	568	503
Moat Hall Primary Academy	142	-
MAT central services	271	61
	<hr/>	<hr/>
Total before fixed assets and pension reserve	1,767	1,234
Restricted fixed asset fund	15,350	10,355
Pension reserve	-	(521)
	<hr/>	<hr/>
<b>Total</b>	<b>17,117</b>	<b>11,068</b>

**Analysis of academies by cost**

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2023 £'000
St John's Primary Academy	2,425	318	180	172	3,095
Gentleshaw Primary Academy	682	114	102	75	973
St Peter's CE Primary Academy	1,646	273	121	208	2,248
Etching Hill CE Primary Academy	1,635	265	194	164	2,258
Moat Hall Primary Academy	1,191	322	118	149	1,780
MAT central services	-	384	5	113	502
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,579	1,676	720	881	10,856

**Analysis of academies by cost**

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Total 2022 £'000
St John's Primary Academy	2,088	316	221	174	2,799
Gentleshaw Primary Academy	636	104	86	64	890
St Peter's CE Primary Academy	1,524	251	134	203	2,112
Etching Hill CE Primary Academy	1,480	220	156	151	2,007
MAT central services	-	985	1	52	1,038
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,728	1,876	598	644	8,846

## Future Generation Trust

### Notes to the Financial Statements For the year ended 31 August 2023

#### **20 Pension and similar obligations**

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Staffordshire County Council. Both are Multi-employer Defined Benefit Pension Schemes.

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

Contributions amounting to £172,510 were payable to the schemes at 31 August 2023 (2022: £126,696) and are included within creditors.

#### **Teachers' pension scheme**

##### **Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2023. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

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

##### **Valuation of the teachers' pension scheme**

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023 published by HM Treasury. 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 2020 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2023. The valuation report was published by the Department for Education on 26 October 2023. The key elements of the valuation are:

- employer contribution rates set at 28.68% 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 £262,000 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £222,200 million, giving a notional past service deficit of £39,800 million;
- the 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.

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

The pension costs paid to TPS in the period amounted to £824,675 (2022: £625,012).

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

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

##### **Local government pension scheme**

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2023 was £994,339 (2022: £681,414), of which employer's contributions totalled £818,179 (2022: £582,713), and employees' contributions totalled £176,160 (2022: £98,701). The agreed contribution rates for future years are 26.2% for employers and a range of 5.5% to 9.9% for employees.

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



**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**20 Pension and similar obligations - continued**

The amounts recognised in the Balance Sheet are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Present value of obligations	(7,397)	(6,214)
Fair value of plan assets	7,397	5,693
	<u>-</u>	<u>(521)</u>

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

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Current service costs	768	1,136
Net interest from net defined benefit asset/liability	38	90
	<u>806</u>	<u>1,226</u>
Actual return on plan assets	<u>(153)</u>	<u>(221)</u>

Changes in the present value of the defined benefit obligation are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Defined benefit obligation - brought forward	6,214	10,422
Current service cost	768	1,136
Contributions by scheme participants	162	110
Interest cost	323	182
Transfer on conversion	1,064	-
Actuarial (gains)/ losses	(1,661)	(5,591)
Asset celling adjustment	585	-
Benefits paid	(58)	(45)
	<u>7,397</u>	<u>6,214</u>

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**20 Pension and similar obligations - continued**

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

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of scheme assets - brought forward	5,693	5,245
Interest income	285	92
Actuarial (gains)/ losses	(153)	(221)
Employer contributions	750	512
Employee contributions	162	110
Transfer on conversion	658	-
Other experience remeasurement	60	-
Benefits paid	(58)	(45)
	<b>7,397</b>	<b>5,693</b>

The amounts recognised in other recognised gains and losses are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
Actuarial gains/(losses):		
Changes in financial assumptions	2,109	5,577
Changes in demographic assumptions	203	31
Other experience (loss)	(591)	(17)
Return on fund assets in excess of interest	(153)	(221)
Asset ceiling adjustment	(585)	-
	<b>983</b>	<b>5,370</b>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>Defined benefit pension plans</b>	
	<b>2023</b>	<b>2022</b>
Equities	67%	72%
Government bonds	23%	16%
Property	8%	9%
Cash/liquidity	2%	3%

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	<b>2023</b>	<b>2022</b>
Discount rate	5.20%	4.25%
Future salary increases	3.45%	3.45%
Future pension increases (CPI)	2.95%	3.05%

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

	<b>At 31 August 2023</b>	<b>At 31 August 2022</b>
<b>Retiring today</b>		
Males	20.7	21.2
Females	23.5	23.8
<b>Retiring in 20 years</b>		
Males	21.2	22.2
Females	25.4	25.5

## Future Generation Trust

### Notes to the Financial Statements For the year ended 31 August 2023

#### 20 Pension and similar obligations - continued

##### Sensitivity analysis as at 31 August 2023

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are as follows:

	2023	2022
	£'000	£'000
Discount rate -0.1%	175	161
1 year increase in member life expectancy	272	249
Salary increase rate +0.1%	19	18
Pension increase rate +0.1%	160	145

#### 21 Related party disclosures

Owing to the nature of the academy trust's operations 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 trust has an interest.

All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations, the Academies Financial Handbook and normal procurement procedures.

There were no other related party transactions for the year ended 31 August 2023 other than certain Trustees' remuneration and expenses already disclosed in note 7.

#### 22 Capital commitments

	2023	2022
	£'000	£'000
Contracted for, but not provided in the financial statements	-	70

#### 23 Reconciliation of net income to net cash flow from operating activities

	2023	2022
	£'000	£'000
<b>Net income for the reporting period (as per the Statement of Financial Activities):</b>	<b>5,066</b>	<b>69</b>
<b>Adjustments for:</b>		
Depreciation charge	319	258
Capital grants from DfE/ESFA	(126)	(84)
Donated tangible fixed assets	-	(513)
Decrease/(increase) in stock	(4)	5
Decrease/(increase) in debtors	73	454
Increase/(decrease) in creditors	266	260
Defined pension scheme obligation inherited	-	-
Defined benefit pension scheme cost less contributions payable	18	624
Defined benefit pension scheme finance cost	38	90
<b>Net cash (used in)/provided by operations</b>	<b>5,650</b>	<b>1,163</b>

**Future Generation Trust**

**Notes to the Financial Statements**  
**For the year ended 31 August 2023**

**24 Analysis of changes in net funds**

	At 1/9/22	Cash flow	Non cash changes	At 31/8/23
	£'000	£'000	£'000	£'000
Cash and cash equivalents	1,942	813	-	2,755
	<hr/>	<hr/>	<hr/>	<hr/>
	1,942	813	-	2,755
Loans falling due within one year	(27)	(9)	-	(36)
Loans falling due after more than one year	(131)	4	-	(127)
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>1,373</b>	<b>808</b>	<b>-</b>	<b>2,592</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**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

**26 Conversion to an Academy Trust**

On 1 October 2022 the Moat Hall Primary converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Future Generation Trust from the Staffordshire Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total
	£'000	£'000	£'000	£'000
<b>Moat Hall Primary Academy</b>				
Tangible fixed assets	-	-	5,055	5,055
Leasehold land and buildings				
Current assets				
Cash - representing budget surplus on LA funds	204	-	-	204
LGPS pension (deficit)	-	(406)	-	(406)
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>204</b>	<b>(406)</b>	<b>5,055</b>	<b>4,853</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>